

Luxembourg Earth Impact Fund

Prospectus

December 2024

Luxembourg Earth Impact Fund
(a Luxembourg domiciled investment company)

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Important Information

Copies of this Prospectus can be obtained from and enquiries regarding the Company should be addressed to:

Schroder Investment Management (Europe) S.A.

5, rue Höhenhof
L-1736 Senningerberg
Grand Duchy of Luxembourg
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This prospectus (the “Prospectus”) should be read in its entirety before making any application for Shares. If you are in any doubt about the contents of this Prospectus you should consult your financial or other professional adviser.

Shares are offered on the basis of the information contained in this Prospectus and the documents referred to herein.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription, sale or redemption of Shares other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company or the alternative investment fund manager (the “Management Company”). Neither the delivery of this Prospectus nor the offer, placement, subscription or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

The Directors, whose names appear below, have taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material to such information. The Directors accept responsibility accordingly.

The distribution of this Prospectus and supplementary documentation and the offering of Shares may be restricted in certain countries. Investors wishing to apply for Shares should inform themselves as to the requirements within their own country for transactions in Shares, any applicable exchange control regulations and the tax consequences of any transaction in Shares.

The Shares are reserved to Eligible Investors.

The Management Company is authorised as a full-scope alternative investment fund manager by the CSSF.

To the extent applicable, a KID in compliance with the relevant provisions of Regulation (EU) 1286/2014, as amended, and Commission Delegated Regulation (EU) 2017/653 will be published for each Share Class available to retail Investors. KIDs are handed over to future retail Investors in good time prior to their subscription in the Company and are (i) provided to the retail Investor using a durable medium

other than paper or (ii) available under www.schroders.com/en/global/individual/ and can be obtained in paper form free of charge upon request from the Transfer Agent.

This Prospectus does not constitute an offer or solicitation by anyone in any country in which such offer or solicitation is not lawful or authorised, or to any person to whom it is unlawful to make such offer or solicitation.

When marketing Shares in any territory of the European Economic Area (EEA) (other than Luxembourg) to Professional Investors that are domiciled or have a registered office in the EEA, the Management Company intends to utilise marketing passports made available under the provisions of the AIFMD.

Investors should note that not all of the protections provided under their relevant regulatory regime may apply and there may be no right to compensation under such regulatory regime, if such scheme exists.

For the purposes of the General Data Protection Regulation 2016/679 (“GDPR”), the data controller in relation to any personal data you supply are the Company and the Management Company.

In order to comply with the obligations and responsibilities under the GDPR, the Company and the Management Company are required by law to make available to you a privacy policy which details how Schroders collect, use, disclose, transfer, and store your information. Please find a copy of the privacy policy at www.schroders.com/en/privacy-policy. You hereby acknowledge that you have read and understood the contents of the privacy policy.

The distribution of this Prospectus in certain countries may require that this Prospectus be translated into the languages specified by the regulatory authorities of those countries. Should any inconsistency arise between the translated and the English version of this Prospectus, the English version shall always prevail.

The Management Company may use telephone recording procedures to record any conversation. Shareholders are deemed to consent to the recording of conversations with the Management Company and to the use of such recordings by the Management Company and/or the Company in legal proceedings or otherwise at their discretion.

The price of Shares in the Company and the income from them may go down as well as up and a Shareholder may not get back the amount invested.

For each Fund that has environmental and/or social characteristics (within the meaning of Article 8 SFDR) or has the objective of sustainable investment (within the meaning of Article 9 SFDR) information about such characteristics or objective is available in the precontractual disclosures for each Fund in Appendix IV.

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Definitions

2010 Law

the Luxembourg law on undertakings for collective investment dated 17 December 2010, as amended

2013 Law

the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended

Accumulation Shares

shares whose price includes income accumulated within a Fund

Administration Agent

UI efa S.A.

Advisory Committee

an advisory committee that may be set-up for a given Fund, acting under the supervision of the Board of Directors, as further specified in Appendix III

Affiliates

(A) in the case of a company:

- (1) any company which is its direct or indirect holding company or subsidiary or a direct or indirect subsidiary of that holding company; or
- (2) a company (or a direct or indirect subsidiary of a company) or other entity which Controls or is Controlled by the person concerned.

(B) in the case of an individual, the spouse or direct descendant and ascendants of any kind, and any company directly or indirectly Controlled by such person and his associates within the meaning of paragraph (A) (2) of this definition; or

(C) in the case of an entity other than a company, the members and any company or entity directly or indirectly Controlled by such person and his associates within the meaning of paragraph (A)(2) of this definition,

except in, all cases, any company or entity in which the Company holds an Investment

AIF

an alternative investment fund within the meaning of the 2013 Law and the AIFMD

AIFMD

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers, as amended

AIFM Management Fee

the fee to which the Management Company is entitled out of the assets of each Fund as further set out in section 3 paragraph 3.1.

AIFM Regulation

the European Commission Delegated Regulation 231/2013 of 19 December 2012, as amended

AIFM Rules

the AIFMD, the AIFM Regulation, the 2013 Law as well as any European or Luxembourg regulatory guidelines as may be issued in relation thereof, as amended

AML/KYC

the anti-money laundering / know your customer pursuant to Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing

Articles

the articles of association of the Company as amended from time to time

Business Day

any day on which banks are open the whole day for business in Luxembourg, unless otherwise provided in the relevant Fund's details in Appendix III

Calculation Day

a day on which the Net Asset Value per Share is calculated for a Share Class and/or a Fund, as defined for each Fund in Appendix III

Closing

the date (or dates) determined by the Management Company on, or prior to which duly executed Commitment Agreements in relation to the issuances of Shares pursuant to the Prospectus and the Articles have to be received by the Transfer Agent, which shall include the First Closing, any Subsequent Closing and the Final Closing as applicable

Co-investment

an investment in a private company alongside an Investment Fund or any other professional investor subject to the Investment Restrictions as defined for each Fund in Appendix III.

Commitment

the commitment of an Investor into a Fund, as specified in section 2.1 of this Prospectus

Commitment Agreement

the commitment agreement entered into by each Investor for Shares, in such form as the Management Company may prescribe from time to time, such as the application form

Company

Luxembourg Earth Impact Fund

Control

the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership, directly or indirectly of shares, equity rights or voting rights or other interests of any such entity and/or by contract and provided that if an entity or person holds more than 50% of the shares, equity or voting rights of another entity, then such person or entity shall be deemed to Control the first entity or person. The terms "Controls" and "Controlled" shall be interpreted accordingly

CSSF

Commission de Surveillance du Secteur Financier
(Luxembourg Financial Sector Supervisory Authority)

Dealing Cut-off Time

the time by which dealing instructions must be received by the Transfer Agent in order to be executed on a Dealing Day as defined for each Fund in Appendix III

Dealing Day

a Business Day on which dealing instructions received for a Fund are executed, as defined for each Fund in Appendix III. A Business Day on which dealing instructions for a Fund are executed, shall not fall within a period of suspension of calculation of the Net Asset Value per Share of the relevant Share Class or of the Net Asset Value of the relevant Fund. The Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets on which any substantial portion of the Company's investments of the relevant Fund are quoted are closed for trading and settlement, and whether underlying Investment Funds representing a material part of the assets the relevant Fund invests in are closed for dealing and/or the determination of the Net Asset Value per Share is suspended. The Management Company may elect to treat such closures as non-Dealing Days for Funds which invest a substantial amount of their portfolio on these closed stock exchanges and/or Regulated Markets and/or these closed underlying Investment Funds. A list of expected non-Dealing Days for the Funds is available from the Management Company on request and is also available on the Internet site www.schroders.com/en/global/individual/

Defaulting Investor

means an Investor in a Fund who has failed to comply with a Drawdown in respect of its Undrawn Commitment and who has been declared to be a Defaulting Investor by the Management Company

Depository

Banque de Luxembourg

Directors or Board of Directors

the board of directors of the Company as defined in section "Directors" of this Prospectus

Distributor

a person or entity duly appointed from time to time by the Management Company to distribute or arrange for the distribution of Shares

Distribution Shares

Shares which distribute their income

Drawdown

a request by the Management Company to a Shareholder for the payment of a specific amount of its Undrawn Commitment

Drawdown Notice

unless otherwise provided in the relevant Fund's details in Appendix III, each written notice sent by the Management Company to a Shareholder in a Fund requesting such Shareholder to pay part or all of its Commitment to the Fund

EEA

European Economic Area

Eligible Investor

a Professional Investor or, to the extent foreseen in the relevant Fund's Appendix III a retail investor, subject to any additional requirements which may be imposed by the Directors or Management Company at their discretion, by the AIFM Rules or by the relevant regulatory authorities where Shares are distributed

Eligible State

includes any member state of the European Union (the "EU"), any member state of the Organisation for Economic Co-operation and Development (the "OECD"), and any other state which the Directors deem appropriate

EU

European Union

EUR

the European currency unit (also referred to as the Euro)

Final Closing

the last date on which a Closing occurs, as determined by the Management Company, and after which no further new commitment to subscribe for Shares in a Fund shall be accepted, as detailed in the relevant Fund's details in Appendix III

Financial Year

a period of 12 months ending on 31st December

First Closing

the date of the first Closing and admission of Shareholders in a Fund, as determined by the Management Company, and as further detailed in the relevant Fund's details in Appendix III

Fund(s)

a specific portfolio of assets and liabilities within the Company, being a sub-fund of the Company and having its own Net Asset Value and represented by a separate Share Class or Share Classes

Fund Assets

the aggregate of Invested Capital and Neutral Assets

GBP

Great British Pound

IFRS

International Financial Reporting Standard

Impact Success Fee

a fee that may be payable to the Investment Manager in relation to a Fund as detailed in the relevant Fund's details in Appendix III

Indemnified Persons

means the Board of Directors, the Management Company and the Investment Manager, their Affiliates and any of their respective officers, directors, partners, members, shareholders, agents, delegates and employees, or any person who serves on the Advisory Committee and the Investor whom such member of the Advisory Committee represents

Initiator

Ministry of Finance of the Grand Duchy of Luxembourg

Intermediary Entity

unless otherwise defined in the relevant Fund's details in Appendix III, any legal structure established by the Company or by the Management Company on behalf of the Company for the purpose of investing in the underlying assets and which satisfies the conditions laid down in articles 89 and 90 of the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (the "AIFMD Level 2 Regulation")

Invested Capital

Means the aggregated amount of capital contributions to each of the Fund's investments held directly and/or indirectly (excluding investments in Neutral Assets)

Investment Fund(s)

a UCITS or other UCI, AIF or other non-regulated investment funds in which the Funds may invest, as determined in the investment rules described in Appendix I

Investment Manager

any investment manager appointed by the Management Company, to manage the Funds under its supervision as detailed for each Fund in Appendix III

Investment Proceeds

all cash, securities and other property received by the Fund in respect of investments made by the Fund and any proceeds thereof (including all interest or fee income received in cash

in respect of the underlying investments), net of all fees, costs, expenses and liabilities imposed on the Fund and attributable to each Share Class

Investor

a subscriber for Shares

Investor Commitment

the aggregate commitments received from Investors across all Share Classes of a Fund

Issue Price

the price at which Shares in a Fund are issued to Investors who have committed to subscribe for Shares on or before a Closing as further described in Appendix III

KID

a packaged retail investment and insurance product key information document in accordance with Regulation 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products

Lux GAAP

Luxembourg generally accepted accounting principles

Management Company

Schroder Investment Management (Europe) S.A. acting as the alternative investment fund manager for the Company

Management Fee

the fee to which the Investment Manager is entitled out of the assets of each Fund

MiFID

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as may be amended from time to time

Net Asset Value

the assets less the liabilities of the relevant Fund or Share Class as reflected in the most recent calculations which shall be carried out in a manner consistent with the basis for calculating the Net Asset Value in the latest annual or interim report of the relevant Fund

Net Asset Value per Share

the Net Asset Value of the relevant Share Class divided by the number of Shares of the relevant Share Class then in issue

Neutral Assets

The portion of the Fund's assets held directly and/or indirectly for the specific purpose of liquidity management (for e.g. money market funds, cash or cash equivalents) and derivatives held directly and/or indirectly for hedging purposes only

OTC

over-the-counter

Performance Fee

a fee that may be paid to the Investment Manager in relation to a Fund subject to the achievement of certain targets as detailed, if applicable, in the relevant Appendix III

Professional Investor

a professional investor who is an investor who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs and meets the criteria laid down in Annex II of MiFID (e.g. credit institutions; investment firms; other authorised or regulated financial institutions; insurance companies; collective investment schemes and management companies of such schemes; pension funds and management companies of such funds; commodity and commodity derivatives dealers; locals or other institutional investors)

Regulated Market

a market within the meaning of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments or another regulated market which operates regularly and is recognised and open to the public in an Eligible State

Regulations

the 2010 Law and the 2013 Law, as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions

Reporting Fund

a Fund or a Share Class that complies with UK HMRC's tax regime for offshore funds and therefore has a certain tax status relevant for UK tax paying Shareholders

Schroders

Schroders plc., the Management Company's ultimate holding Company, and its subsidiaries and affiliates worldwide

SFDR

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended from time to time

SFTR

Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended from time to time

Share

a share of no par value in any one Share Class in the capital of the Company

Share Class

a class of Shares with specific characteristics such as a specific fee structure

Shareholder

a holder of Shares

Subscription Capital Amount

with respect to each Shareholder, the total amount paid by a Shareholder in respect of its commitment to subscribe for Shares in the Fund; which amount will be set forth on the books and records of the Fund

Subscription Fee

the one-off amount, if any, payable to a Distributor in relation to the subscription for Shares which is charged directly to the investor by a Distributor and is an amount payable in addition to the Subscription Capital Amount of a Shareholder

Subsequent Closing

any Closing held after the First Closing and before the Final Closing

Taxonomy Regulation

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

Transfer Agent

the provider of registrar and transfer agency services, UI efa S.A.

UCI

an "undertaking for collective investment" as defined in the 2010 Law, including for the avoidance of doubt AIF

UCITS

an "undertaking for collective investment in transferable securities" within the meaning of points a) and b) of Article 1 (2) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, as amended, on the coordination of laws, regulations and administrative provisions relating to UCITS

UK

the United Kingdom

Undrawn Commitment

the amount of a Shareholder's outstanding Commitment which remains available to be drawn down by the Management Company

USA or US

the United States of America (including the District of Columbia), its territories, its possessions and any other areas subject to its jurisdiction

USD

United States Dollar

All references herein to time are to Luxembourg time unless otherwise indicated.

Words importing the singular shall, where the context permits, include the plural and vice versa.

Directors

Chairperson

The Chairperson of the Board shall always be one of the two Ministry of finance representatives.

Directors

- **Jennifer de Nijs**
Chairperson, **Non-executive Director (Nominated by the Initiator)**
3, rue de la Congregation
L-1352 Luxembourg
Grand Duchy of Luxembourg
- **Juan Camilo Rubio Segura**
Non-executive Director (Nominated by the Initiator)
3, rue de la Congrégation
L-1532 Luxembourg
Grand Duchy of Luxembourg
- **Noel James Fessey**
Non-executive Director
8 rue des Lavandes,
L-8022 Strassen
Grand Duchy of Luxembourg
- **Hedda Louise Pahlson-Moller**
Non-executive Director
19, rue du Nord
L-2229 Luxembourg
Grand Duchy of Luxembourg
- **Jane Fiona Wilkinson**
Non-executive Director
34, Boulevard Dr E Feltgen
L-1515 Luxembourg
Grand Duchy of Luxembourg

Administration

Registered Office

5, rue Höhenhof
L-1736 Senningerberg
Grand Duchy of Luxembourg

Management Company

Schroders Investment Management (Europe) S.A.
5, rue Höhenhof
L-1736 Senningerberg
Grand Duchy of Luxembourg

Investment Manager

Please refer to Appendix III on the relevant Fund

Depository

Banque de Luxembourg
14, Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

Administration Agent, Registrar and Transfer Agent

UI efa S.A.
2, rue d'Alsace
L-1122 Luxembourg
Grand Duchy of Luxembourg

Independent Auditors

Ernst & Young
35E, Avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Principal Legal Adviser

Arendt & Medernach S.A.
41A, Avenue John F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

Principal Paying Agent

Banque de Luxembourg
14, Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

Section 1

1. The Company

1.1. Structure

The Company is an investment fund organised as a “société anonyme” under the laws of the Grand Duchy of Luxembourg and qualifies as a Société d’Investissement à Capital Variable (“SICAV”) and as an alternative investment fund within the meaning of article 1(39) of the 2013 Law. The Company shall be governed by part II of the 2010 Law. The Company operates separate Funds, each of which is represented by one or more Share Classes. The Funds are distinguished by their specific investment policy or any other specific features.

The Company constitutes a single legal entity, but the assets of each Fund shall be invested for the exclusive benefit of the Shareholders of the corresponding Fund and the assets of a specific Fund are solely accountable for the liabilities, commitments and obligations of that Fund.

The Directors may at any time resolve to set up new Funds and/or create within each Fund one or more Share Classes and this Prospectus will be updated accordingly. The Directors may also at any time resolve to close a Fund, or one or more Share Classes within a Fund to further subscriptions.

Certain Shares may be listed on the Luxembourg Stock Exchange as well as any other recognised stock exchange upon the decision of the Board of Directors. A list of all Funds and Share Classes may be obtained free of charge from the registered office of the Company.

1.2. Mission statement

The Company’s mission is to invest in a variety of impact strategies while strengthening the sustainable finance ecosystem and contributing to the transition to sustainable and resilient economies.

1.3. Investment Objectives and Policies

The exclusive objective of the Company is to place the funds available to it in transferable securities of any kind and other permitted assets with the purpose of spreading investment risks and affording its Shareholders the financial and non financial results of the management of its portfolios.

The investment strategy of each Fund is based on an alternative investment strategy selected by the Management Company and the Board of Directors which has been designed by the relevant Investment Manager. The specific investment objective and policy of each Fund is described in Appendix III.

The investments of each Fund shall at any time comply with the restrictions set out in Appendix I and Appendix III. Investors should, prior to any investment being made, take due account of the risks of investment set out in Appendix II and any specific risk set out in Appendix III.

The Directors are entitled to make any changes to the Prospectus which do not have a negative material impact on the interests of Shareholders (“Non-Material Changes”) at its entire discretion without requesting the consent of the Shareholders concerned.

The Directors may make further material changes to the Prospectus, subject to the CSSF approval, with the prior written consent of Shareholders having had one month prior notice and holding in aggregate two-thirds of the Subscription Capital Amount of (i) each of the relevant Fund (s) impacted by the change, where the change does not impact all Funds or (ii) the Company, for changes relating to all Funds. For closed-ended Funds not open to retail investors, any change approved by the aforementioned majority will be binding on all Shareholders of the relevant Fund. However, Shareholders in an open-ended Fund who have not given their prior consent to the material changes will be given one month prior notice in order for them to request the redemption of their Shares should they disagree in accordance with the procedure set out in the relevant Appendix III.

Unless provided otherwise in a relevant Fund’s Appendix III, the following amendments will be deemed to be material changes: (i) significant changes to the investment objective, investment policy and investment restrictions applicable to a closed-ended Fund (other than the general information which is disclosed for the purpose of compliance with applicable regulations), (ii) material increase of fees paid to services providers (including the Management Company and the Investment Manager), (iii) change to the duration of a closed-ended Fund (other than the application of the extension period which is at the discretion of the Management Company as provided in the relevant Fund’s details in Appendix III), (iv) changes to the dividend distribution policy applicable at the level of a Fund or a particular Class, (v) decrease of the level of consent of Shareholders required to make such amendments as well as (vi) changes to any other clause or provision which adversely affects Shareholders individually and as a group in a material respect.

For the purpose of this section, the following amendments (which list is not exhaustive) will be deemed to be Non-Material Changes: (i) any amendment that is necessary or desirable to resolve any ambiguity or to correct or supplement any provision of this Prospectus that would otherwise be inconsistent with the provisions of the Articles or to correct any printing, stenographic or clerical error or omission, provided such correction does not adversely affect any Shareholders, (ii) any amendment that is necessary or desirable to satisfy any application requirements, conditions or guidelines contained in any opinion, directive, order, statute, rule or regulation of any governmental entity or of the CSSF or to comply with fiscal or other statutory or official requirements affecting the Company, provided that such amendment is made in a manner which minimises any adverse effect on Shareholders, (iii) any amendment required by the CSSF in the course of the approval process of any amendment to this Prospectus, (iv) any update of factual information (such as but not limited to the name of the directors of the Company), (v) any update to reflect changes made to the Articles and (vi) any amendments to elements/information/features which are described in the Prospectus as being at the discretion of the Directors and/or Management Company.

1.4. Share Classes

The Directors may decide to create within each Fund different Share Classes whose assets will be commonly invested pursuant to the specific investment policy of the relevant Fund, but where a specific fee structure, currency of

denomination or other specific feature may apply to each Share Class. The Board of Directors may decide, in its sole discretion, to offer hedged Share Classes. A separate Net Asset Value per Share, which may differ as a consequence of these variable factors, will be calculated for each Share Class. Shares can be issued as Accumulation Shares or Distribution Shares at the Directors' discretion. Investors may enquire at the Management Company or their Distributor whether any Distribution Shares are available within each Share Class.

Investors are informed that not all Distributors offer Shares of all Share Classes.

The particular features of each Share Class are provided in the relevant Appendix III.

Sales Charge

The Management Company and Distributors are entitled to the initial charge, which can be partly or fully waived at the Directors' discretion from time to time. The initial charge attributable to each Share Class is specified in the Fund Details in Appendix III.

Currency and Hedging Policy

These Share Classes, where available, may also be offered in other currencies (each a "Reference Currency") at the Directors' discretion. Where offered in a currency other than the base currency of the Fund (the "Fund Currency"), a Share Class may be currency denominated or currency hedged and will be designated as such.

The aim of a hedged Share Class is to provide Investors with the performance returns of the Fund's investments by reducing the effects of exchange rate fluctuations between the Fund Currency and the Reference Currency. In this instance currency exposures or currency hedging transactions within the Fund's portfolio will not be considered. The Management Company, through its FX overlay services provider, will review hedged positions at every valuation point to ensure that (i) over-hedged positions do not exceed 105% of the Net Asset Value of the hedged Classes and (ii) under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the hedged Classes which is to be hedged against the currency risk.

The performance of hedged Share Classes aims to be similar to the performance of equivalent Share Classes in Fund Currency. There is no assurance however that the hedging strategies employed will be effective in delivering performance differentials that are reflective only of interest rate differences adjusted for fees.

Where undertaken, the effects of this hedging will be reflected in the Net Asset Value per Share and, therefore, in the performance of such additional Share Class. Similarly, any expenses arising from such hedging transactions (including a hedging charge of up to 0.03% to the benefit of the Management Company or its delegate) will be borne by the Share Class in relation to which they have been incurred. Collateral received in connection with currency hedging transactions (and in particular currency forward transactions) on behalf of currency hedged Share Classes, may be reinvested, in compliance with the applicable investment policy and restrictions of the Funds.

It should be noted that these hedging transactions may be entered into whether the Reference Currency is declining or increasing in value relative to the relevant Fund Currency and so, where such hedging is undertaken it may substantially protect Investors in the relevant Share Class against a decrease in the value of the Fund Currency relative to the

Reference Currency, but it may also preclude Investors from benefiting from an increase in the value of the Fund Currency.

In addition the Management Company may hedge the Reference Currency against the currencies in which the underlying assets of the Fund are denominated, using the instruments mentioned at the beginning of Appendix III.

There can be no assurance that the currency hedging employed will fully eliminate the currency exposure to the Fund Currency.

The Management Company will delegate some or all of its currency and hedging policy related activities described in this Prospectus to a third party or Affiliate.

Section 2

2. Share Dealing

2.1. Subscription for Shares

The Funds may be either (i) open-ended in which case the provisions under 2.1.1 apply or (ii) closed-ended in which case the provisions under 2.1.2 apply.

2.1.1. Open-ended Funds

Investors subscribing for Shares for the first time should complete an application form and send it with applicable identification documents by post to the Transfer Agent. Application forms may be accepted by facsimile transmission or other means approved by the Transfer Agent, provided that the original is immediately forwarded by post. If completed application forms and cleared funds are received by the Transfer Agent for any Dealing Day before the Dealing Cut-off Time as specified in Appendix III, the subscription instruction will be executed on the Dealing Day and Shares will normally be issued at the relevant Net Asset Value per Share, as defined under "Calculation of Net Asset Value", determined on the relevant Calculation Day (plus any applicable initial charge). For completed applications received after the Dealing Cut-off Time, the instruction will normally be executed on the next relevant Dealing Day and Shares will be issued at the Net Asset Value per Share calculated on the associated Calculation Day (plus any applicable initial charge).

Each Investor will be given a personal account number which, along with any relevant transaction number, should be quoted on any payment by bank transfer. Any relevant transaction number and the personal account number should be used in all correspondence with the Management Company, Transfer Agent or any Distributor.

Different subscription procedures may apply if applications for Shares are made through Distributors.

All applications to subscribe for Shares shall be dealt with on an unknown Net Asset Value basis before the determination of the Net Asset Value per Share for that Dealing Day.

However, the Directors may permit, if they deem it appropriate, different Dealing Cut-off Times to be determined in justified circumstances, such as distribution to Investors in jurisdictions with a different time zone. Such different Dealing Cut-off Times may either be specifically agreed upon with Distributors or may be published in any supplement to the Prospectus or other marketing document used in the jurisdiction concerned. In such circumstances, the applicable Dealing Cut-off Time applied to Shareholders must always precede the Dealing Cut-off Time referred to in Appendix III.

Subsequent subscriptions for Shares do not require completion of an additional application form. However, Investors shall provide written instructions as agreed with the Transfer Agent to ensure smooth processing of subsequent subscriptions. Instructions may also be made by letter, facsimile transmission, in each case duly signed, or such other means approved by the Transfer Agent.

Confirmations of transactions will normally be dispatched on the Business Day following the Calculation Day. Shareholders should promptly check these confirmations to ensure that they are correct in every detail. Investors are advised to refer

to the terms and conditions on the application form to inform themselves fully of the terms and conditions to which they are subscribing.

Please refer to Appendix III for more details on the Dealing Cut-off Time and dealing frequency for each Fund.

2.1.2. Closed-ended Funds

Where specified in Appendix III, Commitments to a Fund may be made at one or more Closings determined by the Board of Directors for the relevant Fund.

Duly executed Commitment Agreements and application forms attached as Appendix to the Commitment Agreements must be received by the Transfer Agent prior to or on the Closing as provided in Appendix III. Payment of the Issue Price for the Shares committed to subscribe for at a Closing must be received by the Transfer Agent on or before the date as laid out in Appendix III and in the Drawdown Notice.

Unless otherwise decided by the Management Company at its absolute discretion and as further described in Appendix III, each investor applying to make a Commitment may be required to contribute a portion or all of their Commitment to the Fund (the "Initial Drawdown") on or around the Closing following the Management Company's acceptance of such applicant's Commitment Agreement. Shares will be issued in accordance with the procedure described in Appendix III for the relevant Fund. Where applicable, the amount of the Initial Drawdown will be deducted from the Commitment to be paid by the Investors in relation to one or more subsequent Drawdown Notices.

After the relevant Closing, the Management Company or a duly appointed agent shall provide each Shareholder with a Drawdown Notice of each occasion on which it is required to make an advance of its Undrawn Commitment. Shares will be issued in accordance with the procedure described in Appendix III. Other requirements regarding the timing and amounts of Drawdown Notices and each Shareholder's obligation to make advances of Undrawn Commitment may apply as set out in Appendix III.

Each Investor will be given a personal account number which, along with any relevant transaction number, should be quoted on any payment by bank transfer. Any relevant transaction number and the personal account number should be used in all correspondence with the Management Company, Transfer Agent or any Distributor.

Different subscription procedures may apply if applications for Shares are made through Distributors.

After the First Closing, existing Shareholders and prospective new Investors in a Fund may at the discretion of the Management Company be offered the opportunity to make (additional) Commitments to such Fund at a Subsequent Closing (except for Funds with a single Drawdown on commitments). Existing Shareholders or Shareholders committing to subscribe for Shares at a Subsequent Closing shall each be subject to a Drawdown of an amount determined by the Management Company, such amount to be applied for the subscription of Shares in the relevant Fund, as further described in Appendix III.

A Shareholder which has subscribed for Shares may participate in any proceeds arising in respect of investments that have been disposed of.

Minimum Commitment

The minimum initial commitment, the additional commitment amounts, and the holding amounts for each Class of Shares are set out in Appendix III. These minima on each Class of Shares may be waived at the Management Company's discretion from time to time.

Default on Drawdown (not applicable to Funds with a single Drawdown on Commitments)

Because a failure by a Shareholder to meet a Drawdown may cause a Fund to default on its subscription and other obligations to its investments, the Management Company may exercise a number of remedies against a Defaulting Investor.

In order to ensure the fair treatment of the Shareholders of each Fund and enable compensatory payments based on fair sharing of risk among all investors, the Management Company may charge the Defaulting Investor and the Defaulting Investor shall pay to the relevant Fund an amount equal to 4% per annum above the European Central Bank base rate of the unpaid amount (the "Unpaid Amount") which shall accrue daily after the due date for payment (such amount the "Late Payment Amount").

If the Unpaid Amount plus the Late Payment Amount is not paid by the Defaulting Investor to the Management Company within 10 days of being notified to do so by the Management Company, the Management Company shall have the right, at its discretion, to take one or several of the following measures:

- (A) impose damages corresponding to 10% of the Unpaid Amount;
- (B) set off any distributions to the Defaulting Investor until any amounts owing to the Fund have been paid in full;
- (C) instruct the Transfer Agent to initiate a Transfer of Shares as agent (*mandataire*) of such Defaulting Investor to an Eligible Transferee in accordance with the provision under 2.3 "Transfer of Shares";
- (D) reduce or terminate the Defaulting Investor's capital Commitment;
- (E) redeem all or part of the Defaulting Investor's Shares at the next available Net Asset Value. Redemption proceeds will be payable to the Defaulting Investor subject to the availability of cash. For the avoidance of doubt, the Company will not be required to sell investments in order to make such payment in advance of the time at which the Company would otherwise cause such investments to be sold. The Defaulting Investor will cease to be a Shareholder upon the date the redemption is effected.

In addition, if a Shareholder fails on two or more occasions to pay its drawdowns in a timely fashion, the Management Company may require that Shareholder to fund some or all of its unfunded capital commitment in advance.

How to pay

Payment should be made by electronic bank transfer net of all bank charges (i.e. at the Investor's expense). Further settlement details are available on the Commitment Agreement.

Shares are normally issued once settlement in cleared funds is received. In the case of applications from approved financial intermediaries or other Investors authorised by the Management Company, the issue of Shares is conditional

upon the receipt of settlement within a previously agreed period not exceeding the settlement period as stated in Appendix III.

Price Information

The Net Asset Value per Share of one or more Share Classes may be published in such electronic services as determined from time to time by the Directors. It may be made available on the Management Company's Internet site www.schroders.com/en/global/individual/, and is available from the registered office of the Company. Neither the Company nor the Distributors accept responsibility for any error in publication or for non-publication of the Net Asset Value per Share.

Please refer to Appendix III for details on when prices will be made available for each Fund.

Types of Shares

Shares are issued only in registered form. Registered Shares are in non-certificated form. Fractional entitlements to registered Shares will be rounded to the nearest four decimal places. Shares may also be held and transferred through accounts maintained with clearing systems.

General

Commitments, once given, are irrevocable. The Management Company and/or the Directors in their absolute discretion reserve the right to instruct the Transfer Agent to reject any application in whole or in part. Prospective applicants should inform themselves as to the relevant legal, tax and exchange control regulations in force in the countries of their respective citizenship, residence or domicile.

The Management Company may have agreements with certain Distributors pursuant to which they agree to act as or appoint financial intermediaries for Investors subscribing for Shares through their facilities. In such capacity, the Distributor may effect Commitments to a Fund in financial intermediary name on behalf of individual Investors and request the registration of such dealing arrangements on the register of Shareholders of the Company in financial intermediary name. The Distributor or financial intermediary maintains its own records and provides the Investor with individualised information as to its holdings of Shares. Except where local law or custom proscribes the practice, Investors may invest directly in the Company and not avail themselves of a financial intermediary service. Unless otherwise provided by local law, any Shareholder holding Shares in a financial intermediary account with a Distributor has the right to claim, at any time, direct title to such Shares.

The Management Company draws the Investors' attention to the fact that any Investor will only be able to fully exercise their rights directly against the Company if the Investor is registered in their own name in the Shareholders' register. In cases where an Investor invests in the Company through a Distributor or via a financial intermediary on behalf of the Investor, it may not always be possible for the Investor to exercise certain Shareholder rights directly against the Company. Investors are advised to take advice as to their legal rights.

Anti-Money Laundering and Terrorist Financing Procedures

Pursuant to international norms, Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 relating to the fight against money laundering and terrorism financing, as amended, and the Grand-Ducal Regulation of 1st February 2010 providing details

on certain provisions of the amended law of 12 November 2004 and CSSF Regulation 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing as amended by CSSF regulation 20-05), obligations have been imposed on the Company to prevent money laundering and terrorism financing and to verify the identity of subscribers for Shares.

As a result of such provisions, the Management Company, acting on behalf of the Company, has delegated the performance of initial and on-going due diligence in accordance with Luxembourg laws and regulations. To fulfil this requirement on investors, the Management Company and/or Transfer Agent will request any information and supporting documentation it deems necessary, including information about beneficial ownership, source of funds and origin of wealth. In any case, the Management Company and/or Transfer Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

In case of delay or failure by a prospective Investor to provide the documents required, an application for subscription or, if applicable, any other transaction may not be accepted and in the case of an application for redemption, redemption proceeds may be withheld. Neither the Company nor the Management Company nor the Transfer Agent have any liability for delays or failure to process deals as a result of the prospective Investor providing no or incomplete information and/or documentation.

In accordance with the article 3-2 of the law of 12 November 2004 relating to the fight against money laundering and terrorism financing, as amended, and article 3 of the CSSF Regulation 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended by CSSF regulation 20-05, an enhanced due diligence will be applied on the Company's cross-border intermediaries including on financial intermediary or and distributors.

To fulfil the requirement on assets the Investment Manager will perform the necessary due diligence in line with the regulatory standards.

The Company adopts a risk-based approach for identifying, assessing, and understanding the financial crime risks to which it is exposed coming from its investors and its assets. This allows for the implementation of suitable mitigating controls in the line with the perceived risk.

Genuine Diversity of Ownership Condition

Interests in the Company's Funds are widely available, and the Management Company undertakes that they will be marketed and made available sufficiently widely and in a manner appropriate to reach the intended categories of Investor who meet the broad requirements for investment in any given Share Class, and are not intended to be limited to particular Investors or narrowly-defined groups of Investors.

Provided that a person meets the broad requirements for investment in any given Share Class, he/she may obtain information on and acquire the relevant Shares in the Company, subject to the paragraphs immediately following.

Investment restrictions applying to investors in Denmark

In Denmark, in addition to Professional Investors, the Shares of the Company may be offered to investors who qualify as semi-professional investors pursuant to section 5(5) of the Danish Act no. 1047 of 14 October 2019 on managers of alternative investment funds, which include:

- (A) A manager, director, or another employee of the Management Company where such person is involved in the management of the Company; or
- (B) An investor who (i) makes a minimum initial investment of EUR 100,000 (or its equivalent in the relevant currency) in Shares of the Company; and (ii) declares in writing, in a document separated from the contract for the subscription of the Shares, that it/he/she is aware of the risks of the relevant investment.

Investment restrictions applying to investors in the EEA

In relation to each member state of the EEA (each a "Relevant State") which has implemented the AIFMD, this Prospectus may only be distributed and Shares may only be offered or placed in a Relevant State to the extent that: (1) the relevant Fund is permitted to be marketed to Professional Investors in the Relevant State in accordance with the AIFMD (as implemented into the local law/regulation / as it forms part of local law of the Relevant State); or (2) this Prospectus may otherwise be lawfully distributed and Shares may otherwise be lawfully offered or placed in that Relevant State (including at the initiative of the investor). In relation to each Relevant State which, at the date of this Prospectus, has not implemented the AIFMD, this Prospectus may only be distributed and Shares may only be offered or placed to the extent that this Prospectus may be lawfully distributed and Shares may lawfully be offered or placed in that Relevant State (including at the initiative of the investor).

Investment Restrictions applying to Investors in Germany

In Germany, the Prospectus of the Company is only made available to investors who are able to demonstrate that they are:

- (A) professional investors within the meaning of sec. 1 para. 19 no. 32 of the Capital Investment Act (Kapitalanlagegesetzbuch, KAGB) which means professional clients pursuant to Annex II of the Directive 2014/65/EU (MIFID II) or investors that may be treated as such upon application; or
- (B) semi-professional investors within the meaning of sec. 1 para. 19 no. 33 KAGB which include (i) investors who commit to invest at least Euro 200,000, who confirms in a separate document in writing that he/she is aware of the risks in connection with the envisaged commitment or investment, whose expertise, experience and knowledge have been assessed by the Management Company or its delegate without starting from the assumption that the investor possesses the market knowledge and experience of a professional client under MiFID, with respect to whom the Management Company or its delegate is sufficiently convinced that the investor is able to make the investment decision on its own and understands the risks attached to it and that the commitment is adequate for the investor and with respect to whom the Management Company or its delegate confirms in writing that it conducted the above assessment and that the above conditions have been met, (ii) investors who commit to invest at least Euro 10 million, as well as (iii) directors, officers and employees of the Management Company.

Investment Restrictions applying to Investors in Italy

In Italy, in addition to Professional Investors, the Shares of the Company may be offered to non-professional Investors who may subscribe units/shares of reserved alternative investment funds pursuant to the regulation referred to in

Article 39 of the Legislative Decree No. 58 of 24 February 1998 (the “Italian Consolidated Law on Finance”) in compliance with the following modalities of participation:

- the minimum amount of subscription is not lower than EUR 500,000;
- the non-professional Investor declares in writing, in a document separate from the contract for the subscription of the units or shares, that it/he/she is aware of the risks of the envisaged investment.

Investment Restrictions applying to US Investors

The Company has not been and will not be registered under the United States Investment Fund Act of 1940 as amended (the “Investment Fund Act”). The Shares of the Company have not been and will not be registered under the United States Securities Act of 1933 as amended (the “Securities Act”) or under the securities laws of any state of the US and such Shares may be offered, sold or otherwise transferred only in compliance with the Securities Act and such state or other securities laws. The Shares of the Company may not be offered or sold to or for the account of any US Person. For these purposes, US Person shall mean any person defined as a US person under Regulation S of the Securities Act. The Shares may nonetheless be offered and sold in the United States under the exemption provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and jurisdictions where the offering will be made. The Shares may be offered outside the United States in reliance upon the exemption from registration provided by Regulation S promulgated under the Securities Act.

If you are in any doubt as to your status, you should consult your financial or other professional adviser.

Investment Restrictions applying to Canadian Investors

The Shares of the Company will not be publicly offered in Canada. Any offering of Shares of the Company in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that the Company prepare and file a prospectus with the relevant Canadian securities regulatory authorities and pursuant to applicable requirements in the relevant Canadian jurisdictions, and (iii) to persons or entities that are “accredited investors” (as such term is defined in National Instrument 45-106 Prospectus and Registration Exemptions) and, if required, “permitted clients” (as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations).

The Management Company is not registered in any capacity in any jurisdiction in Canada and may rely on one or more exemptions from various registration requirements in certain Canadian jurisdictions. In addition to being an “accredited investor”, a Canadian-resident Investor may also be required to be a “permitted client”. If a Canadian-resident Investor, or an Investor that has become a Canadian-resident after purchasing Shares of the Company, is required to be a “permitted client” and does not qualify, or no longer qualifies, as a “permitted client”, the Investor will not be able to purchase any additional Shares of the Company and may be required to redeem its outstanding Shares.

If you are in any doubt as to your status, you should consult your financial or other professional adviser.

Investment Restrictions applying to Investors in Hong Kong

Unless otherwise disclosed in this Prospectus or other supplementary documents thereto, this Prospectus contains information on Funds that are not authorised by the Securities & Futures Commission of Hong Kong (the “SFC”) pursuant to Section 104 of the Securities and Futures Ordinance (“SFO”).

No offer shall be made to the public of Hong Kong in respect of the unauthorised Funds. Such unauthorised Funds may only be offered or sold in Hong Kong to persons who are “professional investors” as defined in the SFO (and any rules made under the SFO) or in other circumstances which do not otherwise contravene the SFO.

In addition, this Prospectus may only be distributed, circulated or issued to persons who are “professional investors” under the SFO (and any rules made thereunder) or as otherwise permitted under the Hong Kong laws.

If you are in doubt about the contents of the Prospectus, please seek independent professional financial advice.

Investment Restrictions applying to Investors in Switzerland

Neither the Company nor its Funds have been approved by the Swiss Financial Market Supervisory Authority FINMA (“FINMA”) for offering to non-qualified investors in Switzerland pursuant to Art. 120(1) and (2) of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, as amended (“CISA”), nor have a Swiss representative and Swiss paying agent been appointed in relation to an offer or advertising in Switzerland. Accordingly, and subject to the following paragraph, Shares may only be offered or advertised and this Prospectus and any other offering material or document relating to the Company, the Funds and/or the Shares may only be distributed or otherwise made available in Switzerland to qualified investors as defined in the CISA and its implementing ordinance, as amended, and the most current practice of the FINMA (“Qualified Investor (s)”), excluding high-net-worth private clients and private investment structures established for them who have declared that they wish to be treated as professional clients (opting out) pursuant to Art. 5(1) of the Swiss Federal Act on Financial Services of 15 June 2018 (“FinSA”) and who have no asset management or advisory relationship with a financial intermediary pursuant to Art. 10(3ter) CISA. Investors in the Funds do not benefit from the specific investor protection provided by CISA and the supervision by the FINMA in connection with the approval for offering.

No key information document according to the FinSA or any equivalent document under the FinSA has been or will be prepared in relation to the Shares, and, therefore, subject to the applicable transitional provisions under the FinSA and its implementing ordinance, the Shares may not be offered or recommended to private clients within the meaning of the FinSA in Switzerland. For these purposes, a private client means a person who is not one (or more) of the following: (i) a professional client as defined in Art. 4(3) FinSA (not having opted in on the basis of Art. 5(5) FinSA); or (ii) an institutional client as defined in Art. 4(4) FinSA; or (iii) a private client with an asset management agreement according to Art. 58(2) FinSA. In particular, any offering to private clients under a permanent advisory agreement within the meaning of Art. 10 (3ter) CISA, despite their categorisation as Qualified Investor, is prohibited.

This Prospectus and any accompanying supplement do not constitute an issue prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issue prospectuses under the FinSA or the disclosure standards for listing prospectuses under the listing rules of any stock exchange or regulated trading facility in Switzerland.

2.2. Redemption of Shares

The Funds may either be (i) open-ended and redemptions requests can be submitted by Investors on an ongoing basis following the procedure and under conditions described in the relevant Appendix III or (ii) closed-ended and Investors of that Fund may not redeem their Shares before the term of such Fund or during a given lock-up period as specified in the relevant Appendix III.

Redemption proceeds

Different settlement procedures may apply if instructions to redeem Shares are communicated via Distributors.

Redemption proceeds are normally paid by the Company by bank transfer or electronic transfer and will be instructed to be made at no cost to the Shareholder, provided the Company is in receipt of all documents required. The settlement period of the redemption proceeds for each Fund is specified in Appendix III. Redemption proceeds will normally be paid in the currency of the relevant Share Class. However, at the request of the Shareholder, a currency exchange service for redemptions is provided to the Shareholder by the Management Company acting on behalf of the Company. In such cases, the redemptions proceeds will be paid in the requested currency less any applicable currency exchange fees. Details of the charge applied to foreign exchange transactions, which is retained by the Management Company, are available upon request from the Management Company acting on behalf of the Company. The cost of currency conversion and other related expenses will be borne by the relevant Investor. If, on the settlement date, banks are not open for business in the country of the settlement currency of the relevant Share Class, then settlement will be on the next Business Day on which those banks are open. The Company, Management Company or Transfer Agent are not responsible for any delays or charges incurred at any receiving bank or settlement system, nor are they responsible for delays in settlement which may occur due to the timeline for local processing of payments within some countries or by certain banks.

Redemptions in kind

The Directors may from time to time permit redemptions in kind. Any such redemption in kind will be valued in accordance with the requirements of Luxembourg law. In case of a redemption in kind, Shareholders will have to bear costs incurred by the redemption in kind (mainly costs resulting from drawing-up of the independent auditor's report) unless the Company considers that the redemption in kind is in its own interest or made to protect its own interests.

Switching

Shares in any Fund cannot be switched for Shares of another Fund; similarly, unless otherwise provided for in Appendix III. Shares of one Class within a Fund cannot be switched for Shares of another Class in the same Fund.

2.3. Transfer of Shares

Shares may be transferred with the prior written consent of the Management Company provided that such transfer:

- (A) does not result in Shares being held by a non-Eligible Investor in accordance with the provisions of the Prospectus,
- (B) would not violate any law or regulation of Luxembourg or any other jurisdiction or would subject the Company and/or the Management Company to any other adverse tax, legal or regulatory consequences as determined by the Management Company,
- (C) the financial strength of the transferee is in the sole discretion of the Management Company at least equivalent to that of the transferor.

The transferor and transferee will be required to represent to the Management Company and/or Transfer Agent in a form acceptable to it that the proposed transferee is an Eligible Investor and that the proposed transfer does not violate any laws or regulations applicable to it. The transferee will be required to provide confirmations and/or documents which are required by the Management Company and/or Transfer Agent to accept subscriptions of new clients including all anti money laundering, know your client, beneficial ownership, FATCA and common reporting standards; and to be bound to the terms of the Prospectus, Articles, and to acknowledge its assumption (in whole or in part) of the obligations of the transferor by entering into a written agreement in a form satisfactory to the Management Company. These obligations shall include the transferee being obliged to pay in the Undrawn Commitments of the transferor pursuant to any future Drawdown Notices.

The transferor of Shares shall bear all costs and expenses incurred in connection with the Management Company approving and completing the relevant transfer.

2.4. Calculation of Net Asset Value

The Company, each Fund, each Share Class in a Fund have a Net Asset Value determined by the Administration Agent in accordance with Luxembourg law, the Articles and the Lux GAAP under the responsibility of the management Company.

Calculation of the Net Asset Value per Share

- (A) The Net Asset Value per Share of each Share Class will be calculated on the Calculation Day in the Reference Currency of the relevant Share Class. It shall be calculated by dividing the Net Asset Value of the Share Class of a Fund by the total number of Shares of such Share Class in issue as of that Calculation Day. The resulting may be rounded to the nearest four decimal places.
- (B) The Net Asset Value of a Share Class is equal to the value of the assets allocated to such Share Class within a Fund less the value of the liabilities allocated to such Share Class, both being calculated as of each Calculation Day, in accordance with the valuation rules set forth below and Lux GAAP.
- (C) Unless otherwise specified in the relevant Appendix III, the assets and liabilities of each Fund will be determined on the basis of the contributions to and withdrawals from each Fund as a result of (i) the issue and redemption of Shares, (ii) the allocation of assets, liabilities and income expenditure attributable to each Fund as a result of the operations carried out by each Fund, and (iii) the payment of any expenses or distributions to Shareholders.

- (D) The Directors reserve the right to allow the Net Asset Value per Share of each Share Class to be calculated more frequently than specified in Appendix III, or to otherwise alter dealing arrangements on a permanent or a temporary basis, for example, where the Directors consider that a material change to the market value of the investments in one or more Funds so demands. The Prospectus will be amended, following any such permanent alteration, and Shareholders will be informed accordingly. In valuing total net assets, the following rules will apply:
- (1) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely (in the view of the Company) to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.
 - (2) The value of such securities, derivatives and assets will be determined on the basis of the prices at the close of market on the Business Day, on the stock exchange or any other Regulated Market on which these securities or assets are traded or admitted for trading. Where such securities or other assets are quoted or dealt in one or by more than one stock exchange or any other Regulated Market, the Directors shall make regulations for the order of priority in which stock exchanges or other Regulated Markets shall be used for the provisions of prices of securities or assets. The Management Company may also take into account whether relevant local stock exchanges and/or Regulated Markets are open for trading and settlement and may elect to treat such closures as non-Calculation Days for Funds which invest a substantial amount of their portfolio on these closed stock exchanges and/or Regulated Markets.
 - (3) With the exception of private equity investments, in relation to which the rules under (7), (8), (9) and (10) below apply and, without prejudice to the rules under (13) below, loans and other debt instruments which are not traded out of a Regulated Market, in relation to which the rules under (11) and (12) below apply, if a security is not traded or admitted on any official stock exchange or any Regulated Market, or in the case of securities so traded or admitted the last available price of which does not reflect their true value, the Directors are required to proceed on the basis of their expected sales price, which shall be valued with prudence and in good faith.
 - (4) The derivatives which are not listed on any official stock exchange or traded on any other organised market are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative. The reference to fair value shall be understood as a reference to the amount for which an asset could be exchanged, or a liability be settled, between knowledgeable, willing parties in an arm's length transaction. The reference to reliable and verifiable valuation shall be understood as a reference to a valuation, which does not rely only on market quotations of the counterparty and which fulfils the following criteria:
 - (I) The basis of the valuation is either a reliable up-to-market value of the instrument, or, if such value is not available, a pricing model using an adequate recognised methodology.
 - (II) Verification of the valuation is carried out by one of the following:
 - (a) an appropriate third party which is independent from the counterparty of the OTC derivative, at an adequate frequency and in such a way that the Company is able to check it;
 - (b) a unit within the Company which is independent from the department in charge of managing the assets and which is adequately equipped for such purpose.
 - (5) Units or shares in open-ended UCIs shall be valued on the basis of their last available Net Asset Value as reported by such UCIs.
 - (6) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner.
 - (7) Investments in private equity funds will be valued by reference to the most recent Net Asset Value as reported by the relevant manager or by external independent price providers approved by the Company as adjusted for subsequent net capital activity.
 - (8) Investments in third-party managed or sponsor-led private equity direct investments or co-investments will be valued by reference to the most recent valuation information provided by the relevant manager or lead sponsoring private equity investor or external independent price providers approved by the Company.
 - (9) A fair value adjustment may be made to the valuations received from the managers of the funds into which a Fund invests or from external independent price providers approved by the Company in the event of changes affecting underlying holdings. In a similar way, a fair value adjustment may be made to sponsor-led private equity direct or co-investments into which a Fund invests in the event of changes affecting the investment, based on information reasonably available at the time the valuation is made and that the Company believes to be reliable. Such changes may include, but are not limited to, FX movements, distributions, material changes in the circumstances of underlying companies or significant movements in public markets.
 - (10) For other direct investments in private equity, the Company will establish its own estimate of fair value determined in good faith and in accordance with generally accepted valuation principles and procedures, and in particular the International Private Equity and Venture Capital Valuation guidelines (IPEV). The valuation methodology will be based on either (i) a market approach (based on the

value of comparable entities, applying a multiple) (ii) an income approach based on the cash generated by the relevant entity (iii) a “milestone”, event driven approach, applicable to companies that will not generate income or cash flows for the foreseeable future or (iv) a combination of the aforementioned.

- (11) Loans and other debt instruments which are not traded out of a Regulated Market are valued at their fair value, as determined in good faith by the Company or by external independent price providers approved by the Company.
- (12) Without prejudice to the rules under (3) above, loans and other debt instruments for which reliable market quotes are readily available are valued on the basis of such quotes. If such quotes are not available, the valuation will be determined (i) in good faith by the Company in consideration of certain factors, such as, but not limited to, market indicators, transactions deemed comparable by the Company, credit worthiness of the counterparty, current interest rates or (ii) in accordance with pricing models developed, maintained and operated by external independent price providers approved by the Company. Procedures of the relevant external independent price provider and its valuations will be reviewed by the Company.
- (13) If any of the aforesaid valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the Company's assets, the Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.
- (14) Any assets or liabilities in currencies other than the Fund Currency will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.
- (15) The swaps are valued at their fair value based on the underlying assets as well as on the characteristics of the underlying commitments.
- (16) The valuation of real estate assets and real estate rights registered in the name of the Company is made in accordance with the main principles (i.e. valuation at fair value made by independent appraisers with appropriate professional qualifications) as per standard local market property valuation practices. This valuation shall be performed at least annually and used throughout the period between two valuations, unless there is a change in the general economic situation or in the condition of the real estate assets or real estate rights held by the Company or by one of the companies in which the Company holds an interest, which requires a value adjustment to be made, or in the situations otherwise set out by article 71 of the Commission delegated regulation (EU) No 231/2013 of 19 December 2012, regarding the review of individual values of assets. Any valuation adjustment will be made by the Management Company (as defined hereafter) in accordance with its internal procedure.
- (17) Investments in real estate private equity investments, real estate private debt and other related securities will be valued, in accordance with

the Management Company's internal procedures. The valuation may be adjusted for subsequent net capital activity, material default events and material market events impacting fair value. Any valuation adjustment will be made by the Management Company in accordance with its internal procedure.

- (18) The value of other assets will be determined prudently and in good faith under the direction of the Board of Directors in accordance with the relevant valuation principles and procedures.

General

The Directors are authorised to apply other appropriate valuation principles for the assets of the Funds and/or the assets of a given Share Class if the aforesaid valuation methods appear impossible or inappropriate due to extraordinary circumstances or events.

2.5. Suspensions or Deferrals

- (A) The Company may suspend or defer the calculation of the Net Asset Value per Share of any Share Class in any Fund and/or the issue of any Shares in such Fund:
 - (1) during any period when any of the principal stock exchanges or any other Regulated Market on which any substantial portion of the Company's investments of the relevant Share Class for the time being are quoted, is closed, or during which dealings are restricted or suspended; or
 - (2) during any period when the determination of the net asset value per share of and/or the redemptions in the underlying investment funds representing a material part of the assets of the relevant Fund is suspended; or
 - (3) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Fund by the Company is impracticable; or
 - (4) during any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange; or
 - (5) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
 - (6) if the Company or a Fund or a Share Class is being or may be wound-up or merged on or following (i) the date on which notice is given of the meeting of Shareholders at which a resolution to wind up the Company or the relevant Fund or Share Class is proposed or (ii) the date on which the Directors decide to wind up or merge a Fund or a Share Class; or
 - (7) if the Directors have determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company

attributable to a particular Share Class in the preparation or use of a valuation or the carrying out of a later or subsequent valuation; or

- (8) during any other circumstance or circumstances where the Directors believe it is in the best interest of Shareholders or where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment.
- (B) The suspension of the calculation of the Net Asset Value per Share of any Fund or Share Class shall not affect the valuation of other Funds or Share Classes, unless these Funds or Share Classes are also affected.
- (C) In the event of exceptional circumstances which could adversely affect the interests of the Shareholders or where significant requests for subscription, redemption or conversion of Shares are received for a Fund or Share Classes, the Board of Directors reserves the right to determine the Net Asset Value per Share for that Fund or Share Class only after the Company has completed the necessary investments or disinvestments in securities or other assets for the Fund or Share Class concerned.

Shareholders will be informed of any suspension or deferral as appropriate.

2.6. Special Dealing Procedure

The Directors may from time to time decide to implement a special dealing procedure, for example, in extraordinary circumstances, to deal with circumstances which in the reasonable opinion of the Directors warrant its application in the best interest of Shareholders ("Special Dealing"). Special Dealing shall be temporary only and is expected to stop applying when the circumstances which warranted its application change or where its application is no longer required or where it ceases to be in the best interest of Shareholders in the reasonable opinion of the Directors. The Special Dealing may be applied to those Funds as set out in Appendix III.

Should the Directors decide to apply Special Dealing, redemption requests may be processed once every calendar year. Requests received prior to 17:00 Luxembourg time on a special redemption day ("Special Redemption Day"), as determined by the Directors and announced to Shareholders prior to such day, will, if accepted, be transacted on the Secondary Value Dealing Price (as defined below).

The first Special Redemption Day, shall be no later than 12 months after notice of such decision was given to Shareholders. For the avoidance of doubt, the ordinary dealing procedure shall not be available following the Directors' decision to apply Special Dealing.

Redemption proceeds shall be paid to redeeming Shareholders by no later than 180 days following a Special Redemption Day (the "Special Redemption Payment Day"), provided the Fund has sufficient liquid assets available from proceeds as contemplated below. Should proceeds not be readily available, the Directors shall keep Shareholders informed and pay redemption monies as soon as practicable when sufficient funds have been generated but not later than 12 months after the Special Redemption Day.

The Company will make available to Shareholders an estimate (or estimated range, as applicable) of the Secondary Value Dealing Price (as defined below) 30 days prior to the relevant Special Redemption Day or as soon as practicable thereafter. Shareholders must be aware that such estimate

may differ from the Secondary Value Dealing Price (as defined below) which will be determined taking into account the sale proceeds of selected assets and any related cost and expenses as more fully described below.

Any outstanding redemption orders received prior to the application of Special Dealing in will be transferred to Special Dealing and be dealt with accordingly unless redeeming Shareholders withdraw their redemption request prior to relevant Special Redemption Day.

In respect of each Special Redemption Day, net redemptions (net of any Special Acquisitions (as defined below)) will not be limited and all Shareholders, whose redemption requests have been accepted, shall be transacted on the Secondary Value Dealing Price as set out below.

Secondary Value Dealing Price

The Secondary Value Dealing Price is based on the Net Asset Value, as at the Special Redemption Day, adjusted by a spread (the "Spread"), if any, reflecting the expected or actual discount obtained through secondary sales under the then prevailing market conditions relative to net asset values (the "Secondary Value Dealing Price").

The Spread (if any) shall be determined, in good faith, by the Directors, and, where the Directors deem it necessary, by third party service providers. Any potential hedging gains or losses as well as associated costs and expenses relating to the Disposal Portfolio (as defined below) shall be borne by the redeeming Shareholders.

For the purpose of determining any Spread and the Secondary Value Dealing Price, a Fund may, if necessary to meet redemptions requests, realise selected assets, including money market instruments (if applicable), which the Directors believe fairly and reasonably represent such Funds' portfolios, in consideration of the level of redemption requests, relative to the Fund's total size (pre redemption), for such Special Redemption Day (the "Disposal Portfolio").

The Directors shall, on the basis of criteria including but not limited to, geographical area, vintage year and funding level, determine which assets may be sold to meet redemption requests, and thus serve to determine the Spread.

The Secondary Value Dealing Price shall, be determined typically within 120 days of the relevant Special Redemption Day (or as soon as practicable thereafter) (the "Secondary Value Dealing Price Date").

Subscribing and redeeming Shareholders shall be notified about the Secondary Value Dealing Price within 10 days of the Secondary Value Dealing Price Date.

Special Acquisition at Secondary Value Dealing Price

Investors may apply to acquire Shares at the Secondary Value Dealing Price (an "Special Acquisition") by submitting an application prior to 5:00 pm Luxembourg time on the Special Redemption Day. Special Acquisitions are limited to the amount of redemptions as accepted for the Special Redemption Day.

The minimum initial investment and minimum subsequent investment amounts set out in the relevant fund details section in Appendix III will continue to apply.

Applications for a Special Acquisition must be given for a number of Shares. Special Acquisition applications expressed in nominal amounts will not be processed.

Shareholders of the relevant Fund shall be offered a pre-emptive right to acquire shares at the Secondary Value Dealing Price and their applications to subscribe shall have priority over other Special Acquisition applications (the "Pre-emptive Right").

The payment of the price is due no later than on the Special Redemption Payment Day. The Company will not pay any interest on any early payments. Incomplete applications and applications which are not settled by the due date may be cancelled by the Company and any costs of cancellation passed on to the applicant.

Where an existing Shareholder of the Fund exercises the Pre-emptive Right, such Special Acquisition request shall enjoy priority over Special Acquisition requests from non-shareholders but shall however still be subject to (i) the total number of Shares for which redemption requests have been accepted and, if necessary, (ii) pro-rata reduction among Shareholders exercising their Pre-emptive Right. Thereafter any acquisition applications from non-shareholders will be reduced pro-rata so that the total number of accepted applications does not result in net Special Acquisitions. The excess amount of the applications for Special Acquisition will be cancelled.

No subscriptions other than Special Acquisitions shall be permitted as long as the Special Dealing Procedure is applied.

Lock-Up for acquisitions at Secondary Value Dealing Price

Shares acquired at the Secondary Value Dealing Price are non-redeemable during a period of 12 months following the applicable Special Redemption Day (the "Lock-Up").

Net Asset Value During Special Dealing Procedure

The Fund's Net Asset Value shall continue to be calculated in accordance with the relevant Calculation Day, as disclosed in the fund details section in Appendix III, while Special Dealing applies, provided however that profits, losses and expenses allocated to the Disposal Portfolio shall, be excluded from the Fund's Net Asset Value. No subscriptions or redemptions will be transacted at the Fund's Net Asset Value during the Special Dealing.

Return to ordinary Dealing Procedure

The Fund will return to the ordinary Dealing Procedure when Directors consider that the circumstances having warranted the application of the Special Dealing no longer apply. Shareholders shall be notified about such change as soon as reasonably practicable.

Usually, Special Dealing will be replaced by a Fund's ordinary dealing frequency as soon as practicable when market, economic, and fund specific circumstances have normalised and the Net Asset Value and Secondary Value Dealing Price have converged.

2.7. Market Timing and Frequent Trading Policy

The Company does not knowingly allow dealing activity which is associated with market timing or frequent trading practices, as such practices may adversely affect the interests of all Shareholders.

For the purposes of this section, market timing is held to mean subscriptions into, switches between or redemptions of Shares from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that seek or could reasonably be considered to appear to seek profits through arbitrage or market timing

opportunities. Frequent trading is held to mean subscriptions into, switches between or redemptions of Shares from the various Share Classes (whether such acts are performed singly or severally at any time by one or several persons) that by virtue of their frequency or size cause any Fund's operational expenses to increase to an extent that could reasonably be considered detrimental to the interests of the Fund's other Shareholders.

Accordingly, the Directors may, whenever they deem it appropriate, cause the Management Company to implement either one, or both, of the following measures:

- The Management Company may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.
- The Directors and/or Management Company reserve the right to cause the Transfer Agent to reject any application for switching and/or subscription of Shares from Investors whom the former considers market timers or frequent traders.

If a Fund is primarily invested in markets which are closed for business at the time the Fund is valued, the Directors may, during periods of market volatility, and by derogation from the provisions above, under "Calculation of Net Asset Value", cause the Management Company to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Fund's investments at the point of valuation. As a result, where the Directors believe that a significant event has occurred between the close of the markets in which a Fund invests and the point of valuation, and that such event will materially affect the value of that Fund's portfolio, they may cause the Management Company to adjust the Net Asset Value per Share so as to reflect what is believed to be the fair value of the portfolio as at the point of valuation ("fair value pricing").

The level of adjustment will be based upon the movement in a chosen surrogate up until the point of valuation, provided that such movement exceeds the threshold as determined by the Directors for the relevant Fund. The surrogate will usually be in the form of a futures index, but might also be a basket of securities, which the Directors believe is strongly correlated to, and representative of, the performance of the Fund.

Where an adjustment is made as per the foregoing, it will be applied consistently to all Share Classes in the same Fund.

2.8. Prohibited Persons

The Articles give powers to the Board of Directors to restrict or prevent the legal or beneficial ownership of Shares, if in the opinion of the Board of Directors such ownership or practices may (i) result in a breach of any provisions of the Articles, the Prospectus or the laws or regulations of any jurisdiction, or (ii) require the Company or the Management Company to be registered under any laws or regulations whether as an investment fund or otherwise, or cause the Company to be required to comply with any registration requirements in respect of any of its Shares, whether in the United States of America or in any other jurisdiction, or (iii) may cause the Company, the Management Company or the Shareholders any legal, regulatory, taxation, administrative or financial disadvantages which they would not have otherwise incurred (each person falling under any such category being a "Prohibited Person").

The Board of Directors has decided that any person not qualifying as an Eligible Investor, in accordance with the respective Appendix, will be considered as a Prohibited Person.

The Company may take one of the following actions at its discretion, in relation to Shares held by, on behalf or for the account or benefit of, Prohibited Persons or Shareholders who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner:

- cancel the existing Commitment; or
- instruct the Transfer Agent to initiate a Transfer of Shares as agent (*mandataire*) of such Prohibited Investor to an Eligible Transferee in accordance with the provision under 1.3 "Transfer of Shares"; or
- redeem all or part of the Prohibited Investor's Shares. Redemption proceeds will be payable to the Prohibited Investor subject to the availability of cash. For the avoidance of doubt, the Company will not be required to sell investments in order to make such payment in advance of the time at which the Company would otherwise cause such investments to be sold. The Prohibited Investor will cease to be a Shareholder upon the date the redemption is effected.

In such cases, the Company will notify the Shareholder of the reasons which justify the actions above, the number of Shares in relation to which it will take such actions and the indicative effective date of the cancellation, transfer or redemption of Shares as the case may be. The Company may also grant a grace period to the Shareholder for remedying the situation, for instance by transferring the Shares to one or more Shareholders who are not Prohibited Persons and do not act on behalf or for the account or benefit of, Prohibited Persons, and/or propose to convert the Shares held by any Shareholder who fails to satisfy the Shareholder eligibility requirements for a Shares Class into Shares of another Share Class available for such Shareholder.

The Company reserves the right to require the Shareholder to indemnify the Company and the Management Company against any losses, costs or expenses arising as a result of any Shares being held by, on behalf or for the account or benefit of, a Prohibited Person or Shareholders who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner.

Section 3

3. General Information

3.1. Administration Details, Charges and Expenses

Directors

The Company shall be managed by a Board of Directors composed of at least three (3) members. The Directors shall be elected by the Shareholders at a general meeting of Shareholders, subject to the approval of any new Director by the CSSF, in accordance with the procedure further described below and in the Articles.

The general meeting of Shareholders shall appoint two (2) Directors from a list of candidates submitted by the Initiator.

Should the Initiator be incapable of or unwilling to provide names of candidates for the members of the Board of Directors to the Company, it shall waive its right to do so by notifying the Company.

The general meeting of Shareholders shall further determine the remuneration of the Directors and the term of their office. Remuneration of Directors shall not favour excessive risk taking, not limited to but explicitly with respect to sustainability risks. In addition, each Director may be paid reasonable expenses incurred while attending meetings of Directors or general meetings of the Company.

The Board of Directors shall select a chairman amongst the two representatives of the Initiator. The chairman shall have a casting vote.

Representatives of the Management Company or its affiliates and of the other service providers may attend certain sessions of the Board meetings as observers.

Management Company

The Directors have appointed Schroder Investment Management (Europe) S.A. (i) as the Company's alternative investment fund manager within the meaning of article 1 (46) of the 2013 Law to perform portfolio and risk management functions and (ii) to perform administration and marketing functions.

The Management Company is permitted by the Company to delegate certain administrative, distribution and management functions to specialised service providers. In that context, the Management Company has delegated certain administration functions to UI efa S.A. and may delegate certain marketing functions to entities which form part of the Schrodors Group. The Management Company has also delegated certain investment management functions to the Investment Manager within the limits permitted by the 2013 Law and subject to proper supervision as more fully described above and below. However, the Management Company remains responsible for the risk management function for all Funds.

The Management Company is responsible for the decision to appoint and remove, with the consent of the Company, any Investment Manager to a Fund as further described in section 'Investment Manager' below. The Management Company will monitor on a continued basis the activities of the third parties to which it has delegated functions. The agreements entered between the Management Company and the relevant third parties provide that the Management Company can give at any time further instructions to such

third parties, and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

The Management Company is entitled to receive customary charges for its services as coordinator, domiciliary agent and global distributor. These fees are accrued at each Calculation Day and included in the Net Asset Values of the Funds on the following Calculation Day at an annual rate as detailed in the relevant Appendix III for each Fund.

As the AIFM Management Fee is a fixed percentage of the Fund assets it will not vary with the cost of providing the relevant services. As such the Management Company could make a profit (or loss) on the provision of those services, which will fluctuate over time on a Fund by Fund basis. These fees are subject from time to time to review by the Management Company and the Board of Directors of the Company. The Management Company is also entitled to reimbursement of all reasonable out-of-pocket expenses properly incurred in carrying out its duties. The Management Company may at its discretion part pay or pay in full any costs or expenses incurred by the Company with a view to limiting the overall costs and expenses borne by Investors in the Company, or a particular Fund or Share Class.

Schroder Investment Management (Europe) S.A. was incorporated as a "*société anonyme*" in Luxembourg on 23 August 1991 and has an issued and fully paid up share capital of EUR 14,628,830.98. Schroder Investment Management (Europe) S.A. is authorised as a Management Company under chapter 15 of the 2010 Law and as an alternative investment fund manager under the 2013 Law and as such, provides collective portfolio management services to UCIs.

The Investment Managers may on a discretionary basis acquire and dispose of investments of the Funds for which they have been appointed as Investment Manager by the Management Company, subject to and in accordance with instructions received from the Management Company from time to time, and in accordance with stated investment objectives and restrictions of the Funds. The Management Company will cause the Management Fee to be paid by the relevant Fund to the Investment Managers, as remuneration for their services, as specified in Appendix III. Such Management Fee is accrued at each Calculation Day and included in the Net Asset Value of the Funds on the following Calculation Day and paid quarterly.

Liquidity Risk Management Framework

The Management Company has established, implemented and consistently applies a liquidity risk management framework which sets out the governance standards and requirements for the oversight of liquidity risk in relation to investment funds. The framework outlines the responsibilities for assessing, monitoring, and providing independent oversight of liquidity risks of the Funds. It also enables the Management Company to monitor the liquidity risks of the Funds and to ensure compliance with the internal liquidity parameters so that the Funds can normally meet their obligation from Share redemptions at the request of Shareholders.

Funds are reviewed individually with respect to liquidity risks.

The Management Company's assessment of liquidity risks within Funds includes (but is not limited to) consideration of the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and shareholder base.

A detailed description of the liquidity risks are further described in in Appendix II of this Prospectus.

The Board of Directors, or the Management Company, as appropriate, may also make use, among others, of the following to manage liquidity risk: the Fund may suspend the calculation of the Net Asset Value per Share of any Share Class in any Fund and the issue of any Shares in such Fund as further described in section "Suspension or Deferrals" of this Prospectus.

Marketing of the Shares and terms applying to Distributors

The Management Company shall perform its marketing functions by appointing and, as the case may be, terminating, coordinating among and compensating third party distributors of good repute in the countries where the Shares of the Funds may be distributed or privately placed. Third party distributors shall be compensated for their distribution, shareholder servicing and expenses. Third party distributors may be paid a portion or all of the initial charge, distribution charge, shareholder servicing fee, and management fee.

Distributors may only market the Company's Shares if the Management Company has authorised them to do so.

Distributors shall abide by and enforce all the terms of this Prospectus including, where applicable, the terms of any mandatory provisions of Luxembourg laws and regulations relating to the distribution of the Shares. Distributors shall also abide by the terms of any laws and regulations applicable to them in the country where their activity takes place, including, in particular, any relevant requirements to identify and know their clients.

Distributors must not act in any way that would be damaging or onerous on the Company in particular by submitting the Company to regulatory, fiscal or reporting information it would otherwise not have been subject to. Distributors must not hold themselves out as representing the Company.

Structured Products

Investment in the Shares for the purpose of creating a structured product replicating the performance of the Funds is only permitted after entering into a specific agreement to this effect with the Management Company. In the absence of such an agreement, the Management Company can refuse an investment into the Shares if this is related to a structured product and deemed by the Management Company to potentially conflict with the interest of other Shareholders.

Investment Manager

Each Fund is managed by an Investment Manager with expertise in managing funds with strategies consistent with the Company's mission. The Management Company shall appoint, with the consent of the Company (such consent shall not be unreasonably withheld), each Investment Manager based on such Investment Manager's experience and expertise and may terminate the appointment immediately where it is in the best interest of Shareholders to do so.

The Investment Managers will provide investment management services with respect to the sustainable investment and responsible divestment of the assets of the Funds pursuant to the terms of the relevant Investment

Management Agreement. The Investment Manager will undertake to ensure that all proposed investments will be in accordance with the Fund's investment objectives and policy as set out in the relevant Appendix III and with the instructions of the Management Company and /or the Board of Directors, from time to time.

Investment Managers are remunerated out of the assets of each Fund. In consideration of the services provided by the Investment Manager in relation to a Fund, the Investment Manager may be entitled to receive an Impact Success Fee and/or a Performance Fee, in addition to a Management Fee as disclosed in Appendix III in relation to each Fund. Different methodologies may be used to calculate a performance fee and details of which methodology is being used for each Fund are contained in Appendix III, where applicable.

The Investment Managers shall have discretion, on a day-to-day basis and subject to the overall control and responsibility of the Management Company and the Board of Directors, to manage the Funds' portfolio and to enter into financial derivative contracts as well as acquire and dispose of securities for the Fund they manage. Any management activities of the Investment Manager shall be subject to compliance with the policies of the Company, and provisions as set out in this Prospectus and as disclosed in the Fund Details in Appendix III, as well as with any additional restrictions and directions notified by the Management Company and/or the Board of Directors from time to time.

The Management Company monitors the Investment Managers' activities, in particular compliance with the Investment Restrictions and the risk profile of each Fund. This monitoring is carried out by the business unit of the Management Company responsible for controlling the portfolio management. The Management Company has at all times a complete right of inspection and control over the Investment Managers' activities regarding each Fund and may provide instructions to the Investment Managers regarding investment decisions.

The Investment Managers may also, at their own expense, without the prior approval of the Management Company, from time to time appoint one or more investment advisors to provide the Management Company or the Investment Managers with investment advisory services in connection with the management of the assets of the Funds.

Investment Managers' Investment Committee

The Investment Managers' approval for any investment or any divestment shall be subject to the prior approval of the Investment Managers' investment committee (the "Investment Committee").

The Investment Committee will be established at the Investment Managers' level with representatives from the investment team, risk team and portfolio management team. Such composition will be determined internally by the relevant Investment Manager and may include a representative of the Management Company and a representative of the Initiator, as observers.

Advisory committee

The Board of Directors may appoint an advisory committee (the "Advisory Committee") for a given Fund, acting under its supervision, for the purpose of providing certain advisory services to the Board of Directors, the Management Company and/or the Investment Managers' investment committee as further specified in Appendix III.

Depository

Banque de Luxembourg ("BdL") has been appointed by the Company as Depository of the Company within the meaning of the 2013 Law (as further explained below). BdL is a *Société Anonyme* organised under the laws of the Grand Duchy of Luxembourg. It is a credit institution incorporated in Luxembourg and its registered office is at 14, Boulevard Royal, L-2449 Luxembourg. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector, as amended.

The Depository shall assume its functions and responsibilities in accordance with the 2010 Law and the 2013 Law, where applicable. The principal duties of the Depository are as follows:

- (A) Safe-keeping of the assets of the Company that can be held in custody (including book entry securities) and record-keeping of assets that cannot be held in custody in which case the Depository must verify their ownership;
- (B) Ensure that the Company's cash flows are properly monitored, and in particular ensure that all payments made by or on behalf of Shareholders upon the subscription of Shares in the Company have been received and that all cash of the Company has been booked in cash accounts that the Depository can monitor and reconcile;
- (C) Ensure that the issue, redemption and cancellation of Shares of the Company are carried out in accordance with applicable laws and the Articles;
- (D) Ensure that the value of the Shares of the Company is calculated in accordance with applicable laws, the Articles and the valuation procedures;
- (E) Carry out the instructions of the Management Company, unless they conflict with applicable laws or the Articles;
- (F) Ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- (G) Ensure that the Company's income is applied in accordance with applicable laws and the Articles.

In relation to the Depository's safekeeping duties as referred to in paragraph (A) above, in respect of financial instruments that can be held in custody (as defined in article 1 (51) of the 2013 Law), the Depository is liable to the Shareholders for any loss of such financial instruments held in custody by the Depository or any delegate of the Depository to whom safekeeping of those financial instruments has been delegated (a "Correspondent"), save to the extent that any such liability has been contractually discharged to a Correspondent pursuant to article 19(11) and article 19(13) of the 2013 Law. The term "loss of financial instruments held in custody" shall be interpreted in accordance with the AIFM Regulation and especially article 100 of the AIFM Regulation.

The Depository may only delegate its safekeeping functions but not its oversight functions. Additionally, when delegating such functions, the Depository shall comply with the due diligence and supervisory requirements of the 2013 Law relating to the selection and on-going monitoring of Correspondents. The Depository shall also ensure that identified conflicts of interest are managed and monitored.

In the event that the law of a particular jurisdiction requires that certain financial instruments be held in custody by a local entity and no local Correspondent has been identified

by the Depository as being capable of fulfilling the delegation requirements of the 2013 Law, the Management Company shall, prior to the Shareholders investing in those financial instruments, (i) ensure that the Shareholders are duly informed that the delegation is required due to legal constraint in that jurisdiction and (ii) set out for them the circumstances that, in the reasonable opinion of the Management Company, justify such delegation. In the event that the delegation requirements of the 2013 Law are not capable of being fulfilled by a Correspondent after the Shareholder has invested in the Company, the Management Company shall also ensure that the Shareholders are informed of the legal constraints in the relevant law and of the circumstances that, in the reasonable opinion of the Management Company, justify such delegation.

To the extent that a Correspondent is permitted to sub-delegate its functions, it may do so only to the extent that its liability under the 2013 Law is not affected by such sub-delegation.

The Depository shall be liable to the Fund and the Shareholders for the loss of a financial instrument held in custody by the Depository or by a third party to whom the Depository has delegated custody of such financial instrument. The Depository's liability is governed by Luxembourg law. Save in the cases where the 2013 Law specifies otherwise, the Depository will only be held liable in the cases of negligence, serious misconduct or intent.

The Depository will receive from the Company such fees and commissions as are in accordance with usual practice in the Grand Duchy of Luxembourg. The custody safekeeping services and transaction fees are accrued at each Calculation Day and included in the Net Asset Values of the Funds on the following Calculation Day and paid quarterly. The base fee paid for this custody service is of up to 0.05% per annum of the assets of the Fund. BdL's fees are subject to an annual minimum amount agreed between BdL and the Company.

Custody fees may be subject to review by the Depository and by the Company from time to time. In addition, the Depository is entitled to any reasonable expenses properly incurred by it or its delegates in carrying out their duties.

Principal Paying Agent

The Management Company has delegated the principal paying agent function to BdL, the Depository. The principal paying agent fees are paid out of the Company.

Administration Agent

The Management Company has delegated certain administration functions, including the registrar function, the NAV and accounting function and the investor communication function, to UI efa S.A., as the Administration Agent.

The Administration Agent is notably responsible, in accordance with the terms of the agreement entered into between UI efa S.A. and the Company, for the performance of the central administrative functions required by Luxembourg Law and among others for handling the calculation of the NAV of the Shares, the processing of subscriptions and conversions of Securities, dealing with requests for redemptions and transfer of Securities, the safe keeping of the Register and the bookkeeping and maintenance of the Company's accounting records as well as for the mailing of statements, reports, notice and other documents to the concerned Shareholders of the Company.

Fees relating to fund accounting and valuation in the scope of the Administration Agent are accrued at each Calculation Day and paid out of the Company. The Administration Agent's fees are subject to an annual minimum amount agreed between the Administration Agent and the Management Company.

Administration fees may be subject to review by the Administration Agent and by the Management Company from time to time. In addition, the Administration Agent is entitled to any reasonable expenses properly incurred in carrying out its duties.

The amounts paid to the Depositary and Administration Agent will be shown in the Company's financial statements.

Transfer Agent and Registrar

The Management Company has delegated the transfer agency and registrar functions to UI efa S.A. (the "Transfer Agent"). Fees, expenses and out-of-pocket expenses relating to the services performed by the Transfer Agent are borne by the Management Company.

Other Charges and Expenses

The Company will pay all charges and expenses incurred in the operation of the Company including, without limitation, taxes, expenses for legal and auditing services, tax advice, brokerage, governmental duties and charges, stock exchange listing expenses and fees due to supervisory authorities in various countries, including the costs incurred in obtaining and maintaining registrations so that the Shares of the Company may be marketed in different countries; expenses incurred in the issue and redemption of Shares and payment of dividends, registration fees, insurance, interest and the costs of computation and publication of Share prices and postage, telephone, facsimile transmission and the use of other electronic communication; costs of printing proxies, statements, Share certificates, if any, or confirmations of transactions, Shareholders' reports, prospectuses and supplementary documentation, explanatory brochures and any other periodical information or documentation.

In addition to standard banking and brokerage charges paid by the Company, Schroders' companies providing services to the Company may receive payment for these services.

The Company shall bear its incorporation expenses, including the costs of drawing up and printing the Prospectus, notary public fees, the filing and initial notification costs associated with seeking approval from supervisory, administrative and stock exchange authorities, the costs of printing Share certificates, if any, and any other costs pertaining to the setting up and launching of the Company. These incorporation expenses, estimated at an amount up to EUR 150,000 or equivalent, will be borne by the Company.

In addition to the above, each Fund shall pay reasonable and properly incurred costs, expenses and taxes) in connection with each Fund's investments (including but not limited to costs relating to sourcing, due diligence, acquisition, holding, monitoring, disposal, independent board members, broken-deal costs, etc.), credit facilities, litigation, and other matters in the ordinary course of business as further set out for each Fund under Appendix III.

3.2. Distributions or allocation of income and profits

Dividend Policy for open-ended Funds

It is intended that the Company will distribute dividends to holders of Distribution Shares in the form of cash in the relevant Share Class currency. Annual dividends are declared separately in respect of Distribution Shares at the annual general meeting of Shareholders. In addition, the Directors may declare interim dividends in respect of Distribution Shares.

The Directors may decide that dividends be automatically reinvested by the purchase of further Shares. However, no dividends will be distributed if their amount is below the amount of EUR 50 or its equivalent. Such amount will automatically be reinvested.

Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Share Class in non-certificated form. Fractional entitlements to registered Shares will be recognised to the nearest four decimal places.

Dividends due on Shares remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Fund.

Distribution Policy for closed-ended Funds

Payment or allocation of income and profits between the various Classes of Shares for each Fund, as well as, as the case may be, corresponding cash payments, is described in the relevant Fund's details in Appendix III.

On the termination of a Fund, the affairs of the Fund shall be wound up and its assets shall be realised. The proceeds of realisation shall be distributed to the Shareholders. The allocation of liquidation proceeds for each Fund is further described in Appendix III.

Shareholders' giveback

A Fund may require each Shareholder to return its pro rata share of any amount distributed to such Shareholder or held in escrow to the extent the Fund is required to pay such amount, in order to satisfy, among others, (i) recall obligations the Fund may have or (ii) its pro-rata share of the Fund's indemnification obligations; provided that no Shareholder will be required to return any amount previously distributed to such Shareholder or held in escrow after a certain period of time as set out in the relevant Appendix III, to the extent the Fund is not liquidated at the term of the duration of the Fund (together, the "**Giveback Obligations**"). Such Giveback Obligations shall survive after two (2) years following the termination of the Fund.

3.3. Company Information

- (A) The Company is an umbrella structured open-ended investment fund with limited liability, organised as a "*société anonyme*" and qualifies as a SICAV under Part II of the 2010 Law and as an alternative investment fund within the meaning of the 2013 Law. The Company was incorporated on 18 January 2023 and its Articles were published in the *Recueil Electronique des Sociétés et Associations* on 7 February 2023 (N°230022041).

The Company is registered under Number B-274912 with the "*Registre de Commerce et des Sociétés*", where the Articles have been filed and are available for inspection. The Company exists for an indefinite period.

- (B) The minimum capital of the Company required by Luxembourg law is EUR 1,250,000. The share capital of the Company is represented by fully paid Shares of no par value and is at any time equal to its net asset value. Should the capital of the Company fall below two thirds of the minimum capital, an extraordinary general meeting of Shareholders must be convened to consider the dissolution of the Company. Any decision to liquidate the Company must be taken by the simple majority of the votes of the Shareholders present or represented at the meeting. Where the share capital falls below one quarter of the minimum capital, the Directors must convene an extraordinary general meeting of Shareholders to decide upon the liquidation of the Company. At that meeting, the decision to liquidate the Company may be taken by Shareholders holding together one quarter of the votes cast of the Shares present or represented.

The currency of the Company is the USD.

- (C) The following material contracts, not being contracts entered into in the ordinary course of business, have been entered into:
- (1) Fund Services Agreement between the Company and Schroders Investment Management (Europe) S.A., further to which the latter has been appointed alternative investment fund manager and to perform administration and marketing functions;
 - (2) Depositary Agreement between the Company, Banque de Luxembourg and the Management Company.

The material contracts listed above may be amended from time to time by agreement between the parties thereto.

- (D) In relation to the Depositary Agreement listed above:

- (1) The Depositary or the Company may terminate the Depositary Agreement at any time upon ninety (90) calendar days' written notice (or earlier in case of certain breaches of the Depositary Agreement) provided that the Depositary Agreement shall not terminate until a replacement depositary is appointed.
- (2) Up-to-date information regarding the description of the Depositary's duties and of conflicts of interest that may arise as well as of any safekeeping functions delegated by the Depositary, the list of third-party delegates and any conflicts of interest that may arise from such a delegation will be made available to Investors on request from the Depositary.

- (E) The Articles are governed by, and construed in accordance with, the laws currently into force in Luxembourg. The Commitment Agreement is expressed to be governed by, and construed in accordance with, the laws currently into force in Luxembourg, and is subject to the jurisdiction of the courts of the Grand Duchy of Luxembourg.

There are no legal instruments in Luxembourg required for the recognition and enforcement of judgments rendered by a Luxembourg court. If a foreign, i.e. non-Luxembourg court, on the basis of mandatory domestic provisions, renders a judgment against the Company, the rules of the Brussels I Regulation (regarding judgments

from EU member states) or the rules of the Lugano Convention or of the private international law of Luxembourg (regarding judgments from non-EU member states) concerning the recognition and enforcement of foreign judgments apply. Investors are advised to seek advice, on a case-by-case basis, on the available rules concerning the recognition and enforcement of judgments.

Documents of the Company

Copies of the Articles, Prospectus, KID as the case may be, financial reports, impact reports and information listed in article 21 of the 2013 Law may be obtained free of charge and upon request, from the registered office of the Company. The material contracts referred to above are available for inspection during normal business hours at the registered office of the Company.

Any other financial information to be published concerning the Company, including the Net Asset Value, the historical performance of the Funds, the issue and repurchase price of the Shares and any suspension of such valuation, are available upon request at the registered office of the Company and of the Management Company and on the Internet at www.schroders.com/en/global/individual/.

Shareholder Notifications

Relevant notifications or other communications to Shareholders concerning their investment in the Company may be posted on the website www.schroders.com/en/global/individual/, in the annual or interim reports of the Company or at the Company's, Management Company's or any third party's registered office. In addition, and where required by Luxembourg law or the CSSF, Shareholders will also be notified in writing or in such other manner as prescribed under Luxembourg law. In particular, Shareholders should refer to 3.6 Meetings and Reports.

Queries and Complaints

Any person who would like to receive further information regarding the Company or who wishes to make a complaint about the operation of the Company should contact the Compliance Officer, Schroder Investment Management (Europe) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Grand Duchy of Luxembourg.

3.4. Taxation

The following is based on the Directors' understanding of the law and practice in force at the date of this document and applies to Investors acquiring Shares in the Company as an investment. Investors should, however, consult their financial or other professional advisers on the possible tax or other consequences of buying, holding, transferring, redeeming or other dealing in the Company's Shares under the laws of their countries of citizenship, residence and domicile.

This summary is subject to future changes

Luxembourg Taxation

The following information is of a general nature only and does not purport to be a comprehensive description of all tax considerations that may be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the subscribing for, purchasing, owning and disposing of Shares and may not include tax considerations that arise from rules of general application or that are

generally assumed to be known to Investors. This summary is based on the laws in force in Luxembourg on the date of this Prospectus and is subject to any changes in law that may take effect after such date, even with retroactive or retrospective effect.

Investors should be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), the solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu des personnes physiques*). Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, net wealth tax and the solidarity surcharge apply to most corporate taxpayers that are resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

(A) Taxation of the Company

Income and net wealth taxes

Under current Luxembourg tax law, the Company is not subject to corporate income tax and municipal business tax (including the solidarity surcharge) on its income, profits or gains. The Company is not subject to net wealth tax (including the minimum net wealth tax) in Luxembourg.

Subscription tax

The Company is as a rule subject to a subscription tax ("*taxe d'abonnement*") levied at the rate of 0.05% per annum, such tax being payable quarterly. The taxable base for the subscription tax is the aggregate net assets of the Company valued on the last day of each quarter of the calendar year. However, a reduced subscription tax of 0.01% per annum is applicable to (i) individual Funds or individual Share Classes, provided that such Fund or Share Class comprises only one or more institutional Investors (within the meaning of Article 174 of the 2010 Law) and (ii) UCIs whose exclusive investment policy is to invest in money market instruments and/or deposits with credit institutions.

Under certain conditions, reduced rates ranging from 0.04% to 0.01% may also be available for the portion of the net assets of a UCI or of an individual compartment of a UCI with multiple compartments that are invested in sustainable economic activities (as defined in Article 3 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088).

Further, a subscription tax exemption applies to (i) the value of the assets represented by units held in a Luxembourg UCI subject itself to a subscription tax, (ii) UCIs, compartments thereof or dedicated classes reserved to retirement pension schemes, (iii) money market UCIs, and (iv) UCITS and UCIs subject to the part II of the 2010 Law qualifying as exchange traded funds.

Withholding tax

Under current Luxembourg tax law, distributions, liquidation proceeds and redemption payments made by the Company are not subject to withholding tax in Luxembourg.

However, the Company may be subject to withholding tax on dividends and interest payments and to tax on capital gains in the source countries. As the Company itself is not subject to Luxembourg corporate income tax, withholding tax levied at source, if any, would normally be a final cost.

Whether the Company may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Company is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly be applicable to the Company.

Value added tax

In Luxembourg, regulated investment funds such as the Company are considered as taxable persons for value added tax ("VAT") purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Company could potentially trigger VAT and require the VAT registration of the Company in Luxembourg. As a result of such VAT registration, the Company will be in a position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of payments made by the Company to its Shareholders to the extent that such payments are linked to their subscription to the Shares and therefore do not constitute the consideration received for taxable services supplied.

Other taxes

No stamp duty, capital duty or other tax is generally payable in Luxembourg upon the issue of Shares by the Company against cash.

However, the Company is subject to a fixed registration duty of EUR 75 in Luxembourg upon incorporation and any subsequent amendment to its articles of association.

(B) Taxation of Shareholders

General considerations

It is expected that the Shareholders will be resident for tax purposes in different countries. Accordingly, no attempt is made in this Prospectus to summarise the tax consequences for each Shareholder of subscribing for, purchasing, owning or disposing of Shares. These consequences will vary depending on the law and practice currently in force in the Shareholders' country of citizenship, residence, domicile or incorporation, as well as their personal circumstances. Shareholders that are residents or citizens of certain countries which have a tax legislation affecting foreign funds may have a current liability to tax on undistributed income and gains of the Company. Shareholders should consult their own professional advisors as to the particular consequences of subscribing for, purchasing, owning and disposing of

Shares, including the application and effect of any federal, state or local taxes under the tax laws of Luxembourg and their countries of citizenship, residence, domicile or incorporation.

Tax residency

A Shareholder will not become resident (or be deemed resident) in Luxembourg by reason only of holding and/or disposing of the Shares or executing, performing, delivering and/or enforcing its rights thereto.

Non Luxembourg resident Shareholders

Non resident individuals or collective entities who do not have a permanent establishment or permanent representative in Luxembourg to which or to whom the Shares are attributable, are not subject to Luxembourg taxation on capital gains realized upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

Non-resident corporate Shareholders that have a permanent establishment or a permanent representative in Luxembourg to which or to whom the Shares are attributable, must include any income received and gains realised on the sale, repurchase or redemption of Shares, in their taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to non-resident individual Shareholders, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg to which or to whom the Shares are attributable.

Taxable gains are determined as the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Resident individual Shareholders

Dividends and other payments derived from the Shares by a resident individual Shareholder, who acts in the course of the management of either his/her private wealth or his/her professional/business activity, are subject to personal income tax at the progressive ordinary rates.

Capital gains realised upon the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her private wealth, are not subject to personal income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to personal income tax at ordinary rates if the Shares are disposed of within six (6) months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his/her spouse or partner and/or minor children, directly or indirectly at any time within the five (5) years preceding the disposal, more than ten percent (10%) of the share capital of the Company whose Shares are being disposed of. A Shareholder is also deemed to alienate a substantial participation if he/she acquired free of charge, within the five (5) years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realised on a substantial

participation more than six (6) months after the acquisition thereof are taxed according to the half-global rate method (i.e., the average rate applicable to the total income is calculated according to progressive personal income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realised on the disposal of the Shares by a resident individual Shareholder, who acts in the course of the management of his/her professional/business activity, are subject to personal income tax at ordinary rates. Taxable gains are determined as the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Resident corporate Shareholders

Luxembourg resident corporate Shareholders which are fully taxable companies must include any profits derived and gains realised on the sale, repurchase or redemption of Shares, in their taxable profits for Luxembourg income tax purposes. Taxable gains are determined as the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Resident Shareholders benefiting from a special tax regime

Luxembourg resident corporate Shareholders which benefit from a special tax regime, such as (i) specialised investment funds subject to the amended law of 13 February 2007, (ii) family wealth management companies subject to the amended law of 11 May 2007, (iii) UCIs subject to the 2010 Law, or (iv) reserved alternative investment funds treated as a specialised investment fund for Luxembourg tax purposes and subject to the amended law of 23 July 2016, are exempt from income taxes in Luxembourg and profits derived from the Shares are thus not subject to Luxembourg income taxes.

Net wealth tax

Luxembourg resident Shareholders as well as non-resident Shareholders that have a permanent establishment or a permanent representative in Luxembourg to which or to whom the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, except if such Shareholders are (i) an individual, (ii) a securitisation vehicle subject to the amended law of 22 March 2004, (iii) a venture capital company subject to the amended law of 15 June 2004, (iv) a professional pension institution subject to the amended law of 13 July 2005, (v) a specialised investment fund subject to the amended law of 13 February 2007, (vi) a family wealth management company subject to the amended law of 11 May 2007, (vii) a UCI subject to the 2010 Law, or (viii) a reserved alternative investment fund subject to the amended law of 23 July 2016.

However, (i) a securitisation company subject to the amended law of 22 March 2004, (ii) a tax-opaque venture capital company subject to the amended law of 15 June 2004, (iii) a professional pension institution subject to the amended law of 13 July 2005, and (iv) a tax-opaque reserved alternative investment fund treated as a

venture capital vehicle for Luxembourg tax purposes and subject to the amended law of 23 July 2016 remain subject to the minimum net wealth tax in Luxembourg.

Other taxes

Under current Luxembourg tax law, where an individual Shareholder is resident in Luxembourg for inheritance tax purposes at the time of his/her death, the Shares are included in his/her taxable base for inheritance tax purposes. By contrast, no inheritance tax is levied on the transfer of the Shares upon the death of an individual Shareholder if the deceased was not resident in Luxembourg for inheritance tax purposes at the time of his/her death.

Gift tax may be due on a gift or donation of the Shares, if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

US Foreign Account Tax Compliance Act 2010 ("FATCA")

Capitalised terms used in this section should have the meaning as set forth in the FATCA Law (as defined below), unless otherwise provided herein.

The Company may be subject to FATCA legislation which generally requires reporting to the US Internal Revenue Service of non-US financial institutions that do not comply with FATCA and direct or indirect ownership by US persons of non-US entities. As part of the process of implementing FATCA, the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA. On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the USA and implemented the IGA via the Luxembourg law of 24 July 2015, as amended or supplemented from time to time (the "FATCA Law").

Under the terms of the FATCA Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution.

This status imposes on the Company the obligation to regularly obtain and verify information on all of its Shareholders. On the request of the Company, each Shareholder shall agree to provide certain information, including, in the case of a passive Non-Financial Foreign Entity ("NFFE"), information on the Controlling Persons of such NFFE, along with the required supporting documentation. Similarly, each Shareholder shall agree to actively provide to the Company within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

The FATCA Law requires the Company to disclose the names, addresses and taxpayer identification number of Shareholders and Controlling Persons who are US persons, along with information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities for the purposes set out in the FATCA Law. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Service.

Shareholders qualifying as passive NFFEs undertake to inform their Controlling Persons, if applicable, of the processing of their information by the Company.

Additionally, the Company is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Company is to be processed in accordance with the applicable data protection legislation.

Provided that the Company satisfies any obligation imposed on it to identify and report upon US persons, it should avoid the imposition of FATCA withholding tax as well as penalties. The Company intends to meet all such obligations.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes and/or penalties imposed on the Company as a result of such Shareholder's failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

(C) Exchange of information – Common Reporting Standard ("CRS")

General considerations

Capitalised terms used in this section should have the meaning as set forth in the CRS Law (as defined below), unless otherwise provided herein.

CRS has been implemented by Council Directive 2014/107/EU on the mandatory automatic exchange of tax information which was adopted on 9 December 2014 and implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation (the "CRS Law"). CRS became effective among most member states of the EU on 1 January 2016.

Under the terms of the CRS Law, the Company is to be treated as a Luxembourg Reporting Financial Institution.

As such, the Company is required to annually report to the Luxembourg tax authorities personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to (i) certain Shareholders qualifying as Reportable Persons and (ii) Controlling Persons of passive non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "Information"), will include personal data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Company with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Company will process the Information for the purposes as set out in the CRS Law.

Shareholders qualifying as passive NFEs undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

Additionally, the Company is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Company are to be processed in accordance with the applicable data protection legislation.

The Shareholders are further informed that the Information related to Reportable Persons will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction(s). In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Similarly, the Shareholders undertake to inform the Company within thirty (30) days of receipt of these statements should any included personal data not be accurate. The Shareholders further undertake to immediately inform the Company of and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any fines or penalties imposed by the CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a fine or penalty as a result of the CRS Law, the value of the Shares held by the Shareholders may suffer material losses.

Any Shareholder that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company as a result of such Shareholder's failure to provide the Information and the Company may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholders and intermediaries should note that it is the existing policy of the Company that Shares are not being offered or sold for the account of US Persons or Investors who do not provide the appropriate Information. Subsequent transfers of Shares to US Persons are prohibited. If Shares are beneficially owned by any US Person or a person who has not provided the appropriate Information, the Company may in its discretion compulsorily redeem such Shares.

Overseas Taxation

(A) The Company

It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it will not become resident in any jurisdiction other than Luxembourg. Accordingly, and provided that the Company does not carry on a trade in a non-Luxembourg jurisdiction through a branch or agency situated therein, the Company should generally not be subject to overseas corporation tax or income tax resulting from such trade. This assumption will, however, depend on the law and practice currently in force in the relevant jurisdiction.

(B) Shareholders

UK Offshore Funds Legislation

Part 8 of the Taxation (International and Other Provisions) Act 2010 and Statutory Instrument 2009/3001 (the "Offshore Funds regulations") provides that if an Investor who is resident or ordinarily resident in the UK for taxation purposes disposes of a holding in an offshore entity that constitutes an "offshore fund" and that offshore fund does not qualify as a Reporting Fund throughout the period during which the Investor holds that interest, any gain accruing to the Investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("offshore income gains") and not as a capital gain. The Company is an "offshore fund" for the purpose of those provisions, however some Classes of Shares in the Company may not constitute interests in offshore funds, in which case any gain accruing to the holders of those Shares will be taxed as a capital gain. Where Classes of Shares in the Company do constitute interests in offshore funds, unless otherwise specified within Appendix III, they will be managed with a view to them qualifying as Reporting Funds for taxation purposes, and accordingly any capital gain on disposal of Shares in the Company should not be reclassified as an income gain under the UK's offshore fund rules. A full list of reporting Share Classes is available from the Management Company on request. A list of reporting funds and their certification dates is published on the HMRC website www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds.

Under the offshore fund rules, Investors in Reporting Funds are subject to tax on their share of the Reporting Fund's income for an accounting period, whether or not the income is distributed to them. UK resident holders should be aware that they will be required to account for and pay tax on income which has been reported to them in respect of their holdings, on an annual basis through their tax return, even if such income has not been distributed to them.

For the avoidance of doubt, distributions which in accordance with 3.4 above have been reinvested in further Shares should be deemed for the purpose of UK tax as having been distributed to the Shareholders and subsequently reinvested by them, and accordingly should form part of the Shareholder's taxable income of the period in which the dividend is deemed to have been received.

In accordance with the Offshore Funds legislation, reportable income attributable to each Fund Share will be published no later than 10 months after the end of the reporting period on the following Schroders website: <https://www.schroders.com/en-lu/lu/professional/funds-and-strategies/fund-administration/income-tables/>.

It is the Investor's responsibility to calculate and report their respective total reportable income to HMRC based on the number of Shares held at the end of the reporting period. In addition to reportable income attributable to each Fund Share the report will include information on amounts distributed per Share and the dates of distributions in respect of the reporting period. Shareholders with particular needs may request their report be provided in paper form, however we reserve the right to make a charge for this service.

Chapter 3 of Part 6 of the Corporation Tax Act 2009 provides that, if at any time in an accounting period a person within the charge of UK corporation tax holds an interest in an offshore fund within the meaning of the relevant provisions of the tax legislation, and there is a time in that period when that fund fails to meet the “qualifying investments test”, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to meet the “qualifying investments test” at any time where more than 60% of its assets by market value comprise government and corporate debt securities or cash on deposit or certain derivative contracts or holdings in other collective investment schemes which at any time in the relevant accounting period do not themselves meet the “qualifying investments test”. The Shares will constitute interests in an offshore fund and on the basis of the investment policies of the Company, the Company could fail to meet the “qualifying investments test”.

Stamp Taxes

Transfers of Shares will not be liable to UK stamp duty unless the instrument of transfer is executed within the UK when the transfer will be liable to UK ad valorem stamp duty at the rate of 0.5% of the consideration paid rounded up to the nearest GBP 5. No UK stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

Distributions

Distributions paid by Funds that hold more than 60% of their assets in interest-bearing, or economically similar, form at any time in an accounting period are treated as a payment of annual interest for UK resident individual Investors. Where Shares are held within an individual savings account (“ISA”), this income is free of tax. For Shares held outside an ISA, from 6 April 2016 a personal savings allowance is available to exempt the first GBP £1,000 of interest income from tax in the hands of basic rate taxpayers. The allowance is GBP £500 for higher rate taxpayers and nil for additional rate taxpayers. Total interest received in excess of the allowance in a tax year is subject to tax at the rates applying to interest (currently 20%, 40% and 45%).

Distributions paid by Funds that have no more than 60% of their assets in interest-bearing form at all times in an accounting period are treated as foreign dividends. Up to 6 April 2016, these bore a non-payable dividend tax credit for UK resident individual Investors. Since 6 April 2016, the dividend tax credit has been withdrawn and replaced by a tax-free Dividend Allowance. The tax-free Dividend Allowance is available to exempt the first GBP £2,000 (as of 6 April 2018) of dividend income from taxation. Where Shares are held outside an ISA, total dividends received in a tax year up to that amount will be free of income tax. Dividends totalling in excess of that amount will be subject to tax at rates of 8.75%, 33.75% and 39.35% (as of April 2022) where they fall within the basic rate, higher rate and additional rate bands respectively. Dividends received on Shares held within an ISA will continue to be tax-free.

3.5. Meetings, Reports and Financial Statements

Meetings

The annual general meeting of Shareholders of the Company is held, in accordance with applicable laws and regulations, within six months of the end of each Financial Year, at the registered office of the Company, or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting. The annual general meeting may be held abroad if, in the absolute and final judgment of the Board of Directors, exceptional circumstances so require. Notices of all general meetings of Shareholders are sent by registered post at least eight days prior to the meeting. Such notices will include the agenda and specify the place of the meeting. The legal requirements as to notice, quorum and voting at all general and Fund or Share Class meetings are included in the Articles. Meetings of Shareholders of any given Fund or Share Class shall decide upon matters relating to that Fund or Share Class only.

The notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the Shares issued and outstanding at a certain date and time preceding the general meeting (the “Record Date”). The right of a Shareholder to participate at a general meeting of Shareholders and to exercise voting rights attached to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

Each Shareholder is entitled to as many votes as he holds shares excluding fractional shares. Except as otherwise required by the law of 10 August 1915 on commercial companies, as amended, or the Articles, resolutions at a general meeting of Shareholders duly convened shall not require any presence quorum and shall be adopted at a simple majority of the votes validly cast regardless of the portion of capital represented. Abstentions and nil votes shall not be taken into account.

The Articles may be amended by a majority of at least two-thirds of the votes validly cast at a general meeting at which a quorum of more than half of the Company’s share capital is present or represented. If no quorum is reached in a meeting, a second meeting may be convened in accordance with the law of 10 August 1915 on commercial companies, as amended, and the Articles which may deliberate regardless of the quorum and at which resolutions are taken at a majority of at least two-thirds of the votes validly cast. Abstentions and nil votes shall not be taken into account. To be valid, any amendment of the articles of association shall obtain the prior approval of the CSSF.

The Shareholders may change the nationality of the Company only by unanimous consent.

Reports

The Financial Year of the Company ends on 31 December each year. The first Financial Year of the Company will end on 31 December 2023.

Copies of the periodical financial reports, prepared in accordance with the AIFMD, may be obtained from the Internet site www.schroders.com/en/global/individual/ and are available free of charge from the registered office of the Company. Such reports form an integral part of this Prospectus.

The Company will publish an annual report within 180 days after the end of the financial year which will include (a) audited financial statements, including a balance sheet of the

Company and each Fund as at the end of the Financial Year, (b) a description of assets of the Company, (c) a report from the Auditor, (d) a management report, (e) a calculation of the value of the assets of the Fund as per year-end.

The Company will also publish an impact report following the timeline envisaged for the annual report and not before two full years of activity of the Company.

The impact report will include achievements on specific impact key performance indicators, as defined at the beginning of each Financial Year by the Board of Directors and the Investment Manager.

The Company will publish a quarterly report for each Fund for the periods referring to Q1, Q2 and Q3 of each Financial Year, detailing information relevant to investors, including but not limited to: (a) amounts drawn down from Investors during the preceding quarter; (b) any distributions to Investors during the preceding quarter; (c) unaudited valuation of Investments; (d) details on portfolio composition.

The following documents are available for inspection by Investors free of charge, during usual business hours, subject to a two Business Days prior written notice, at the registered office of the Company in Luxembourg:

- (A) this Prospectus;
- (B) the Articles;
- (C) the latest available annual report;
- (D) the Management Company services agreement;
- (E) the depositary agreement; and
- (F) the central administration agreement.

Financial Statements

The financial statements of the Company are prepared and presented in accordance with Lux GAAP on a going concern basis but may be supplemented with IFRS standardized accounts should it be required by any Investor.

3.6. Details of Shares

Shareholder rights

The Shares issued by the Company are entitled to participate in the profits, and dividends of the Share Classes to which they relate, and in the net assets of such Share Class upon liquidation. Unless otherwise provided for herein, the Shares carry no preferential and pre-emptive rights.

Voting

At general meetings, each Shareholder has the right to one vote for each whole Share held.

A Shareholder of any particular Fund or Share Class will be entitled at any separate meeting of the Shareholders of that Fund or Share Class to one vote for each whole Share of that Fund or Share Class held.

In the case of a joint holding, only the first named Shareholder may vote.

Compulsory switch/transfer/cancellation

The Directors may impose or relax restrictions on any Shares and, if necessary, require the switch, transfer or cancellation of Shares as the case may be in accordance with the Prospectus to ensure that Shares are neither acquired nor

held by or on behalf of any person in breach of the law or requirements of any country or government or regulatory authority or which might have adverse taxation or other pecuniary consequences for the Company and/or the Management Company including a requirement to register under the laws and regulations of any country or authority. The Directors may in this connection require a Shareholder to provide such information as they may consider necessary to establish whether the Shareholder is the beneficial owner of the Shares which they hold.

If it shall come to the attention of the Directors at any time that Shares are beneficially owned by a US Person, or a specified person for the purposes of FATCA, the Company may take the actions set out under 2.8 "Prohibited Persons".

Transfers

The transfer of registered Shares in accordance with Section 2. paragraph 1.3 of this Prospectus may be effected at the Management Company's discretion by delivery to the Transfer Agent of a duly signed stock transfer form in appropriate form.

Rights on a winding-up

The Company has been established for an unlimited period. However, the Company may be liquidated at any time by a resolution adopted by an extraordinary general meeting of Shareholders, at which meeting one or several liquidators will be named and their powers defined. The liquidators shall be approved by the CSSF. Liquidation will be carried out in accordance with the provisions of Luxembourg law. The net proceeds of liquidation corresponding to each Fund shall be distributed by the liquidators to the Shareholders of the relevant Fund in proportion to the value of their holding of Shares either in cash or, upon the prior consent of the Shareholders, in kind.

If and when the net assets of all Share Classes in a Fund are less than USD 50,000,000 or its equivalent in another currency, or in the case of a Share Class, such Share Class falls below the amount of USD 10,000,000 or its equivalent in another currency, or such other amounts as may be determined by the Directors from time to time to be the minimum level for assets of such Fund to be operated in an economically efficient manner or if any economic or political situation would constitute a compelling reason therefore, or if required in the interest of the Shareholders of the relevant Fund, the Directors may decide to redeem all the Shares of that Fund or its liquidation. In any such event Shareholders will be notified by a redemption notice or liquidation notice published (or notified as the case may be) by the Company in accordance with applicable Luxembourg laws and regulations prior to compulsory redemption and will be paid the Net Asset Value of the Shares of the relevant Share Class held as at the redemption date.

Under the same circumstances as described above, the Directors may also decide upon the reorganisation of any Fund by means of a division into two or more separate Funds in the Company or in another UCI or UCITS. Such decision will be published or notified in the same manner as described above and, in addition, the publication or notification will contain information in relation to the two or more separate Funds resulting from the reorganisation. Such publication or notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable Shareholders to request redemption of their Shares before the reorganisation becomes effective.

In the event that for any reason the net assets of a Share Class has decreased to, or has not reached an amount determined by the Directors (in the interests of Shareholders) to be the minimum level for such Share Class to be operated in an efficient manner, the Directors may decide to re-allocate the assets and liabilities of that Share Class to those of one or several other Share Classes within the Company and to re-designate the Shares of the Share Class(es) concerned as Shares of such other Share Class(es) (following a split or consolidation, if necessary, and the payment to Shareholders of the amount corresponding to any fractional entitlement). The Shareholder of the Share Classes concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable Luxembourg laws and regulations.

Any merger of a Fund with another Fund of the Company or with another UCI or UCITS (whether subject to Luxembourg law or not) or a merger of the Company with another UCI or UCITS as defined under Luxembourg law (or any fund thereof) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for the merger to the general meeting of Shareholders of the Fund concerned. In the latter case, no quorum is required for this general meeting and the decision for the merger is taken by a simple majority of the votes cast. Such a merger will be undertaken in accordance with the provisions of Luxembourg law.

Any liquidation proceeds not claimed by the Shareholders at the close of the liquidation of a Fund will be deposited in escrow at the "*Caisse de Consignation*". Amounts not claimed from escrow within the period fixed by law may be liable to be forfeited in accordance with the provisions of Luxembourg law.

3.7. Information

As required by the AIFM Rules, and if applicable, the following information will be periodically provided to Shareholders by means of disclosures in the annual and half-yearly reports of the Company or, if the materiality so justifies, notified to Shareholders separately:

- the percentage of the Funds' assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing liquidity of the Funds, whether or not these are special arrangements, including any changes to the liquidity management systems and procedures referred to in article 16 (1) of the AIFMD and as described in Appendix I, "8. Risk Management Process" which are material in accordance with article 106(1) of the AIFM Regulation;
- the current risk profile of the Funds and the risk management system employed by the Management Company to manage those risks;
- any changes to the maximum level of leverage which the Management Company may employ on behalf of the Funds as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangement;
- the total amount of leverage employed by the Funds.

Any change to the liability arrangements agreed with the Depositary for any discharge of liability shall also be notified without delay to the Shareholders to the extent required by, and in accordance with, applicable laws and regulations.

The Management Company will also make available upon request at its registered office all information to be provided to Investors under the 2013 Law, including: (i) all relevant information regarding conflicts of interest (such as the description of any conflict of interest that may arise from any delegation of the functions listed in Appendix I of the 2013 Law or of any conflicts that must be communicated to Investors under Articles 13.1 and 13.2 of the 2013 Law), (ii) the maximum amount of the fees that may be paid annually by the Funds, (iii) the way chosen to cover potential liability risks resulting from its activities under the 2013 Law, (iv) information on any preferential treatment granted to certain Shareholders and (v) the risk profile of each Fund and (v) the list of the Correspondents used by the Depositary.

Appendix I

Investment Restrictions

The Funds must ensure an adequate spread of investment risks by sufficient diversification and compliance with the percentage limits set out below.

Having regard to Circular CSSF 02/80 and Circular IML 91/75 as applicable, the Investment Restrictions applicable to the Funds are as follows (expressed as a percentage of their Net Asset Value). Exceptions to the below restrictions and any additional restrictions (detailed in Appendix II) applicable to a particular Fund are set out in Appendix III.

1. Investment in Securities and Money Market Instruments

- (A) Each Fund may not invest more than 10% of their Net Asset Value in securities which are not quoted on a stock exchange or dealt on another Regulated Market.
- (B) Each Fund may not acquire more than 10% of the securities of the same nature issued by the same issuer.
- (C) Each Fund may not invest more than 20% of its Net Asset Value in securities issued by the same issuer.

The restrictions set forth under (A) to (C) above do however not apply to investments in securities issued or guaranteed by an OECD member state or its regional or local authorities or by EU, regional or global supranational institutions and bodies and to investments in target undertakings for collective investment that are subject to risk-spreading requirements at least comparable to those applicable to UCI.

A Fund may invest in money market instruments pursuant to the restrictions set forth under (A) to (C) above.

2. Investment in UCIs

- (A) Investment in UCIs shall only be possible under the following conditions:
 - (1) each Fund will be able to acquire more than 50% of the units or shares issued by the same UCI, provided that, in such circumstances, if the UCI is a UCI with multiple compartments, the investment of each Fund in the legal entity constituting the target UCI must represent less than 50% of the net assets of each Fund;
 - (2) each Fund may not, in principle, invest more than 20% of its net assets in units or shares issued by the same UCI. For the purpose of this restriction of 20%, each Fund of a target UCI with multiple compartments is to be considered as a distinct target UCI on the condition that the principle of segregation of the commitments of the different Funds towards third parties is ensured.

By derogation, the above restrictions under (1) and (2) shall not apply to investments in open-ended UCIs subject to risk diversification rules similar to those provided for in respect of Luxembourg UCIs governed by Part II of the 2010 Law, if such target UCIs are submitted in their state of origin to a permanent control carried out by a regulatory authority set up by law in order to ensure the protection of investors. Such derogation may not, at any time, result in an excessive concentration of

investments of each compartment in any single target UCI, it being understood that, for the purpose of this limitation, each compartment of a target UCI with multiple compartments is to be considered as a distinct target UCI provided that the principle of segregation of the commitments of the different compartments towards third parties is ensured.

- (B) A Fund (the "Investing Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Funds (each, a "Target Fund") without the Company being subject to the requirements of the law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a Company of its own shares, under the condition however that:
 - (1) the Target Fund(s) do(es) not, in turn, invest in the Investing Fund invested in this (these) Target Fund(s); and
 - (2) no more than 10% of the assets of the Target Fund(s) whose acquisition is contemplated may be invested in aggregate in units of other Target Funds; and
 - (3) voting rights, if any, attaching to the Shares of the Target Fund(s) are suspended for as long as they are held by the Investing Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
 - (4) in any event, for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and
 - (5) there is no duplication of management/subscription or repurchase fees between those at the level of the Investing Fund having invested in the Target Fund(s), and this (these) Target Fund(s).

3. Investment in real estate assets

Each Fund may not invest more than 20% of its Net Asset Value in a single property, such a restriction being effective at the date of acquisition of the relevant property. Property whose economic viability is linked to another property is not considered a separate item of property for the purpose of this restriction. This 20% rule does not apply during a start-up period which may not extend beyond four years after the initial subscription.

4. Restrictions on the use of Derivatives

- (A) Provided that this is set out in the relevant Appendix, a Fund may invest in financial derivative instruments either for hedging purposes, in particular for the purpose of hedging risk connected to the evolution of stock markets or for the purpose of hedging interest rates or currency, or for a purpose other than hedging (such as generating additional capital or income or for reducing costs or risk), as further described for each Fund in the relevant Appendix.
- (B) Margin deposits in relation to derivatives dealt on an organised market, premiums paid for the acquisition of options outstanding as well as the commitments arising

from derivatives contracted by private agreement may not exceed, in aggregate, 50% of the Net Asset Value of each Fund. The commitment in relation to a transaction on a financial derivative instrument entered into by private agreement by the Funds corresponds to any non-realised loss resulting, at that time, from the relevant transaction.

- (C) A Fund must maintain a reserve of liquid assets in an amount at least equal to the margin deposits made by the Fund. Liquid assets do not only comprise time deposits and regularly negotiated money market instruments the remaining maturity of which is less than 12 months, but also treasury bills and bonds issued by OECD member countries or their local authorities or by supranational institutions and organisations with European, regional or worldwide scope as well as bonds listed on a stock exchange or dealt on a Regulated Market, which operates regularly and is open to the public, issued by first class issuers and being highly liquid.
- (D) A Fund may not hold an open position in a single contract relating to a financial derivative instrument dealt on an organised market or a single contract relating to a financial derivative instrument entered into by private agreement for which the margin required or the commitment taken, respectively, represents 5% or more of the Net Asset Value of the Fund.
- (E) Premiums paid to acquire options outstanding having identical characteristics may not exceed 5% of the Net Asset Value of a Fund.

5. Borrowing

Unless otherwise stated in the relevant Appendix, a Fund may borrow permanently and for investment purposes and as bridge financing and to fund expense disbursements when liquid funds are not readily available, from first class professionals specialised in this type of transaction.

Such borrowings are limited to 200% of the Fund's Net Asset Value. Consequently, the value of the assets of the Fund may not exceed 300% of its net assets. Funds adopting a strategy which presents a high degree of correlation between long and short positions are authorised to borrow up to 400% of their Net Asset Value.

The counterparty risk resulting from the difference between (i) the value of the assets transferred by a Fund to a lender as security in the context of the borrowing transactions and (ii) the debt of the Fund owed to such lender may not exceed 20% of the Fund's assets. A Fund may, in addition, give security by using security arrangements which do not result in a transfer of ownership or which limit the counterparty risk by other means.

For the avoidance of doubt, the limits on borrowings and guarantees do not apply to borrowing made to maintain any hedging arrangements.

Borrowing made by a Fund may be secured and/or guaranteed by the assets of such Fund to the extent that the recourse of any lender shall be limited to the relevant assets having been financed by such borrowing (in relation to any security interest) or limited to the value of such assets (in relation to any guarantee). In connection with any subscription credit facility or other recourse borrowing entered into by a Fund, the Investors of the Fund hereby agree to confirm the terms of their Commitments to the lender, to honour calls made by the lender (provided that

such calls shall be made in accordance with Section 1.1), to provide financial information to the lender and to execute such other documents as may be reasonably requested by the Company or the lender in connection with any such borrowing. To the extent that a Fund has any outstanding obligations under a subscription credit facility or other recourse borrowing, each Investor shall be obliged to fund any remaining portion of its Undrawn Commitment without defence, counterclaim or offset of any kind, provided that such agreement to fund shall not act as a waiver by such Investor of its right to assert independently any claim that the Investor may have against any other Investor or the Fund. In the event that, as a result of any such transfer or grant of security interest, an Investor makes a payment to the lender as required pursuant thereto, such payment shall be deemed to constitute a Subscription Capital Amount by such Investor.

Leverage

Leverage Ratio	Exposure Calculation Methodology
'Gross leverage ratio'	<p>The exposure calculated under the gross methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all derivatives entered into by the Fund in accordance with the conversion methodologies for gross exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable.</p> <p>Cash and cash equivalent (including cash borrowing that remain in cash or cash equivalent) held in the base currency of the Fund are excluded from the exposure calculation.</p> <p>The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).</p>
'Commitment leverage ratio'	<p>The exposure calculated with the commitment methodology consists of (i) the sum of the absolute values of all positions, (ii) the sum of the equivalent positions in the underlying assets of all derivatives entered into by the Fund in accordance with the conversion methodologies for commitment exposure calculation, (iii) the exposure resulting from the reinvestment of cash borrowings where applicable and (iv) the exposure resulting from the reinvestment of collateral in relation to efficient portfolio management transactions where applicable. Under this method, netting and hedging arrangements can be taken into consideration under certain conditions.</p> <p>The ratio to which the above exposure is applied is the total assets (as calculated by the respective methodologies) divided by total net assets (as calculated in accordance with the Prospectus).</p>

The two ratios resulting from applying the gross or commitment methodology for calculating the exposure of the Fund supplement each other and provide a distinct representation of leverage.

Gross leverage is a conservative way of representing leverage as it does not:

- make a distinction between derivatives that are used for investment or hedging purposes. As a result, strategies that aim to reduce risk will contribute to an increased level of leverage for the Fund.
- allow the netting of derivative positions. As a result, derivatives roll-overs and strategies relying on a combination of long and short positions may contribute to a large increase of the level of leverage when they do.

As a result, a Fund that exhibits a high level of gross leverage is not necessarily riskier than a Fund that exhibits a low level of gross leverage.

Commitment leverage is a more accurate representation of the true leverage of the Fund as it allows for hedging and netting arrangements under certain conditions.

Liquidity risk management

The Management Company has established a liquidity risk process to assess and monitor the liquidity risk profile of a Fund on an on-going basis. This outlines techniques, tools and arrangements that enable liquidity risk of the Fund to be assessed and monitored under normal and exceptional liquidity conditions including through the use of regularly conducted stress tests.

6. Securities Lending and SFTR

The Funds will not engage in securities or cash lending transactions where the Funds act as the lender of such securities or cash. Should any Fund use such techniques and instruments in the future, the Company will comply with the applicable regulations and in particular Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse. The Prospectus will be updated prior to engaging in securities or cash lending transactions.

Total return swaps (the "TRS") and contracts for difference (the "CFDs") may also be used by Funds (subject to their respective investment objective and strategy and applicable laws and regulations) for efficient portfolio management purposes and/or to help meet the investment objective of the Fund.

7. Sale with Right of Repurchase and Repurchase Agreements

Should any Fund use such techniques and instruments in the future, each Fund will only enter into sale with right of repurchase and repurchase agreements with counterparties which are first class institutions specialising in these types of transactions and which are subject to prudential supervision rules considered by the CSSF as equivalent to that laid down in EU law.

During the duration of a sale with right of repurchase agreement where the Fund acts as purchaser, it may not sell the securities which are the subject of the contract before the counterparty has exercised its right to repurchase the securities or until the deadline for the repurchase has expired, unless the Fund has other means of coverage. If the Fund is open for redemptions, it must ensure that the value of such transactions is kept at a level such that it is at all times able to meet its redemption obligations. The same conditions are applicable in the case of a repurchase agreement on the basis of a purchase and firm re-sale agreement where the Fund acts as purchaser (transferee).

Where the Fund acts as seller (transferor) in a repurchase transaction, the Fund may not, during the whole duration of the agreement, transfer the title to the security under the repo or pledge them to a third party, or repo them a second time, in whatever form. The Fund must at the maturity of the repurchase transactions hold sufficient assets to pay, if appropriate, the agreed upon repurchase price payable to the transferee.

In its financial reports, the Fund must separately, for its sale with right of repurchase transactions and for its repurchase transactions, indicate the total amount of the open transactions at the date as of which the relevant reports indicate are issued.

The Company will comply with the applicable regulations and in particular Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse when entering into sale with right of repurchase and repurchase agreements.

8. Short Selling

Short sales may not result in a Fund holding:

- a short position on transferable securities which are not listed on a stock exchange or dealt on a Regulated Market. However, each Fund may hold short positions on transferable securities which are not quoted and not dealt on a Regulated Market if such securities are highly liquid and do not represent more than 10% of the Fund's Net Asset Value;
- a short position on transferable securities which represent more than 10% of the securities of the same type issued by the same issuer;
- a short position on transferable securities of the same issuer, (i) if the sum of the settling price of the short positions relating thereto represents more than 10% of the Fund's Net Asset Value or (ii) if the short position entails an exposure exceeding 5% of the Fund's Net Asset Value.

The commitments arising from short sales on transferable securities at a given time correspond to the cumulative non-realised losses resulting, at that time, from the short sales made by a Fund. The non-realised loss resulting from a short sale is the positive amount equal to the market price at which the short position can be covered less the price at which the relevant transferable security has been sold short.

The aggregate commitments of a Fund resulting from short sales may at no time exceed 50% of the Fund's Net Asset Value. If a Fund enters into uncovered sales, it must hold sufficient assets enabling it at any time to close the open positions resulting from such short sales.

The short positions of transferable securities for which a Fund holds adequate coverage are not considered for the purpose of calculating the total commitments referred to above. It is to be noted that the fact that a Fund has granted a security, of whatever nature, on its assets to third parties to guarantee its obligations towards such third parties, is not to be considered as adequate coverage for the Fund's commitments, from the point of view of that Fund.

In connection with short sales on transferable securities, a Fund is authorised to enter, as borrower, into securities lending transactions with first class professionals specialised in this type of transaction. The counterparty risk resulting from the difference between (i) the value of the assets transferred by the Fund to a lender as security in the context

of the securities lending transactions and (ii) the debt of the Fund owed to such lender may not exceed 20% of the Fund's Net Asset Value. It is to be noted that the Fund may, in addition, grant guarantees in the context of systems of guarantees which do not result in a transfer of ownership or which limit the counterparty risk by other means.

9. Risk Management Process

The Management Company will employ a risk management process which enables it with the Investment Manager to monitor and measure at any time the risk of the positions, the use of efficient portfolio management techniques, the management of collateral and their contribution to the overall risk profile of each Fund. The Management Company or the Investment Manager will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments. Upon request of an Investor, the Management Company will provide supplementary information relating to the quantitative limits that apply in the risk management of each Fund, to the methods chosen to this end and to the recent evolution of the risks and yields of the main categories of instruments. The risk management framework is available upon request from the Management Company's registered office.

10. Sustainability Risk Management

The investment decision making process for each Fund includes the consideration of sustainability risks alongside other factors. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment and the returns of the Funds.

Sustainability risks could arise within a particular business or externally, impacting multiple business. Sustainability risks that could negatively affect the value of a particular investment might include the following:

- Environmental: extreme weather events such as flooding and high winds; pollution incidents; damage to biodiversity or marine habitats.
- Social: labour strikes; health and safety incidents such as injuries or fatalities; product safety issues.
- Governance: tax fraud; discrimination within a workforce; inappropriate remuneration practices; failure to protect personal data.
- Regulatory: new regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced.

Different asset classes, investment strategies and investment universes may require different approaches to the integration of such risks in investment decision-making. The Investment Manager will typically analyse potential investments by assessing (alongside other relevant considerations), for example, the overall costs and benefits to society and the environment that an issuer may generate or how the market value of an issuer may be influenced by individual sustainability risks such as a rise in carbon tax. The Investment Manager will also typically consider the relevant issuer's relationships with its key stakeholders – customers, employees, suppliers and regulators - including an assessment of whether those relationships are managed in a sustainable manner and, therefore, whether there are any material risks to the market value of the issuer.

The impact of some sustainability risks may have a value or cost that can be estimated through research or the use of proprietary or external tools. In such cases, it will be possible to incorporate this into more traditional financial analysis. An example of this might be the direct implications of an increase in carbon taxes that are applicable to an issuer, which can be incorporated into a financial model as an increased cost and/or as reduced sales. In other cases, such risks may be more difficult to quantify, and so the Investment Manager may seek to incorporate their potential impact in other ways whether explicitly, for example by reducing the expected future value of an issuer or implicitly, for example by adjusting the weighting of an issuer's securities in the Funds' portfolio depending on how strongly it believes a sustainability risk may affect that issuer.

A range of proprietary tools may be used to perform these assessments, along with supplementary metrics from external data providers and the Investment Manager's own due diligence, as appropriate. This analysis informs the Investment Manager's view of the potential impact of sustainability risks on a Fund's overall investment portfolio and, alongside other risk considerations, the likely financial returns of the Funds.

The Management Company's Risk function provides independent oversight from a sustainability perspective. The oversight includes ensuring there is an independent assessment of sustainability risks within investment portfolios and adequate transparency and reporting on sustainability risk exposures.

More details on the management of sustainability risks and the Investment Manager's approach to sustainability are available on the internet site <https://www.schroders.com/en-lu/lu/individual/what-we-do/sustainable-investing/>. Please also refer to the risk factor entitled "Sustainability Risks" in Appendix II of the Prospectus.

Appendix II

Risks of Investment

1. General Risks

Past performance is not a guide to future performance and Shares, other than Shares of Liquidity Funds, if any, should be regarded as a medium to long-term investment. The value of investments and the income generated by them may go down as well as up and Shareholders may not get back the amount originally invested. Where the Fund Currency varies from the Investor's home currency, or where the Fund Currency varies from the currencies of the markets in which the Fund invests, there is the prospect of additional loss (or the prospect of additional gain) to the Investor greater than the usual risks of investment, even if currency hedging is employed.

2. Investment Objective Risk

Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro economic environment, investment objectives may become more difficult or even impossible to achieve. There is no express or implied assurance as to the likelihood of achieving the investment objective for a Fund.

3. Regulatory Risk

The Company is domiciled in Luxembourg and Investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, the Funds will be registered in non-EU jurisdictions. As a result of such registrations the Funds may be subject, without any notice to the Shareholders in the Funds concerned, to more restrictive regulatory regimes. In such cases the Funds will abide by these more restrictive requirements. This may prevent the Funds from making the fullest possible use of the investment limits.

4. Business, Legal and Tax Risks

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Funds may be subject to withholding and other taxes. Tax law and regulations of any jurisdiction are frequently reviewed and may be changed at any time, in certain cases with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and transparent and may vary from jurisdiction to jurisdiction and/or region to region. Any change in taxation legislation could affect the value of the investments held by and the performance of the Fund.

5. Term

The intended term of each Fund is set out in Appendix III. However, there is no guarantee that the term of the Fund will not be extended in accordance with Appendix III and Investors may be required to bear the risk of their investment for a longer period of time as set out in Appendix III until the Fund is able to be liquidated.

6. Risk Factors Relating to Industry Sectors / Geographic Areas

Funds that focus on a particular industry or geographic area are subject to the risk factors and market factors which affect this particular industry or geographic area, including legislative changes, changes in general economic conditions and increased competitive forces. This may result in a greater volatility of the Net Asset Value of the Shares of the relevant Fund. Additional risks may include greater social and political uncertainty and instability; and natural disasters.

7. Concentration of Investments Risks

Although it will be the policy of the Company to diversify its investment portfolio, a Fund may at certain times hold relatively few investments. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

8. Risk of Suspension of Share Dealings

Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (see section 2.5, "Suspensions or Deferrals").

9. Interest Rate Risk

The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with long durations or maturities. Some investments give the issuer the option to call or redeem an investment before its maturity date. If an issuer calls or redeems an investment during a time of declining interest rates, a Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates.

10. Credit Risk

The ability, or perceived ability, of an issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of the issuer to meet its obligation will decline substantially during the period when a Fund owns securities of that issuer, or that the issuer will default on its obligations. An actual or perceived deterioration in the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities.

If a security has been rated by more than one nationally recognised statistical rating organisation the Fund's Investment Manager may consider the highest rating for the purposes of determining whether the security is investment grade. A Fund will not necessarily dispose of a security held by it if its rating falls below investment grade, although the Fund's Investment Manager will consider whether the security continues to be an appropriate investment for the Fund. A Fund's Investment Manager considers whether a security is investment grade only at the time of purchase. Some of the Funds will invest in securities which will not be

rated by a nationally recognised statistical rating organisation, but the credit quality will be determined by the Investment Manager.

Credit risk is generally greater for investments issued at less than their face values and required to make interest payments only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition and does not reflect an assessment of an investment's volatility and liquidity. Although investment grade investments generally have lower credit risk than investments rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default.

11. Liquidity Risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Fund's investment in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Given the illiquid nature of the Fund's investments, it is likely that the Fund will hold a number of investments in the underlying Investment Funds and Intermediary Entities which cannot be advantageously disposed of promptly during the winding-down period in the absence of a liquidity event for the applicable underlying Investment Funds or Intermediary Entity and there can be no assurances with respect to the time frame in which the assets of the Fund will be disposed of following commencement of the winding-down period of the Fund. It is likely that it may be some time after the commencement of the winding-down period of the Fund until all of the Fund's assets are disposed of and any final distribution of proceeds is made to the Investors.

12. Private Equity

Investments which grant an exposure to private equity involve additional risks than those resulting from traditional investments. More specifically, private equity investments may imply exposure to less mature and less liquid companies. The value of financial instruments which grant exposure to private equity may be impacted in a similar manner as direct investments in private equity.

13. Inflation/Deflation Risk

Inflation is the risk that a Fund's assets or income from a Fund's investments may be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Fund's portfolio could decline. Deflation risk is the risk that prices throughout the economy may decline over time. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer default more likely, which may result in a decline in the value of a Fund's portfolio.

14. Derivatives Risk

For a Fund that uses derivatives to meet its specific investment objective, there is no guarantee that the performance of the derivatives will result in a positive effect for the Fund and its Shareholders.

Each Fund may incur costs and fees in connection with total return swaps, contracts for difference or other derivatives with similar characteristics, upon entering into these instruments and/or any increase or decrease of their notional

amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by each Fund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Investment Manager or the Management Company, if applicable, may be available in the annual report.

15. Depositary Risk

Assets of the Company are safe kept by the Depositary and Investors are exposed to the risk of the Depositary not being able to fully meet its obligation to reconstitute in a short time frame all of the assets of the Company in the case of bankruptcy of the Depositary. The assets of the Company will be identified in the Depositary's books as belonging to the Company. Securities held by the Depositary will be segregated from other assets of the Depositary which mitigates but does not exclude the risk of non restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non restitution in case of bankruptcy. The Depositary does not keep all the assets of the Company itself but uses a network of Correspondents which are not part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the Correspondents where the obligation of the Depositary to replace the assets held by that Correspondent is not triggered or where the Depositary is also bankrupt.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such Correspondents may be exposed to risk in circumstances where the Depositary will have no liability.

16. Smaller Companies Risk

A Fund which invests in smaller companies may fluctuate in value more than other Funds. Smaller companies may offer greater opportunities for capital appreciation than larger companies but may also involve certain special risks. They are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperienced management group. Securities of smaller companies may, especially during periods where markets are falling, become less liquid and experience short-term price volatility and wide spreads between dealing prices. They may also trade in the OTC market or on a regional exchange or may otherwise have limited liquidity. Consequently, investments in smaller companies may be more vulnerable to adverse developments than those in larger companies and the Fund may have more difficulty establishing or closing out its securities positions in smaller companies at prevailing market prices. Also, there may be less publicly available information about smaller companies or less market interest in the securities, and it may take longer for the prices of the securities to reflect the full value of the issuers' earning potential or assets.

17. Technology Related Companies Risk

Investments in the technology sector may present a greater risk and a higher volatility than investments in a broader range of securities covering different economic sectors. The equity securities of the companies in which a Fund may invest are likely to be affected by world-wide scientific or technological developments, and their products or services may rapidly fall into obsolescence. In addition, some of these companies offer products or services that are subject to governmental regulation and may, therefore, be adversely affected by governmental policies. As a result, the investments made by a Fund may drop sharply in value in response to market, research or regulatory setbacks.

18. Lower Rated, Higher Yielding Debt Securities Risk

A Fund may invest in lower rated, higher yielding debt securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate Investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities. Accordingly, an investment in such a Fund is accompanied by a higher degree of credit risk than is present with investments in higher rated, lower yielding securities.

19. Property and Real Estate Companies Securities Risk

The risks associated with investments in securities of companies principally engaged in the real estate industry include: the cyclical nature of real estate values; risks related to general and local economic conditions; overbuilding and increased competition; increases in property taxes and operating expenses; demographic trends and variations in rental income; changes in zoning laws; casualty or condemnation losses; environmental risks; regulatory limitations on rents; changes in neighbourhood values; related party risks; changes in the appeal of properties to tenants; increases in interest rates; and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the Fund's investments.

The real estate market has, at certain times, not performed in the same manner as equity and bond markets. As the real estate market frequently performs, positively or negatively and without any correlation to the equity or bond markets, these investments may affect the performance of the Fund either in a positive or a negative manner.

20. Mortgage Related and Other Asset Backed Securities Risks

Mortgage-backed securities, including collateralised mortgage obligations and certain stripped mortgage-backed securities represent a participation in, or are secured by, mortgage loans. Asset-backed securities are structured like mortgage-backed securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicles instalment sales or instalment loan contracts, leases of various types of real and personal property and receivables from credit card agreements. Mortgage-backed and asset-backed securities are commonly used to redirect the interest and principal payments from the pool of underlying assets to investors and can be issued at a fixed or a floating rate. The securities backed by the same pool of underlying assets may be issued in a number of different tranches, or classes, with varying risk and return characteristics depending on the priority of claim on the cash flows from the pool and the terms and conditions. The higher the risk contained in the tranche, the more the security generally pays by way of income.

Traditional debt investments typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on mortgage-backed and many asset-backed investments typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or foreclosure. A

Fund may have to invest the proceeds from prepaid investments in other investments with less attractive terms and yields. As a result, these securities may have less potential for capital appreciation during periods of declining interest rates than other securities of comparable maturities, although they may have a similar risk of decline in market value during periods of rising interest rates. As the prepayment rate generally declines as interest rates rise, an increase in interest rates will likely increase the duration, and thus the volatility, of mortgage-backed and asset-backed securities. In addition to interest rate risk (as described above), investments in mortgage-backed securities composed of subprime mortgages may be subject to a higher degree of credit risk, valuation risk and liquidity risk (as described above). Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of the security's price to changes in interest rates. Unlike the maturity of a fixed income security, which measures only the time until final payment is due, duration takes into account the time until all payments of interest and principal on a security are expected to be made, including how these payments are affected by prepayments and by changes in interest rates.

The ability of an issuer of asset-backed securities to enforce its security interest in the underlying assets may be limited. Some mortgage-backed and asset backed investments receive only the interest portion or the principal portion of payments on the underlying assets. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying assets. Interest portions tend to decrease in value if interest rates decline and rates of repayment (including prepayment) on the underlying mortgages or assets increase; it is possible that a Fund may lose the entire amount of its investment in an interest portion due to a decrease in interest rates. Conversely, principal portions tend to decrease in value if interest rates rise and rates of repayment decrease. Moreover, the market for interest portions and principal portions may be volatile and limited, which may make them difficult for a Fund to buy or sell.

A Fund may gain investment exposure to mortgage-backed and asset-backed investments by entering into agreements with financial institutions to buy the investments at a fixed price at a future date. A Fund may or may not take delivery of the investments at the termination date of such an agreement, but will nonetheless be exposed to changes in the value of the underlying investments during the term of the agreement.

21. Initial Public Offerings Risk

A Fund may invest in initial public offerings, which frequently are smaller companies. Such securities have no trading history, and information about these companies may only be available for limited periods. The prices of securities involved in initial public offerings may be subject to greater price volatility than more established securities.

22. Risk Associated with Debt Securities Issued Pursuant to Rule 144A under the Securities Act of 1933

SEC Rule 144A provides a safe harbour exemption from the registration requirements of the Securities Act of 1933 for resale of restricted securities to qualified institutional buyers, as defined in the rule. The advantage for Investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions in rule 144A securities is restricted and only available to

qualified institutional buyers. This might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular rule 144A security.

23. Emerging and Low Income Markets Securities Risk

Investing in emerging markets and low income markets securities poses risks different from, and/or greater than, risks of investing in the securities of high income countries. These risks include smaller market-capitalisation of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; and possible repatriation of investment income and capital. In addition, foreign Investors may be required to register the proceeds of sales, and future economic or political crisis could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalisation or the creation of government monopolies. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging and low income countries.

Although many of the emerging and low income market securities in which a Fund may invest are traded on securities exchanges, they may trade in limited volume and may encounter settlement systems that are less well organised than those of developed markets. Supervisory authorities may also be unable to apply standards that are comparable with those in high income markets. Thus there may be risks that settlement may be delayed and that cash or securities belonging to the relevant Fund may be in jeopardy because of failures of or defects in the systems or because of defects in the administrative operations of counterparties. Such counterparties may lack the substance or financial resources of similar counterparties in a high income market. There may also be a danger that competing claims may arise in respect of securities held by or to be transferred to the Fund and compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

Equity investments in Russia are currently subject to certain risks with regard to the ownership and custody of securities. This results from the fact that no physical share certificates are issued and ownership of securities is evidenced by entries in the books of a Fund Company or its registrar (which is neither an agent nor responsible to the Depositary), other than by local regulation. No certificates representing shareholdings in Russian companies will be held by the Depositary or any of its local correspondents or in an effective central depository system.

Equity investments in Russia may also be settled using the local depository, the National Settlement Depository ("NSD"). Although NSD is legally recognised as a central securities depository ("CSD"), it is not currently operated as a CSD and may not protect finality of title. Like local custodians, the NSD still has to register the equity positions with the registrar in its own financial intermediary name.

If concerns are raised regarding a specific investor, the whole financial intermediary position in a depository could be frozen for a period of months until the investigation is complete. As a result, there is a risk that an investor could be restricted from trading because of another NSD account holder. At the same time should an underlying registrar be suspended, investors settling through registrars cannot trade, but settlement between two depository accounts can take place. Any discrepancies between a registrar and the NSD records may impact corporate entitlements and

potentially settlement activity of underlying clients, which is mitigated by the frequent position reconciliations between the depositories and the registrars.

Securities traded on the Moscow Exchange can be treated as investment in securities dealt in on a Regulated Market.

Additional risks of emerging market securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organised and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition, taxation of interest and capital gains received by non-residents varies among emerging and low income markets and, in some cases may be comparatively high. There may also be less well-defined tax laws and procedures and such laws may permit retroactive taxation so that the Fund could in the future become subject to local tax liabilities that had not been anticipated in conducting investment activities or valuing assets.

24. Shareholder Default

If a Shareholder fails to meet a Drawdown Notice, such Shareholder will be subject to the contractual default provisions (including, for example, the payment of interest to the relevant Fund on the defaulted amount) as provided in this Prospectus and in the Commitment Agreement, which are likely to have a substantial effect on the value of that Shareholder's interest in the Company. Moreover, any default by a Shareholder in meeting any payment to a Fund could prevent the relevant Fund from benefiting from certain investment opportunities, have an adverse effect on the relevant Fund's ability to meet its own payment obligations or close a transaction or more generally could have a material adverse effect on the investments and the Shareholder of that Fund.

25. Long-term investments

Although investments by a Fund may generate some current income, the return of capital and the realisation of gains, if any, from an investment may not occur until the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. It is unlikely that there will be a public market for the securities held by the Fund at the time of their acquisition. In some cases the Fund may be prohibited by contractual or regulatory reason.

26. Potential Conflicts of Interest

The Investment Manager and Schroders may effect transactions in which the Investment Manager or Schroders have, directly or indirectly, an interest which may involve a potential conflict with the Investment Manager's duty to the Company.

Employees of Schroders may have personal investment in a fund or account, including in the Company, managed by the Investment Manager which they may add to or redeem from, in whole or in part from time to time depending on their own requirements. The Investment Manager or Schroders may have invested directly or indirectly in the Company.

Neither the Investment Manager nor Schroders shall be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such

transactions or any connected transactions nor will the Management Fee, unless otherwise provided, be abated. However, the Management Company or Schroders, as the case may be, have a duty to ensure that such transactions are effected on terms which are not less favourable to the Company than if the potential conflict of interests had not existed.

The prospect of the performance fee may lead the Investment Manager to make investments that are riskier than would otherwise be the case.

If the Investment Manager is registered with the SEC, additional information regarding conflicts of interest and risks specific to the Investment Manager are described in such Investment Manager's Form ADV, Part 2A, which is available on the Investment Adviser Public Disclosure Website (www.advisersinfo.sec.gov).

Two members of the Board of Directors are nominated by the Initiator, one of them being the chairperson. The Initiator may have an indirect investment in one or more Investment Funds. Any decision by the Board of Directors must always be taken in the best interest of the Company and/or the relevant Fund and its Shareholders as a whole and in line with the Company and/or the Fund's mission. In order to fulfil efficiently their responsibility towards investors and the various stakeholders and to resolve any conflicts of interest that may arise, the members of the Board of Directors must act in a sufficiently autonomous and independent way towards Shareholders, service providers and other stakeholders. Each member of the board of the Board of Directors shall not accept any instruction(s) from the Shareholders nor from the other stakeholders nor from any third party.

In carrying out its functions, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the Company and the Investors of the Company. The Depositary shall not carry out activities with regard to the Company that may create conflicts of interest between the Company, the Investors in the Company, the Management Company and the Depositary unless the Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to Investors of the Company.

The conflicts of interest are disclosed to the Investors at the annual general meeting of Shareholders.

27. Investment Funds

Some of the Funds may invest all or substantially all of their assets in Investment Funds. Unless otherwise disclosed, the investment risks identified in this Appendix will apply whether a Fund invests directly, or indirectly through Investment Funds, in the assets concerned.

The investments of the Funds in Investment Funds may result in an increase of total operating, administration, depositary, management and performance fees/expenses. However, the Investment Manager will seek to negotiate a reduction in management fees and any such reduction will be for the sole benefit of the relevant Fund.

28. Exchange Rates

The Fund Currency of each Fund is not necessarily the investment currency of the Fund concerned. Investments are made in investment funds in currencies that, in the view of the Investment Manager, best benefit the performance of the Funds.

Shareholders investing in a Fund having a Fund Currency that is different from their own should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase.

29. Fixed Income Securities

The value of fixed income securities held by Funds generally will vary upon changes in interest rates and such variation may affect Share prices of Funds investing in fixed income securities.

30. Equity Securities

Where a Fund invests in equity or equity-related investments, the values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

31. Commodities

Investments which grant an exposure to commodities involve additional risks than those resulting from traditional investments. More specifically:

- political, military and natural events may influence the production and trading of commodities and, as a consequence, negatively influence financial instruments which grant exposure to commodities;
- terrorism and other criminal activities may have an influence on the availability of commodities and therefore also negatively impact financial instruments which grant exposure to commodities.

The performance of commodities, precious metals and commodity futures also depends on the general supply situation of the respective goods, the demand for them, the expected output, extraction and production as well as the expected demand, and can for this reason be especially volatile.

32. Convertible Securities Risk

Convertible securities are typically bonds or preferred stocks that may be converted into a specific number of shares of the issuing company's stock at a specified conversion price.

Convertible securities combine investment characteristics and risks of equities and bonds. Depending on the value of the underlying stock, the convertible security will behave more like a stock or like a bond.

When the price of the underlying stock exceeds the conversion price, the convertible security generally behaves more like a stock and will be more sensitive to changes in equity securities. When the price of the underlying stock is

lower than the conversion price, the convertible security generally behaves more like a bond and will be more sensitive to changes in interest rates and in credit spreads.

Given the benefit provided by the potential conversion, convertible securities generally offer lower yields than non-convertible securities of similar quality.

They also can be of lower credit quality and tend to be less liquid than traditional nonconvertible securities. Lower credit quality debt securities are generally subject to greater market, credit and default risk compared to more highly rated securities.

33. Sovereign Risk

There is a risk that governments or their agencies may default or not completely fulfil their obligations. In addition, there is no bankruptcy proceeding for sovereign debt securities on which money to pay the obligations of sovereign debt securities may be collected in whole or in part. As a consequence of this holders of sovereign debt securities may be requested to participate in the rescheduling of sovereign debt securities and to extend further loans to the issuers of sovereign debt securities.

34. Impact of Fund of Funds Strategies on Tax Efficiency for Shareholders

Post-tax returns to Shareholders are dependent on the local tax rules in the Shareholders' place of tax residence (see section 3.3.5 Taxation for comments on taxation generally).

In certain countries, such as Germany, Austria and the UK, tax rules exist that may lead to larger proportions of the investment return from funds of funds being taxed in the hands of Shareholders at a higher rate than would be the case for single strategy funds.

These tax rules may be activated if the investments selected by the Investment Manager for the funds of funds are regarded as not meeting certain tests laid down by the tax authorities in the Shareholders' country of residence.

If the fund of funds acquires investments which do not qualify as Reporting Funds for German investment tax purposes, German tax resident Shareholders of the fund of funds will be subject to disadvantageous "lump sum" taxation pro rata with the income derived from such non-Reporting Funds.

In the UK, returns from investments that are non-Reporting Funds are treated as being entirely income, and reportable as income by the fund of funds. Thus, a greater proportion of the Shareholder's return from the fund of funds is treated as income, rather than capital, and is taxed accordingly at rates that are currently higher than for capital gains.

The investment manager of the fund of funds will endeavour to select investments that do qualify as Reporting Funds, in order to minimise the impact of these local tax rules for Shareholders. However, it is possible that such investments are not available to meet certain strategic aims of the Investment Manager, and in that case it may happen that non-Reporting Funds have to be acquired.

The Investment Manager will undertake all necessary reporting as required under local tax rules to enable Shareholders to compute their tax liability in accordance with the rules.

35. Business Dependence Upon Key Individuals

The success of a Fund is significantly dependent upon the expertise of the key individuals of its Investment Manager and any future unavailability of their services could have an adverse impact on the Fund's performance.

36. Hedging Risk

A Fund may (directly or indirectly) employ hedging by taking long and short positions in related instruments. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of such portfolio positions or prevent losses if the values of such positions decline. Hedging transactions may limit the opportunity for gain if the value of the portfolio position should increase. In the event of an imperfect correlation between a position in a hedging instrument and the portfolio position that it is intended to protect, the desired protection may not be obtained, and a Fund may be exposed to risk of loss. In addition, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs.

37. Sustainability Risks

The Investment Manager takes sustainability risks into account in the management of each Fund. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment and the returns of the Fund. An example of an environmental risk is the increased likelihood of flooding due to climate change and the associated rise in sea levels. Flooding could affect a variety of issuers such as real estate companies and insurers and could negatively impact the value of investments in those companies. An example of a social risk is the occurrence of improper working practices such as child labour. Companies that are found to have engaged in such practices, or that have engaged with suppliers that they know to have done so, may be in breach of applicable laws and/or may be perceived negatively by the market. An example of a governance risk is the need to ensure gender diversity. If a company's reporting shows a lack of diversity, or there is media coverage of discrimination within the business on the grounds of gender, this may negatively affect market sentiment with respect to the company and impact its share price. There is also the risk that new regulations, taxes or industry standards to protect or encourage sustainable businesses and practices may be introduced – such changes may negatively impact issuers that are poorly placed to adapt to new requirements.

Some Funds may have the objective of making sustainable investments and/or have environmental and/or social characteristics, which they achieve by applying sustainability criteria to the selection of investments. These Funds may have limited exposure to some companies, industries or sectors as a result and may forego certain investment opportunities, or dispose of certain holdings, that do not align with their sustainability criteria. As investors may differ in their views of what constitutes a sustainable investment, such a Fund may also invest in companies that do not reflect the beliefs and values of any particular investor.

The regulatory framework applying to sustainable products and sustainable investing is rapidly evolving. As such, the aims and investments of the Funds may be subject to change over time in order to comply with new requirements or applicable regulatory guidance.

38. Tax Treatment of the Shareholders

The tax position of the Shareholders may vary according to their particular financial and tax situation. The tax structuring of the Company and/or its investments may not be tax-efficient for a particular prospective Shareholder. No undertaking is given that amounts distributed or allocated to the Shareholders will have any particular characteristics or that any specific tax treatment will apply. Further, no assurance is given that any particular investment structure in which the Company has a direct or indirect interest will be suitable for all Shareholders and, in certain circumstances, such structures may lead to additional costs or reporting obligations for some or all of the Shareholders.

Prospective Shareholders should consider their own tax position in relation to subscribing for, purchasing, owning and disposing of Shares, and consult their own tax advisors as appropriate. None of the Company and its affiliates, or any officer, director, member, partner, employee, advisor or agent thereof can take responsibility in this regard.

39. Taxation in Foreign Jurisdictions

Shareholders, the Company and/or any vehicle in which the Company has a direct or indirect interest may be subject to tax in jurisdictions in which the Shareholders, the Company or any such vehicles are incorporated, organised, controlled, managed, have a permanent establishment or permanent representative, or are otherwise located and/or in which investments are made and/or with which investments have a connection.

Moreover, taxes such as withholding tax, branch profits tax or similar taxes may be imposed on profits of, or proceeds received by, the Company from investments in such jurisdictions, and such taxes may not be creditable to, or deductible by, the Company or the Shareholders in their respective jurisdictions.

40. Luxembourg Real Estate Levy

The Luxembourg budget law of 19 December 2020, with effect as from 1 January 2021, introduced a lump-sum 20% real estate levy on gross rental income and capital gains derived from real estate assets located in Luxembourg by funds falling under Part II of the 2010 Law on UCIs, specialised investment funds ("SIFs") referred to in the amended law of 13 February 2007 and Reserved Alternative Investment Funds ("RAIFs") referred to in the amended law of 23 July 2016. The rule applies in respect of real estate assets located in Luxembourg, held either directly or indirectly through one or a series of tax-transparent entities, in proportion to the stake held. Reporting formalities and information requirements also apply. Luxembourg funds having no legal personality distinct from that of their partners (such as the Partnership or Luxembourg mutual funds), Luxembourg limited partnerships, Luxembourg or foreign fully taxable companies, as well as Luxembourg UCIs, SIFs and RAIFs holding real estate assets located outside of Luxembourg remain unaffected by this measure.

41. Base Erosion and Profit Shifting and Anti-Tax Avoidance Directives

The pace of evolution of fiscal policy and practice has recently been accelerated due to a number of developments. In particular, the Organisation for Economic Co-operation and Development (the "OECD") together with the G20 countries have committed to addressing abusive global tax avoidance,

referred to as base erosion and profit shifting ("BEPS") through 15 actions detailed in reports released on 5 October 2015.

As part of the BEPS project, new rules dealing inter alia with the abuse of double tax treaties, the definition of permanent establishments, controlled foreign companies, restriction on the deductibility of excessive interest payments and hybrid mismatch arrangements, have been or will be introduced into the respective domestic laws of jurisdictions which form part of the BEPS project, via European directives and a multilateral instrument.

The Council of the European Union ("EU") adopted two Anti-Tax Avoidance Directives (i.e. Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market ("ATAD I") and Council Directive (EU) 2017/952 of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries ("ATAD II")) that address many of the above-mentioned issues. The measures included in ATAD I and ATAD II have been implemented by the law of 21 December 2018 (the "ATAD I Law") and the law of 20 December 2019 (the "ATAD II Law") into Luxembourg domestic law. Most of the measures have been applicable since 1 January 2019 and 1 January 2020, the remaining being applicable as from tax year 2022. These measures may significantly affect returns to the Company and the Shareholders.

Furthermore, the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the "MLI") was published by the OECD on 24 November 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing results from the BEPS project into more than 2,000 double tax treaties worldwide. A number of jurisdictions (including Luxembourg) have signed the MLI. Luxembourg ratified the MLI through the Luxembourg law of 7 March 2019 and deposited its instrument of ratification with the OECD on 9 April 2019. As a result, the MLI entered into force for Luxembourg on 1 August 2019. Its application per double tax treaty concluded by Luxembourg depends on the ratification by the other contracting state and on the type of tax concerned. The resulting changes and any other subsequent changes in tax treaties negotiated by Luxembourg may significantly affect returns to the Company and the Shareholders.

42. Exchange of information on reportable cross-border arrangements

Following the adoption of the Luxembourg law of 25 March 2020, as further amended, (the "DAC 6 Law") implementing Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements ("DAC 6"), certain intermediaries and, in certain cases, taxpayers have to report to the Luxembourg tax authorities within a specific timeframe certain information on reportable cross-border arrangements.

A reportable cross-border arrangement covers any cross-border arrangement that is linked to one or more of certain types of taxes, and contains at least one hallmark (i.e. a characteristic or feature that presents an indication of a potential risk of tax avoidance) as set out in the DAC 6 Law. A cross-border arrangement will only fall within the scope of the DAC 6 Law if its first step was implemented between 25 June 2018 and 30 June 2020 or if one of the following triggering events occurs as from 1 July 2020: the

arrangement is made available for implementation, the arrangement is ready for implementation, the first step of the implementation of the arrangement is made, or aid, assistance or advice is provided with respect to designing, marketing, organising, making available for implementation or managing the implementation of a reportable cross-border arrangement. The reporting obligation in Luxembourg started on 1 January 2021.

The reported information will be automatically exchanged by the Luxembourg tax authorities with the competent authorities of all other EU Member States. As the case may be, the Company may take any action that it deems required, necessary, advisable, desirable or convenient to comply with the reporting obligations imposed on intermediaries and/or taxpayers pursuant to the DAC 6 Law. Failure to provide the necessary information under DAC 6 may result in the application of fines or penalties in the relevant EU jurisdiction (s) involved in the cross-border arrangement at stake. Under the DAC 6 Law, late, incomplete or inaccurate reporting, or non-reporting may be subject to a maximum fine of EUR 250,000.

43. FATCA and CRS

Under the terms of the FATCA Law and CRS Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above-mentioned regulations.

Should the Company become subject to a withholding tax and/or penalties as a result of non-compliance under the FATCA Law and/or penalties as a result of non-compliance under the CRS Law, the value of the Shares held by all Shareholders may be materially affected.

Furthermore, the Company may also be required to withhold tax on certain payments to its Shareholders which would not be compliant with FATCA (i.e. the “foreign pass thru payments” withholding tax obligation).

44. Borrowing risk

Funds may borrow money in order to make investments, pay expenses or for working capital purposes within the limitation as set out in Appendix III. Accordingly, such a Fund may pledge its assets to banks or other financial institutions as security for borrowings made by the Fund.

As a result of a default, to avoid a default or to raise cash to meet a repayment requirement, a Fund may be required to liquidate assets in its portfolio that it otherwise would not liquidate, or at a time that is not the optimal time to sell such assets. In addition, a Fund may be required to deliver its portfolio. Any such event could have a material adverse effect on the Fund’s portfolio and could result in the Fund being unable to achieve its investment objective.

Appendix III

Fund Details

The Funds bearing an asterisk (*) next to their name are not available for subscription at the time of issue of this Prospectus. Such Funds will be launched at the Directors' discretion, and this Prospectus will be updated accordingly.

The investment objectives and policies described below are binding on the Investment Manager in respect of each Fund, although there can be no assurance that an investment objective will be met.

If a Fund makes reference to a region or country, this means that it will invest or gain exposure to companies headquartered, incorporated, listed or having their principal business activity in that region or country.

Use of derivatives

Each Fund may employ derivatives, long and short, with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently, in accordance with its investment policy and specific risk considerations as disclosed below. Such derivatives include, but are not limited to, over-the-counter and/or exchange traded options, futures, warrants, swaps, forward contracts and/or a combination of the above. A significant proportion of each Fund's long positions will be sufficiently liquid to cover at all times each Fund's obligations arising from its short positions.

The details of each Fund are listed below.

Words and expressions defined in the Prospectus will, unless otherwise defined in this Appendix (under the specific description of each Fund), have the same meaning when used in this Appendix.

Green Earth Impact Fund

Business Day

For the purposes of this Appendix III, “Business Day” means a Business Day as defined in the general part of this Prospectus as well as any day on which banks are open the whole day for business in Luxembourg and Switzerland.

Duration

The Fund is created for a duration of twelve years after its Final Closing subject to three one-year extensions, at the discretion of the Board of Directors.

The “**Investment Period**” will start from the First Closing until the fourth (4th) anniversary of the Final Closing.

Investment Objective

The Fund aims to i) operate as a value-added vehicle to drive and channel sustainable investments globally with a primary focus in emerging and frontier markets and ii) support closing the public-private financing gap by raising capital from the public and the private sector to target sustainable investments that contribute to climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, and the protection and restoration of biodiversity and ecosystems, in line with the overall environmental objective of the Company.

The Fund’s investments will seek to:

- (A) provide additional flows for environmentally sustainable investments, unleashing green recovery opportunities globally with a primary focus in emerging and frontier markets;
- (B) add value through an active investment role in the Fund’s investments and, where relevant, through the provision of technical guidance and advice to financial intermediaries in the underlying Investment Fund’s portfolio;
- (C) offer innovative and commercially viable investments with positive financial returns;
- (D) adapt to market developments: through a stable, fixed and sufficiently broad investment strategy to generate an agile pipeline; and complement other environment sustainable finance initiatives.

The Fund will exclusively invest in strategies that contribute to environmentally sustainable objective relevant to its own sustainable objectives described above. Some of these strategies may also present social characteristics, in which case there will be specific metrics tracked.

Investment Policy and Strategy

The Fund will aim to deliver its investment objective by investing 75% of Fund Assets (directly or indirectly through an Intermediary Entity) in Investment Funds, and in an ancillary basis direct investments in companies that contribute at least to one of the following impact objectives:

- (A) Climate change mitigation
- (B) Climate change adaptation

- (C) Sustainable use and protection of water and marine resources
- (D) Protection and restoration of biodiversity and ecosystems

The Fund will be invested in Investment Funds aiming to contribute to the sustainable environmental objectives listed above. Selected Investment Funds may, directly or indirectly, also contribute to social characteristics as defined in the SFDR annex disclosure.

The Fund may hold up to 25% of Fund Assets in Neutral Assets.

While ensuring an appropriate degree of risk-spreading, the Fund will source and evaluate potential investments in accordance with its investment objectives during the Investment Period and the actual portfolio allocation during this period may deviate from the Fund’s target allocations as a result.

The Fund may also temporarily deviate from its target allocations as a result of Drawdowns or distributions received from underlying investments.

The Investment Manager aims to follow the Operating Principles for Impact Management (Impact Principles)¹. The Impact Principles require that the impact objectives are reflected throughout the investment process and that the alignment is articulated through 9 principles which cover all core steps from selection of the investment to the sustainable exit from investments.

The Fund aims to invest in a portfolio of Investment Funds and Co-Investments, with

- a primary focus on private equity, growth capital, growth oriented infrastructure and venture capital, and, on an ancillary basis of up to 15% of Investor Commitments, private debt.

The Fund or its Investment Funds may hold different instruments such as limited partnership interests, shares, fund units, limited liability company interests, bonds, stocks, notes, debentures, loans, warrants, options and such other equity or debt instrument. The Fund will invest pari passu with other investors in Investment Funds and, exceptionally, may invest in junior position(s) of Investment Funds up to 30% of the Fund’s Junior Shares, subject to those Investment Funds offering further additionality to the Fund’s role and/or further developmental impact.

The Fund may invest directly in companies as co-investor alongside an Investment Fund and/or any other professional investor such as, for example, Development Finance Institutions (DFIs) and/or Multilateral Financing Mechanisms and/or Multilateral Development Banks (MDBs) (each a “Co-Investment”).

The above portfolio allocation targets do not constitute formal Investment Restrictions and the actual portfolio allocation may deviate from such targets. Further, the geographic allocation may also depend on the actual portfolio allocation of multi-regional portfolio funds that may invest across different regions.

¹ https://www.blueorchard.com/wp-content/uploads/BlueOrchard_OPIM-Disclosure-Statement_November-2021.pdf

The Fund is anticipated to invest into one or more Investment Funds managed or advised by the Investment Manager or any of its affiliates (each such fund a “Schroders Fund”) provided that such Schroders Funds comply with the investment objective of the Fund and that such exposure does not exceed 30% of the Fund’s Investor Commitments. Initial investments into Schroders Funds can be increased over time, subject to the Fund’s Investor Commitments increase and always subject to maximum 30% of such Investor Commitments.

The Fund shall build a diversified portfolio across different fund managers, geographies, and asset classes subject to the Investment Restrictions below. The Fund may invest in established impact-focused funds as well as newly established Investment Funds.

The Fund’s performance will not be determined by reference to any benchmark.

The Fund will not invest in securitisations within the meaning of the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 13 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

The Fund will not enter into any securities financing transactions and total return swaps within the meaning of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Sustainability criteria

The Investment Manager applies sustainability criteria when selecting fund investment opportunities for the Fund.

Each investment will undergo a thorough Impact and ESG assessment process which consists of:

- (1) screening against the Fund’s exclusion list;
- (2) an ESG assessment which looks at ESG risks and potential adverse impacts as well as mitigants implemented by each Investment to not cause significant harm and comply with good governance practices;
- (3) an Impact assessment to determine the expected contribution to the Fund’s sustainable objective through a proprietary scorecard resulting in a rating. The Impact assessment also includes a mapping against the relevant SDGs;

(4) Monitoring and

reporting on an annual basis to monitor and report on

Impact and ESG performance of the different Investments of the Fund.

Additional details regarding the Impact and ESG process applied by the Fund can be found in the SFDR annex.

Investment Restrictions

The Fund’s Investments shall be subject to the following investment restrictions (“Investment Restrictions”):

- Single Investment Fund investment not in excess of 10% of Investor Commitments
- Investment Funds managed by the same fund manager (other than Schroders Funds) not in excess of 20% of Investor Commitments
- Single Co-Investment not in excess of 5% of Investor Commitments and all Co-Investments in aggregate not in excess of 20% of Investor Commitments
- Schroders Funds not in excess of 30% of Investor Commitments
- The Fund will follow the exclusion list as stated in Schroders Impact Investing Framework and more specifically to the restrictions below:

Activity	% of revenue exclusion criteria
Alcohol production >=	3%
Alcohol value chain	10%
Tobacco production	0%
Tobacco value chain	5%
Gambling >=	3%
Adult Entertainment >=	3%
Conventional weapons >	1%
Civilian Firearms >	0%
Schroders controversial weapons curated list	0%
Nuclear weapons	0%
Fossil fuel extraction & production Conventional oil and gas Unconventional oil and gas Thermal coal	0%
Thermal coal and oil power generation >=	5% combined power generation*
Oil power generation	*subject to plan in place to phase out coal and oil use
UNGC violators	All excluded

The Fund will not hold any direct or indirect exposure in any company operating in excluded activities, including but not limited to those activities outlined in the exclusion list of Schroders Impact Investing Framework, which is based on market best practices.

The Fund may invest up to 100% of its total net assets in unlisted securities. However, except for investment in open-ended Investment Funds, no more than 10% of its total net assets may be invested in any single company as measured at the time of investment.

The Investment Restrictions shall be measured at the relevant transaction date. This is at the time of investment for Co-investments and the time of the commitment to invest for Investment Funds. The Investment Restrictions and limits contained in the Fund’s SFDR pre-contractual disclosures (Appendix IV) shall not apply prior to the Final Closing, provided that the Fund shall apply the principle of

risk spreading or during the Fund's winding down period (i. e., the period towards the end of the Fund's duration when its investments are realized).

Borrowing and leverage

Without prejudice to section 5 'Borrowing' in Appendix I, the Fund may borrow for liquidity management and bridging purposes on a temporary basis; provided that the aggregate amount so borrowed shall not exceed the lesser of (i) 20% of the Investor Commitments and (ii) the aggregate amount of Undrawn Commitments in the Fund. The Fund shall report any borrowings to the Advisory Committee (details of which are set out below).

Maximum Level of Leverage

Exposure Calculation Methodology	Leverage Ratio
'Gross leverage ratio'	250%
'Commitment leverage ratio'	250%

Investment Manager

BlueOrchard Finance Limited has been appointed as the Investment Manager of the Fund pursuant to an investment management agreement dated 2 February 2023, as may be amended from time to time (the "Investment Management Agreement").

The Investment Manager has its registered office in Talstrasse 11, CH-8001 Zurich, Switzerland and is regulated and authorised as an asset manager by the Swiss Financial Market Supervisory Authority (FINMA).

Eligible Investors

Shares may be acquired only by Eligible Investors, excluding retail investors, except for Class D Shares, which may only be acquired by the Management Company, Investment Manager and their affiliates. In this part of Appendix III, Eligible Investors may include Development Finance Institutions, Multilateral Development Banks, Institutional Investors and others in accordance with applicable laws and regulations.

Target size

The target size of Investor Commitments of the Fund at the Final Closing is USD 100,000,000.

Share Class Features

The Fund may issue Shares of different Classes subject to the conditions described in this Special Section.

For the time being, the following Classes will be issued, each evidencing a different level of risk.

(i) Senior Shares

a. Class E Shares (early bird – 10 Bps discount on Management Fee)

Reference Currency	USD
Minimum Commitment	USD 1 million
Availability	Only at First Closing
Eligibility	All Eligible Investors (excluding retail investors)
Issue Price	USD 100
Initial charge	None
Ranking	Financial returns will be disbursed to Senior Shares on a priority basis ahead of Junior Shares

b. Class E1 Shares (early bird – 5 Bps discount on Management Fee)

Reference Currency	USD
Minimum Commitment	USD 1 million
Availability	Only at second Closing
Eligibility	All Eligible Investors (excluding retail investors)
Issue Price	USD 100
Initial charge	None
Ranking	Financial returns will be disbursed to Senior Shares on a priority basis ahead of Junior Shares

c. Class C Shares

Reference Currency	USD
Minimum Commitment	USD 1 million
Availability	First Closing and Subsequent Closings
Eligibility	All Eligible Investors (excluding retail investors)
Issue Price	USD 100
Initial charge	None
Ranking	Financial returns will be disbursed to Senior Shares on a priority basis ahead of Junior Shares

d. Class D Shares

Reference Currency	USD
Minimum Commitment	USD 1 million
Availability	First Closing and Subsequent Closings
Eligibility	Reserved to Management Company and the Investment Manager
Issue Price	USD 100
Initial charge	None
Ranking	Financial returns will be disbursed to Senior Shares on a priority basis ahead of Junior Shares

(ii) Junior Shares

a. Class B Shares

Reference Currency	USD
Minimum Commitment	USD 1 million
Availability	First Closing and Subsequent Closings
Eligibility	All Eligible Investors (excluding retail investors)
Issue Price	USD 100
Initial charge	None
Ranking	Junior Shares shall first support losses incurred by the Fund and will receive distributions only after Senior Shares in accordance with the distribution policy.

Closing

The Board of Directors shall have the right in its sole discretion to reject any

Investor's application to make a Commitment at any closing. Existing Investors may increase their Commitments at any Subsequent Closing and the Final Closing.

Subscriptions and Drawdowns

First Closing

Class E Shares subscribed at the First Closing shall be issued at the Issue Price as set above.

The Initiator shall commit to subscribe for Class B Shares for an amount of EUR 25 million (in USD equivalent).

Subsequent Closings

Subsequent Closings may be held at the discretion of the Management Company.

Duly executed Commitment Agreements must be received by the Fund at least 10 Business Days before the relevant Closing, unless agreed otherwise between the parties. Commitment Agreements received after the required notice period will be dealt with on a best endeavours basis.

Shares committed to subscribe at any Closing will be issued fully paid-up at:

- (A) the Issue Price with respect to Drawdowns made between the First Closing and the Final Closing. The Issue Price will be increased by an additional amount, which will not be treated as a Subscription Capital Amount and will not reduce the Investor Commitment of the Investor, equal to the actualisation interest (the "**Actualisation Interest**"). The Actualisation Interest will be calculated based on an annual interest rate equal to the Secured Overnight Financing Rate (SOFR) plus 2.75% multiplied by the amount of the Subscription Capital Amount paid by the Investor, calculated *pro rata temporis* from each date when such amount would have become due pursuant to a Drawdown had such Investor been admitted to the Fund on the First Closing with such Investor Commitment until the date specified in the Drawdown Notice for the payment of such Subscription Capital Amount. Each previously admitted Investor will receive from the Fund its allocable share of the Investor Commitment paid by the new Investor such that, after giving effect to such distribution, such

Investor will be in the same position as though it had made a Subscription Capital Amount in an amount equal to the aggregate amount that would have been made by such Investor had all new Investor Commitments been admitted on the First Closing with the applicable new Investor Commitments, such amounts distributed to the previously admitted Investors will not be treated as distributions of proceeds but will be returned to the existing Investors in repayment of their Subscription Capital Amounts and will increase their available Commitment accordingly;

- (B) nominal value for Drawdowns made after the Final Closing.

Drawdowns

The Management Company or its delegate will issue Drawdown Notices at least 10 calendar days before the required payment date (unless the Management Company and Shareholders agree an earlier payment date).

Drawdown Notices will be denominated in, and payment must be made in, USD. Drawdown Notices will include payment instructions.

Calculation of the Net Asset Value

The Fund has a commitment based-approach for the calculation of the Net Asset Value.

Redemptions

Shareholders shall not be able to request the redemption of their Shares in the Fund at their initiative.

Redemptions in kind are not permitted.

Distribution policy

Except as otherwise provided in section "Re-Investments" below, after the Investment Period, proceeds shall be distributed in the following order of priority, and after payment of the Fund's expenses (including but not limited to cost and expenses, AIFM Management Fee, Management Fee and Performance Fee, if applicable):

- (A) First, one hundred per cent (100%) to each holder of Class E Shares, Class E1 Shares, Class C Shares and Class D Shares until it has received an amount equal to Subscription Capital Amount not yet returned;
- (B) Second, one hundred per cent (100%) to each holder of Class E Shares, Class E1 Shares, Class C Shares and Class D Shares in proportion to its Subscription Capital Amount until it has received the preferred return (being an 8% annual compounded interest on any positive sum of (i) each Shareholder's Subscription Capital Amount less (ii) the amount distributed by the Fund to such Shareholder);
- (C) Third, Junior Shares will receive distributions equal to their aggregate Subscription Capital Amount.
- (D) Finally, any excess amount will be distributed pro-rata to holders of Class E Shares, Class E1 Shares, Class C Shares, Class D Shares and to holders of Junior Shares.

Re-investments

The Fund may re-invest proceeds during the Investment Period and after the Investment Period for follow-on investments.

Giveback

The Fund may until the earlier of (i) three (3) years from the date of distribution and (ii) two (2) years of liquidation of the Fund require each Shareholder to return its pro rata share of any amount distributed to such Shareholder or held in escrow to the extent the Fund is required to pay such amount, in order to satisfy, among others, (i) recall obligations the Fund may have or (ii) its pro-rata share of the Fund's indemnification obligations; provided that no Shareholder will be required to return any amount previously distributed to such Shareholder or held in escrow after the period of time as set out in this "Giveback" section.

Key Persons

The Investment Manager shall ensure that, until the term of the Fund, key persons as designated and listed in the Investment Management Agreement (the "Key Persons") will comply with their time dedication commitments set forth below.

If during the Investment Period more than 50% of the Key Person cease to be employed or engaged by the Investment Manager or any of its affiliates (a "Key Person Event"), the Investment Period will be suspended if no replacement is proposed by the Investment Manager within 180 days from the occurrence of the Key Person Event, without prejudice to the right of the Investment Manager to complete investments that were in progress at the relevant time or to make follow-on investment in existing investments designed to enhance or protect the value of such investments.

The Investment Manager shall use reasonable efforts to identify one or more suitable replacement Key Persons and present a remediation plan to the Shareholders and the Advisory Committee. The suspension will last until either (i) approval by 75% of Shareholders of the Fund or (ii) approval of the Board of Directors, subject to consultation of the Advisory Committee, of the remediation plan. A waiver for the suspension either generally or with respect to one or more specified Investments can be decided by Shareholders representing 75% of the share capital of the Fund in addition to the non-objection vote of the Advisory Committee. If no such approval or waiver is given within 180 days from the beginning of the suspension, the Investment Period will immediately terminate but the Advisory Committee shall have the right to extend the period for presenting one or more candidate replacing Key Person(s) for a maximum of three (3) months.

The Investment Manager may propose replacements of Key Persons in the ordinary course of business to the Advisory Committee.

Advisory Committee

The Board of Directors shall set up an advisory committee (the "Advisory Committee") no later than the Final Closing, which shall act on matters set out in this Appendix. This Advisory Committee has mainly a consultative function and shall not take, or purport to take, any part in the operation or management of the Fund business towards third parties.

The Advisory Committee shall consist of a minimum of three (3) and maximum of five (5) representatives of certain Shareholders (of any Share Class) appointed by the Board of Directors. The selection of Advisory Committee members will take into account diversity of institutions and opinions.

Neither the members of the Advisory Committee nor the Shareholders who have designated such members will owe any duty, fiduciary or otherwise, to any other Investors or to the Fund in respect of the activities of the Advisory Committee and they will be entitled to consider their own interests or those of the Shareholder at whose request they were appointed in making any decision.

The Advisory Committee will establish its own terms of reference to establish the relevant procedures by which it will operate. Such terms of reference and any amendment thereto shall be notified without delay to the Board of Directors.

Fees and Expenses

The members of the Advisory Committee shall not receive any advisory fees or other fees or compensation.

Each member of the Advisory Committee shall pay its own costs relating to such membership. The Fund shall pay the costs of any third party advice reasonably requested by the Advisory Committee in relation to performance of its role and with prior approval of the Board of Directors, provided that if the Fund has already obtained third party advice on a certain matter, the Advisory Committee must rely on that advice or cover its own costs of getting alternative third party advice.

Review and consultation

The Advisory Committee shall provide such advice and opinions to the Fund and/or Management Company as requested by the Board of Directors or the Management Company, as required in this Appendix III or as the Advisory Committee may choose to provide. The members of the Advisory Committee shall not take part in the management of the Fund's business.

The Advisory Committee shall be consulted for, amongst other things:

- (A) any potential conflicts of interest;
- (B) the replacement of a Key Person;
- (C) advice on general policies and guidelines including the various impact and ESG objectives of the Fund, and prospective investments;
- (D) annual targets and key performance indicators; and
- (E) such other matters as set forth in this Prospectus.

Side Letters

The Fund may enter into any side letter or similar agreements in relation to the Fund with Investors (a "**Side Letter**"). Rights established in a Side Letter may consist, in each case only to the extent permitted under applicable laws and regulations, of any of the following: access to, or increased transparency in relation to, information concerning certain aspects of the Investments or the activities of the Fund; special terms applicable to transfers of Shares, such as the advance grant of consent to a transfer to certain parties; the right to be excused from the participation in certain Investments; the reduction, removal, reimbursement or rebate of, certain fees, costs and/or expenses; special terms in relation to any distribution; special terms in relation to the appointment or removal of members of any committee set up by the Fund including the Advisory Committee; "most favoured nation" or similar rights with respect to certain and/or all side agreements

entered into with Investors in relation to the Fund, or such other rights with respect to the Fund as may be agreed by the parties to a Side Letter.

Such rights may be granted, in each case only to the extent permitted under applicable laws, on the basis of the size, nature, timing or any feature of the investment in, or of any commitment taken *vis-à-vis*, the Fund, the type, category, nature, specificity or any feature of the particular Investor or any other criteria, element or feature as may be determined by the parties to a Side Letter.

SFDR qualification and Taxonomy Regulation

SFDR Classification

The Fund has been categorised under the SFDR Regulation as an “Article 9” product.

Taxonomy Regulation

For the purpose of this section and pursuant to article 5 of the Regulation (EU) 2020/852 (the “Taxonomy Regulation”), the Fund is considered a financial product which invests in

economic activities that contribute to an environmental objective and is subject to the disclosure requirements of Article 9 of the SFDR, it is therefore required to disclose information about the environmentally sustainable investments made.

This financial product aims at contributing to the following environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, protection and restoration of biodiversity and ecosystems. For the avoidance of doubt, the four environmental impact objectives may not be aligned with the EU Taxonomy’s definition of such terms. However, the Fund’s sustainable investments must have a minimum alignment of 1% with the EU Taxonomy, as a proportion of the portfolio.

Additional information

The detailed information about the Fund sustainable investment objective is available in Appendix IV to this Prospectus.

Fund Characteristics

Investment Manager	BlueOrchard Finance Ltd , a member of the Schroders Group
Calculation Day	The last Calendar Day of March, June, September and December
Availability of Net Asset Value per Share	The Net Asset Value per Share will ordinarily be available after each quarter end. The first Net Asset Value will be calculated as of the last day of the quarter following the first shareholder drawdown
First Closing	31 st March 2023 or any other day as determined by the Board of Directors
Final Closing	The 24-months anniversary of the First Closing, with a potential 12 months extension subject to the Board of Directors’ approval.
Fund Currency	USD

Fees

AIFM Management Fee

The AIFM Management Fee is accrued at each Calculation Day and included in the Net Asset Value of the Fund on the following Calculation Day at an annual rate of up to 0.1% of the Fund Assets and is paid quarterly, subject to an annual minimum amount of USD 75,000 and a maximum amount of USD 125,000.

Management Fee

The Investment Manager shall be entitled to 0.7% per annum calculated on Investor Commitments in accordance with the Investment Management Agreement and payable quarterly in arrears.

After the fourth (4th) year anniversary of the Final Closing of the Fund, the fee rate will be reduced by ten percent (10%) each year. The Management Fee reduction shall apply from the first calendar day after quarter end.

No management fee will be charged for investments in Schroders Funds. Commitments to or investments into Schroders Funds, if any, will be deducted from the amount of total Investor Commitments, meaning that the fee basis will be reduced by such amount.

Impact Success Fee

The Investment Manager is entitled to a scaling impact success fee (the “Impact Success Fee”) up to a maximum of 0.2% of the Fund Assets. The fee is derived from the assessment of the performance at two levels: (i) Fund level

performance on specific indicators with defined targets, (ii) underlying fund/portfolio companies level performance determined from the annual impact monitoring assessment.

The Impact Success Fees shall be paid out of the Fund’s assets.

Targets for the established key performance indicators to be achieved at the Fund level will be defined yearly by the Board of Directors, based on the Investment Manager proposal, and evaluated as soon as the data from underlying Investment Fund and co-investments is available.

Specific Risk Considerations

Investors should also be aware that investments of the Fund may be undertaken by an Intermediary Entity on a look-through basis, meaning that the investments provided at the level of the Intermediary Entity will be considered as being undertaken by the Company itself for the Fund.

Investment in the Fund carries certain risks. These risks are not purported to be exhaustive and potential investors should review this Appendix and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares. There can be no assurance that the Fund will achieve its objective.

An amendment to the risks in the Prospectus would not be deemed a material change of the terms of this Appendix.

Since the Fund will invest in private equity Shareholders should be aware of the associated risks and special factors of this asset class which are not related to investments in traditional listed instruments.

Notwithstanding the general risks of investment set out in Appendix II, attention is drawn to the following specific risks:

Risks arising from the nature of investments in Private Equity

Private equity investments typically display uncertainties which do not exist to the same extent in other investments (e.g. listed securities). Private equity investments may be in entities which have only existed for a short time, which have little business experience, whose products do not have an established market, or which are faced with restructuring etc. Any forecast of future growth in value may therefore often be encumbered with greater uncertainties than is the case with many other investments.

While private equity investments offer potentially significant capital returns, funds and companies may face business and financial uncertainties. There can be no assurance that their use of the financing will be profitable to them or to any Fund. Investing in private equity and venture capital funds and unlisted companies entails a higher risk than investing in companies listed on a recognised stock exchange or on other regulated markets. This is in particular because of the following circumstances:

The Fund may invest directly and indirectly in less established companies, which may subject it to a greater risk of loss. Such companies do not have any prior operating history. There can be no assurance that the managers of such companies will be able to meet their objectives. There can be no assurance that any such investment completed by the Fund will provide returns commensurate with the risk of investing in such companies.

The Fund's co-investments may afford it only limited rights as a shareholder and, as a result, it may be unable to protect its interests in such investments. The Company may have little or no control over the structure or features of a co-investment, and as a result, will rely on the skills and capabilities of the (third party) investment managers selecting, evaluating, structuring, negotiating and monitoring the underlying (co) direct investment. In addition, in certain private equity funds in which the Fund may invest, other investors may be able to vote to cause a liquidation of such fund at a time when the Fund would not have so voted.

Unlisted companies are often highly dependent on the skills of a small group of managers/directors. These companies often have limited resources.

An investment in the Fund should be thought of as a long-term investment.

Liquidity risk

Private equity investments are often illiquid long-term investments that do not display the liquidity or transparency characteristics often found in other investments (e.g. listed securities).

Securities or other financial assets that the Fund may invest into may be difficult to sell. The eventual liquidity of all investments will depend on the success of any realisation strategy proposed. Such strategies could be adversely affected by a variety of factors. There is a risk that the Fund

may be unable to realise its investment objectives by sale or other disposal at attractive prices or at the appropriate times or in response to changing market conditions or will otherwise be unable to complete a favourable exit strategy. Losses may be realised before gains on disposals. The return of capital and the realisation of gains, if any, will generally occur only upon the partial or complete disposal of an investment.

It may be difficult to dispose of investments made in unlisted companies. A realisation of investments in unlisted companies may be achieved by way of public offerings or sales to joint venture partners, strategic partners or other investors. However, any realisation of the investment of a Fund in a Company may require the agreement of other shareholders in the Company, or the consent of the Board of Directors of the Company, or the approval of the relevant authorities. The timing and profitability of the exit strategy for direct investments can be negatively affected by external economic factors beyond the control of the Fund.

There is no established market for secondary investments and although there has been an increasing volume of secondary investment opportunities in recent years, no liquid market has developed nor is one expected to develop.

Valuation risk

It may be difficult to find appropriate pricing references in respect of unlisted investments. This difficulty may have an impact on the valuation of the portfolio of investments. Certain investments are valued on the basis of estimated prices and therefore subject to potentially greater pricing uncertainties than listed securities.

Investments into private equity funds and initiator-led or third-party managed private equity direct/ co-investments are generally reliant on information supplied by the relevant fund manager or lead sponsoring private equity investor. Such information is generally not available until 60 days or more after every quarter-end and will typically only be audited on an annual basis. Therefore, the most recently provided valuation information for the purposes of calculating the Fund's quarterly net asset value will typically be adjusted by the Fund pursuant to 2.4 Calculation of Net Asset Value.

The Fund will generally not be able to confirm the accuracy of the valuations provided by the relevant fund managers of such investments.

Intermediary Entity related risk

Investments of the Fund may be undertaken through one or several Intermediary Entities on a look-through basis, meaning that the investments provided at the level of the Intermediary Entity will be considered as being undertaken by the Company itself for the Fund.

The Fund's performance will be affected by the structure of the acquisition and the terms of investments, including legal, tax, regulatory and/or other considerations, over which the Fund is generally expected to have limited control. The Management Company may believe an investment opportunity is a generally appropriate investment for the Fund even though the opportunity may have legal, tax or regulatory terms that are not for the benefit of the Fund.

The Fund generally makes investments alongside other investors, funds and/or accounts whose investors may have different tax and/or regulatory attributes than the Shareholders. Therefore, the Fund may make an investment

through a structure that may benefit some or all of the investors in such fund but be relatively disadvantageous to some or all of the Shareholders.

Investments Longer than Term

The Fund may invest in investments which may not be advantageously disposed of prior to the End of Life of the Fund, either by expiration of their term or otherwise. Although the Management Company expects that investments will be disposed of prior to End of Life or be suitable for in-kind distribution at End of Life, the Fund could potentially have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of its End of Life. In addition, the End of Life of the Fund may be delayed to permit the Fund to dispose of investments at an advantageous time.

Indirect real estate investments

The Fund may make investments through other funds, joint ventures or other entities. Such investments may involve risks not present in direct investments including, for example, the possibility that a co-venturer or partner of the Fund might become bankrupt, or may at any time have economic or business interests or goals which are inconsistent with those of the Fund, or that any such co-venturer or partner may be in a position to take action contrary to the Fund's objectives. Furthermore, if such co-venturer or partner defaults on its funding obligations, it may be difficult for the Fund to make up the shortfall from other sources. In that event, the Fund may be required to make additional contributions to replace the shortfall consequently reducing the diversification of its investments. Any default by a co-venturer or partner could have an extremely deleterious effect on the Fund, its assets and the interests of the Shareholders. In addition, the Fund may be liable for actions of its co-venturers or partners. While the Investment Manager will attempt to limit the liability of the Fund by reviewing the qualifications and previous experience of co-venturers or partners, it does not expect to obtain financial information from, or to undertake private investigations with respect to, prospective co-venturers or partners.

Investments in private equity funds and funds of private equity funds

The Fund is permitted to invest in private equity funds and fund of private equity funds established in jurisdictions where no or limited supervision is exercised on such funds by regulators. Further, the efficiency of any supervision may be affected by a lack of precision of investment and risk diversification guidelines applicable to, and the flexibility of the investment policies pursued by, such funds.

This absence of supervision at both the level of the fund of funds and the underlying Investment Funds may result in a higher risk for the Shareholders.

Shareholders in the Fund will bear indirectly the management and advisory fees charged by the investment managers of the various private equity funds, funds of private equity funds and listed private equity investments in which the Fund invests.

It is possible that, even at times when the Fund has a negative or zero performance, the Fund will, indirectly, bear performance fees levied within individual private equity funds, funds of private equity funds and listed private equity investments.

Sustainability Risk

The Fund is exposed to sustainability risks in the form of ESG events and conditions that can have negative impacts on the assets, financial and/or earnings situation, or the reputation of the Fund. Given the broad scope of sustainability risks and the high uncertainty regarding future developments thereof, and despite policies, procedures, and tools in place to manage sustainability risks, there can be no certainty that the Fund will be successful in eliminating or mitigating sustainability risks or that sustainability risks will not materialise, in each case with potentially significant financial, reputational, or other consequences for the Fund.

Fund of funds

The Fund may invest all or substantially all of their assets in Investment Funds. The investments of the Fund in Investment Funds may result in an increase of total operating, administration, depositary, management and performance fees/expenses. However, the Investment Manager will seek to negotiate a reduction in management fees and any such reduction will be for the sole benefit of the relevant Fund.

Blended finance structure

The Fund offers participation in equity in different Share Classes. While the junior Shares offer a leverage to more risk-adverse Investors, there is still the risk of losses for more risk adverse Investors in the senior Shares.

The Fund targets a specific overall capital structure and has given itself limits with regards to the amount of senior Shares to be issued, relative to the amount of the Junior Shares. There is no minimum amount for the issuing of the senior Shares.

There is no market for the sale and purchase of the Shares in the Fund. It is not expected that a market will develop at any time in the future. The investment opportunity is presented as a private placement. The lack of a market impairs the ability to sell Shares at the time Investors may wish to sell them.

Further information

More information relating to the environmental and social characteristics or sustainable investment objective (as applicable) of the Fund is provided in Appendix IV in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.

Appendix IV

Pre-contractual Disclosures

Information relating to the environmental and social characteristics or sustainable investment objectives of the Funds is provided in the following Appendix in accordance with SFDR and Commission Delegated Regulation (EU) 2022/1288.

Product name: **Green Earth Impact Fund**

Legal entity identifier: **5493007I86LJGQ4KAQ06**

Sustainable investment objective

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 50.00%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
<input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective ___%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

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

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



What is the sustainable investment objective of this financial product?

Definition of the Sustainability Objectives of GEIF

The Green Earth Impact Fund (the "Fund") aims to i) operate as a value-added vehicle to drive and channel sustainable investments globally with a primary focus on emerging and frontier markets that contribute to **1) climate change mitigation, 2) climate change adaptation, 3) the sustainable use and protection of water and marine resources, and 4) the protection and restoration of biodiversity and ecosystems (the "Fund's Environmental Objectives")** and ii) support closing the public-private financing gap by raising capital from the public and the private sector. For the avoidance of doubt, the four environmental impact objectives may not be aligned with the EU Taxonomy's definition of such terms. The Fund will invest primarily in Investment Funds and up to 20% in Co-Investments. Both Investment Funds and Co-Investments will be collectively referred to as "investments" going forward.

Minimum proportion of Sustainable Investments

The Fund commits to reach a minimum proportion of sustainable investments, which are defined as investments that contribute to sustainable investment objectives while doing no significant harm and meeting good governance criteria. The share of sustainable investments is calculated by (i) looking through the underlying Investment Funds' assets and as (ii) a proportion of the total Fund Assets (Invested Capital and Neutral Assets).

At least 75% of the Fund Assets will be invested in sustainable investments with the remaining portion (up to a maximum of 25%) consisting of Neutral Assets.

As each underlying Investment Fund may not pursue an investment strategy that is 100% aligned with the Fund's Environmental Objectives, some underlying Investment Fund's investments may contribute to social objectives and/or to other environmental objectives (besides climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, and the protection and restoration of biodiversity and ecosystems). To avoid any impact deviation from the Fund's Environmental Objectives, a minimum 50% of the Fund's sustainable investments will target these four environmental impact objectives. The remaining portion of the Fund's sustainable investments may target social and/or other environmental objectives.

Contribution to the SDGs

The Fund's investments aim to contribute to the following United Nations Sustainable Development Goals ("SDGs") specifically:

- SDG 6: Clean water and sanitation

- SDG 7: Affordable and clean energy
- SDG 13: Climate action
- SDG 14: Life below water
- SDG 15: Life on land
- SDG 17: Partnerships for the goals

Each investment should thus positively contribute to at least one of those six goals, without significantly harming any sustainable objective. The positive contribution will be determined during the impact due diligence which consists of a thorough assessment of (i) the impact methodology, procedures and tools used by the GP (when investing in an Investment Fund), (ii) the potential (and current) impact of each investment assessed through an Impact Scorecard which follows the five dimensions of the Impact Management Project ("IMP"). The Impact Scorecard assesses the actual and/or expected allocation per impact objective and related SDGs, the actual and/or expected performance on relevant impact KPIs, it captures information on the end beneficiaries and assesses the contribution of the Fund while factoring in the different potential risks that the intended impact may not be achieved.

The contribution to the selected impact objectives and related SDGs will then be monitored on an annual basis by tracking the performance of investments on relevant KPIs.

The Fund has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

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

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The portfolio manager of the Fund has selected a number of sustainability indicators for each sustainable objective (see table below). The list is non-exhaustive and includes sustainability indicators that are most commonly reported for the relevant sustainability objectives. The portfolio manager may identify alternative indicators more relevant based on the sector and sustainability objective of the investment (so not all sustainability indicators listed may be reported on) and these will be disclosed in the Fund's periodic reports. The resulting aggregation of data is used to determine the success of the Fund in achieving its core sustainable investment objectives.

As the Fund's sustainable investments may also contain social and other environmental objectives, the Fund will also collect and report on additional relevant KPIs for those investments. Such KPIs will be disclosed in the Fund's annual report.

The following indicators are reported as a measure of how the Fund drives and channels sustainable investments in emerging and frontier markets and how it supports the closing of the public-private financing gap:

Sustainable objective	Sustainability indicator	SDG Mapping
Bridge the private-public funding gap	<ul style="list-style-type: none"> - Private capital raised for the Fund (USD) - Number of ODA recipient countries 	SDG 17: Partnerships for the goals

Depending on the underlying Investment Fund selection, the following indicators for the Fund's Environmental Objectives may be reported on an annual basis during the holding period:

Sustainable objective	Sustainability indicator	SDG Mapping
Climate change mitigation	<ul style="list-style-type: none"> - Renewable energy generated per annum (Mwh) - Tons of GHG emissions reduced/avoided/captured per annum (tCO2e) 	SDG 7: affordable and clean energy SDG 13: Climate action
Climate change adaptation	<ul style="list-style-type: none"> - Number of portfolio companies offering climate insurance - Number of clients covered with climate insurance 	SDG 13: Climate action
Sustainable use and protection of water and marine resources	<ul style="list-style-type: none"> - Pollution removed or reduced from marine water or freshwater - Reduction in water consumed - Wastewater treated per annum 	SDG 6: Clean water and sanitation SDG 14: Life below water
Protection and restoration of biodiversity and ecosystems	<ul style="list-style-type: none"> - Net growth of forest cover - Area dedicated to restoration and/or conservation 	SDG 15: Life on land SDG 14: Life below water

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, anticorruption and antibribery matters.

● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

The Fund uses a Sustainability & Impact framework (“S&I framework”) that consists of a comprehensive approach to manage and measure Environmental, Social and Governance (“ESG”) risks and impact potential across asset classes and impact themes. The Fund assesses all investments using this framework to create a basis upon which to evaluate the impact and ESG prospects of the transaction, and to identify any significant harm or principal adverse sustainability impacts towards any sustainable investment objectives which may be associated with a transaction.

The S&I framework consists of a proprietary scorecard which assesses the potential impact of each investment (the “Impact Scorecard”) as well as a set of ESG tools to identify and assess ESG events or conditions that could cause an actual or a potential material negative impact on the value of the investment and evaluate whether investments have appropriate identification, management, and mitigation processes in place. ESG tools used by the Fund are comprised more specifically of:

For Investment Funds:

An ESG General Partner (“GP”) and fund assessment

- It assesses the maturity of GP’s ESG approach and includes commitments and leadership on ESG management, maturity of ESG policy and tools, ESG governance, level of internal and external expertise. The methodology integrates aspects of the ILPA ESG Assessment Framework as well as guidance from the UN Principles for Responsible Investment. At minimum some formalization of the ESG governance and reporting capabilities have to be evident for a fund to be considered for this Fund
- An ESG due diligence based on materiality: the Fund will finally conduct an ESG due diligence based on business model materiality. These various ESG checks evaluate the underlying Investment Funds’ exposure to potential ESG risks associated with sectors of investment, regions of investment, size of portfolio companies, supply chain risks, etc. It also aims to evaluate the robustness of the ESG processes and tools identified in the ESG GP assessment.

For Co-Investments:

- Company ESG assessment: a proprietary methodology that looks at multiple underlying indicators through seven focus areas that consider the SASB Materiality Map: climate change, conservation, workforce, DE&I, community impact, transparency, and policies & practices.

For both:

- A Do Not Significant Harm (“DNSH”) analysis on Principal Adverse Impact Indicators (“PAIs”): the assessment aims to confirm the willingness and capacity, tools and processes of investments to manage and report on the Principle Adverse Indicators (‘PAIs’) through a series of Pass/Fail questions. Each underlying investment may have different PAI coverage and/or DNSH assessment methodologies. For specific PAIs where no data and/or management practices exist at the time of investment, and the gaps are considered non-material to the success of the business, the Fund engages with the company to implement relevant business practices and processes during the investment period.

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

The Fund assesses as part of its due diligence and on-going monitoring that the due diligence and frameworks applied by the selected fund managers include an assessment of alignment of their portfolio companies with OECD Guidelines for Multi-national Enterprises and UN Guiding Principles on Business and Human Rights. In addition, the Fund uses an external ESG data provider (RepRisk™) to track the performance of its underlying investments across environmental, social and governance dimensions. All prospective underlying investments are reviewed in the RepRisk™ platform during the due diligence. The RepRisk™ platform allows creation of a portfolio watchlist and sends alerts in case there is a potential material negative event media coverage of a particular investee.



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

- ☒ Yes
☐ No

The Fund considers PAIs through its investment process as part of its DNSH analysis (due diligence) and ongoing monitoring. As the Fund can invest across a variety of sectors, relevant and applicable PAIs will be determined at the time of the investment. PAIs will then be collected directly from the underlying Investment Funds or Co-Investment companies. While some data collection of PAIs can be limited, the Fund will aim to improve data coverage overtime by engaging with underlying Investment Funds or Co-Investment companies that cannot

provide sufficient level of information to signal that some indicators are material to start measuring and tracking. When no data nor proxy is available, the Fund will not report on the associated PAI indicator or use proxies from external service providers (if possible).

The Fund discloses relevant information on principal adverse impact indicators in the periodic report attached to the Fund's annual report.

Our approach is subject to ongoing review, particularly as the availability, and quality, of PAI data evolves.



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

What investment strategy does this financial product follow?

The Fund aims to provide positive financial returns alongside a demonstrable sustainable impact return. It will do so by integrating sustainability and impact criteria across the full investment cycle. From selecting investments that can positively contribute to the sustainable objectives of the Fund and with sound S&I practices, to regular monitoring of S&I indicators and reporting.

The Fund invests only in business models that create a positive contribution towards the sustainable objectives described above.

● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

As an impact fund focused on investments in emerging and frontier markets, the Fund Prospectus and Investment Guidelines contain extensive requirements in respect of investment selection and achievement of impact objectives.

The binding elements of the Fund are:

- The Fund will not invest in any activity that is involved in Excluded Investments, as per Schroders Impact Investing Framework, more specifically the Fund will comply with the below restrictions:

Activity	% of revenue exclusion criteria
Alcohol production >=	3%
Alcohol value chain	10%
Tobacco production	0%
Tobacco value chain	5%
Gambling >=	3%
Adult Entertainment >=	3%
Conventional weapons >	1%
Civilian Firearms >	0%
Schroders controversial weapons curated list	0%
Nuclear weapons	0%
Fossil fuel extraction & production Conventional oil and gas Unconventional oil and gas Thermal coal	0%
Thermal coal and oil power generation >=	5% combined power generation*
Oil power generation	*subject to plan in place to phase out coal and oil use
UNGC violators	All excluded

- Each of the investments should positively contribute to at least one of the six SDGs targeted, without significantly harming any sustainable objective.
- The Fund will not invest in any investments with
- “low” impact. The Fund targets investments with “very high” impact to “high” impact, as indicated by the overall score of the Impact Scorecard. Investments with a “medium” impact score are possible but require an Impact Assessment Group (“IAG”) approval and possible additional engagement and/or monitoring with the investee (to be defined during the IAG).
- The Fund makes investments that do not cause significant environmental or social harm and have good governance practices

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

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

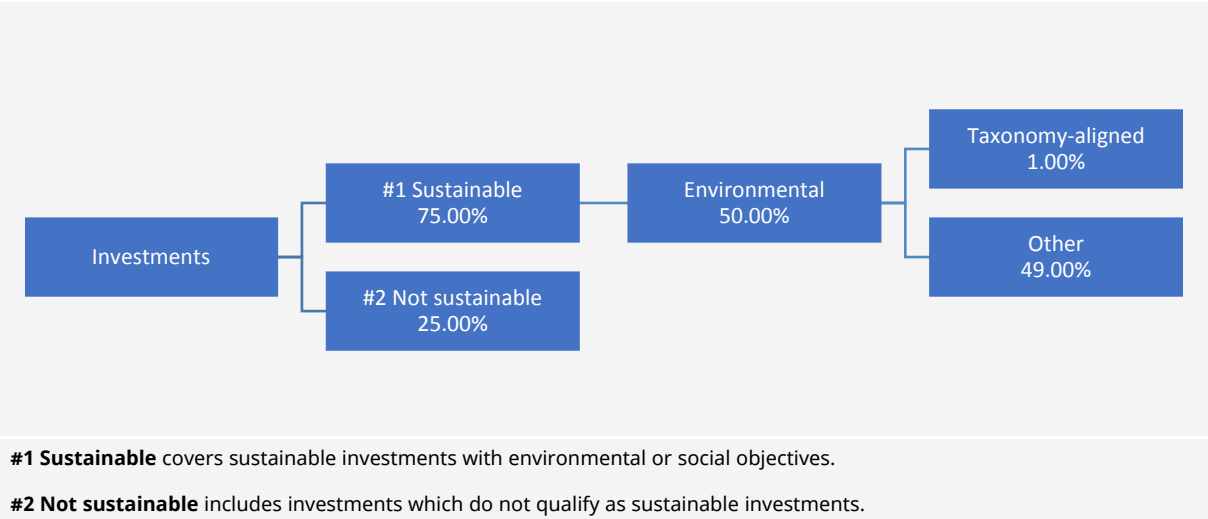
Good governance criteria are integrated and assessed through our proprietary ESG assessment. This includes the following key good governance test criteria:

- Sound Management structure and board and management governance structure
- Transparent board communication
- Code of conduct (or similar policies) including at a minimum a policy for Anti-Harassment, Bribery, Corruption, Tax Compliance
- Minimization of the risk when governance-related breaches have taken place in the past by assessment of the actions taken to correct the breach
- to seek to ascertain the breach will not occur in the future.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation and the minimum share of sustainable investments?

The Fund is expected to invest at least 75% of the Fund Assets in investments considered as sustainable under SFDR (#1 Sustainable). With the exception of the Neutral Assets, all investments are considered and required to be Sustainable Investments and meet the criteria established in the Prospectus and Investment Guidelines. At least 50% of Sustainable Investments will target the Fund’s Environmental Objectives and a minimum 1% of the Fund’s portfolio will be in economic activities that qualify as environmentally sustainable under the EU Taxonomy.



● **How does the use of derivatives attain the sustainable investment objective?**

The Fund does not use derivatives in the context of the investment strategy although the underlying Investment Funds which the Fund invests in may use derivatives.



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

The minimum extent to which the Fund’s sustainable investments are aligned with the EU Taxonomy constitutes 1% of the portfolio.

Each underlying Investment Fund will report to GEIF the proportion of assets aligned with the EU Taxonomy following the assessment of the compliance with the EU Taxonomy Technical Screening Criteria as well as the compliance with DNSH and minimum safeguards criteria. The underlying Investment Funds will specify the methodology used (turnover, CAPEX or OPEX as well as data collection process) and provide an explanation of why that methodology selection is appropriate. Underlying Investment Funds may or may not obtain an assurance provided by auditors or external verifiers.

In the case of Co-Investments, the Fund will directly measure the proportion of Taxonomy Alignment. First, the Fund will establish the eligibility of the business activities of all the Fund’s Co-Investments with the EU Taxonomy. Each revenue-earning activity of an individual Co-Investment company will be mapped by NACE code, and the corresponding turnover contributions will be reported on an annual

basis. In a second step, the Fund will assess the alignment of eligible activities, using the EU Taxonomy Technical Screening Criteria as well as the compliance with DNSH and minimum safeguards criteria.

At the Fund level, GEIF will compile the results and specify the percentage of investments that align with the EU Taxonomy. For underlying Investment Funds, the Fund will disclose the proportion of investments that have undergone external verification for alignment assessment. However, at Fund level, no external assurance will be provided.

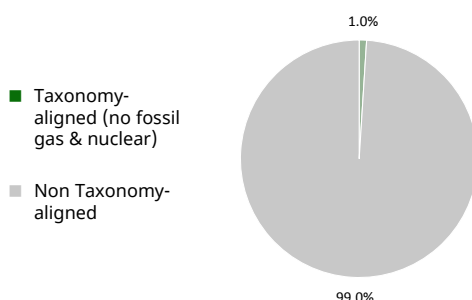
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²?**

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

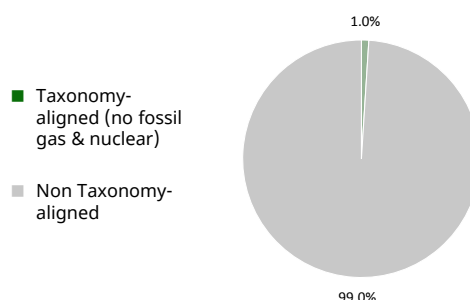
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 100%** of the total investments.

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

** The proportion of total investments shown in this second graph is purely indicative and may vary. As such, the representation of minimum Taxonomy alignment made in this second graph only consists in the result of the mathematical adjustment of the first graph, due to the exclusion of an indicative proportion of sovereign bonds from the denominator. In this context, the representation of minimum Taxonomy alignment is also indicative and may vary.

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

The minimum share of investments made by the Fund in transitional and enabling activities is set at 0%.

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

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

emission levels corresponding to the best performance.

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?

The Fund further commits to invest at least 1% of its portfolio in sustainable investments with an environmental objective in economic activities that are Taxonomy-aligned. More investments could be aligned with the EU Taxonomy but the Investment Manager is not currently in a position to specify the exact proportion of the Fund’s investments which take into account the EU criteria for environmentally sustainable economic activities.



What is the minimum share of sustainable investments with a social objective?

The Fund does not have a minimum share of sustainable investments with a social objective. With four main environmental sustainable investment objectives, the Fund will primarily target investments with an environmental objective.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

“#2 Not sustainable” investments consist of highly liquid instruments such as traded money market funds, cash and derivatives which are to be used for liquidity management and efficient portfolio management. No minimum social and environmental safeguards are applied to these investments as the E/S risk is assessed being negligible and no data is available to support the implementation of safeguards.



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

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No reference benchmark has been designated for the purpose of attaining the sustainable objective of Fund.

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

This question is not applicable for the Fund.

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

This question is not applicable for the Fund.

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

This question is not applicable for the Fund.

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

This question is not applicable for the Fund.



Where can I find more product specific information online?

More product-specific information can be found on the website: Green Earth Impact Fund (GEIF) - BlueOrchard