

The Directors of Brummer Umbrella ICAV (the “**ICAV**”) whose names appear in the “**Directory**” of the Prospectus accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information.

Brummer Multi-Strategy UCITS

(A sub-fund of Brummer Umbrella ICAV, an Irish collective asset management vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)

SUPPLEMENT

INVESTMENT MANAGER BRUMMER MULTI-STRATEGY AB

DATED 21 DECEMBER 2023

This Supplement forms part of, and should be read in the context of and together with, the Prospectus dated 28 August 2023 (the “**Prospectus**”) in relation to the ICAV and contains information relating to Brummer Multi-Strategy UCITS which is a sub-fund of the ICAV.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The Fund’s principal exposure may be effected through financial derivative instruments and the Fund may also invest significantly in other investment funds.

The Directors may declare dividends out of capital in respect of certain Share Classes (as outlined below). In the event that they do, the capital of such Shares will be eroded, such dividends will be achieved by forgoing the potential for future capital growth and this cycle may be continued until all capital in respect of the Shares is depleted.

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DEFINITIONS

Any words or terms not defined in this Supplement have the same meaning given to them in the Prospectus. The Fund is established pursuant to the UCITS Regulations and this Supplement will be construed accordingly and will comply with the applicable Central Bank UCITS Regulations.

“**Base Currency**” means US Dollars;

“**Business Day**” means:

- (i) a day (except Saturday or Sunday) on which banks in Ireland, London, New York and Stockholm are ordinarily open for business; or
- (ii) such other day or days as may be determined from time to time by the Directors and notified to Shareholders in advance;

“**Dealing Day**”, being the day upon which redemptions and subscriptions occur, means, every Thursday and/or such other day or days as may from time to time be determined by the Directors in consultation with the Administrator and notified to Shareholders, provided that there shall be one Dealing Day per fortnight;

“**Dealing Deadline**”, means,

(i) in the case of subscriptions 11.00 am (Irish time) two Business Days immediately preceding the relevant Dealing Day or such later time as the Directors or their delegate, the Investment Manager, may from time to time at their discretion permit, provided that the Dealing Deadline shall always be before the Valuation Point; and

(ii) in the case of redemptions 11.00 am (Irish time) two Business Days immediately preceding the relevant Dealing Day or such later time as the Directors or their delegate, the Investment Manager, may from time to time at their discretion permit, provided that the Dealing Deadline shall always be before the Valuation Point;

“**Fund**” means Brummer Multi-Strategy UCITS;

“**Hurdle Rate**” means the yield threshold that the Fund has to exceed before any performance fee is payable to the Investment Manager. The Hurdle Rate is four (4) week Bank Discount rate for US Treasury Bills yield for all Share Classes denominated in USD, three (3) month German Treasury Bills yield for all Share Classes denominated in EUR, three (3) month Swedish Treasury Bill yield for all Share Classes denominated in SEK, three (3) month United Kingdom Treasury Bill yield for all Share Classes denominated in GBP, three (3) month Swiss Average Rate Overnight yield for all Share Classes denominated in CHF and three (3) month Japanese Treasury Bill yield for all Share Classes denominated in JPY. The Hurdle Rate is calculated on a monthly basis as the average of the market yield for the last three (3) Business Days of the previous month;

“**Month-End**” means the last calendar day of each month;

“**Performance Fee**” means the performance fee payable to the Investment Manager as calculated in accordance with this Supplement;

“**Settlement Deadline**” means the Dealing Deadline;

“**Sub-Investment Management Agreement**” means an agreement entered into between inter alia, the ICAV, the Investment Manager and a Sub-Investment Manager, pursuant to which the Sub-Investment Manager is appointed to manage a Portfolio of assets of the Fund; and

“Valuation Point” means 5.00 pm (New York time) on the relevant Dealing Day or Month-End day. For the avoidance of doubt, the Valuation Point for a particular Dealing Day shall not be before the Dealing Deadline relevant to such Dealing Day.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The Fund’s objective is to achieve a positive return independent of market conditions (absolute return) which, over time, is expected to have low correlation with the return from equities and bonds. Through diversification, the risk of the Fund is expected to be lower than the risk of the stock market.

Investment Policy

The Fund is actively managed and seeks to achieve its investment objective by allocating its assets across various discretionary investment strategies, as outlined in further detail below, each of which will be implemented by the Investment Manager or a Sub-Investment Manager (each a **“Portfolio”**), using the financial instruments outlined in the section headed **Use of Financial Instruments within the Portfolios** below. In line with the investment objective and strategy of the Fund, the Investment Manager may manage a portion of the Fund’s assets directly in accordance with one or more of the strategies outlined below, or for cash management purposes which will be used to assist the Fund in managing subscriptions and redemptions. When managing a portion of the Fund’s assets for cash management purposes, the Investment Manager will invest such portion of the Fund’s assets in deposits with credit institutions, money market instruments and / or money market funds. For the avoidance of doubt, reference to a Sub-Investment Manager in the sections below will apply to the Investment Manager where it directly manages a Portfolio.

The Fund seeks to achieve its investment objective by capitalising on the expertise and experience that each Sub-Investment Manager believes it has developed in a specified investment strategy or asset class. Accordingly, the Fund’s assets will be managed by the Sub-Investment Managers in accordance with the investment strategies below. A Sub-Investment Manager appointed by the Investment Manager to manage a Portfolio in accordance with one or more of the investment strategies outlined below, shall only invest such Portfolio in accordance with such strategy or strategies. The Investment Manager may decide to appoint multiple Sub-Investment Managers to implement a particular investment strategy at any point in time (or the Investment Manager may implement an investment strategy also being implemented by a Sub-Investment Manager(s)) and in such circumstances the Fund may have multiple Portfolios with exposure to the same investment strategy. The Investment Manager may also determine that it is not in the best interests of the Fund to obtain exposure to a particular investment strategy or strategies for a period of time and in such circumstances, the Investment Manager may reduce (including to zero) the allocation to any Portfolio with exposure to such strategies. This may result in the Fund having significant (including up to 100%) exposure to a particular investment strategy from time to time.

As indicated below, certain of the strategies involve a fundamental approach, which rely on macroeconomic, economic, financial (including in relation to the valuation, capital structure and recovery levels of an issuer) and qualitative factors (including those affecting sovereign and corporate issuers) and on the views of the relevant Sub-Investment Manager. Strategies may also involve a quantitative approach, which apply statistical and mathematical models (which may include screening for pricing anomalies and screening for anomalies across capital structures) to build an optimal portfolio across a large set of securities / asset classes; in this approach, investment decisions are related to the output of a model rather than to the economic views of the relevant Sub-Investment Manager.

The selection of the Sub-Investment Managers and the allocation of the Fund’s assets are implemented by the Investment Manager as outlined in further detail in **Asset Allocation between Portfolios** below.

The Fund does not have any specific geographic, industry or business sector focus and the investment strategies that the Fund may obtain exposure to are set out below. It is expected that the Fund’s assets will be diversified among the different strategies provided that, depending on the views of the Investment Manager, the Fund may from time to time be concentrated in one or more Portfolios.

Long / Short Equity Strategy

A long short equity strategy consists of taking “long” and synthetic “short” positions on equity securities likely to appreciate or to depreciate, respectively. Long short equity strategies are based on fundamental and/or quantitative approaches (as described above) with each relevant Sub-Investment Manager seeking to identify investments which are likely to appreciate or depreciate in value, based on a number of factors which may include an assessment of the financial model (an assessment of cash flows, return on capital, quality and stability of earnings, valuations) and business model (industry dynamics, growth prospects, quality of management, supply chain issues and competitive landscape) of companies. These factors may be assessed by each relevant Sub-Investment Manager using their knowledge of the relevant company and or industry in which such company operates, by analysing and building valuation models based on the historical and projected performance of the relevant company, including by reviewing their relevant reports, financial statements and industry communications, and by analysing key issues and opportunities for such company or market in the future. The fundamental understanding may also be enhanced or confirmed by direct contact with the management of the company. This strategy will invest primarily in equity securities (directly and through FDI), but may also invest in other securities as described below under **Use of Financial Instruments within the Portfolios**.

Long / Short Credit Strategy

A long short credit strategy consists of taking “long” and synthetic “short” positions on fixed income securities. Each Sub-Investment Manager appointed to manage a Portfolio with a long short credit strategy will use its expertise and experience of investing in fixed income securities to take advantage of market inefficiencies in the valuation of fixed income securities with similar or different maturities, between the same or different issuers. In order to identify market inefficiencies, each Sub-Investment Manager will use its expertise in implementing quantitative and/or fundamental approaches (as described above), and once identified, the relevant Sub-Investment Manager will aim to take advantage of the differences in prices between fixed income securities as a result of such market inefficiencies. These inefficiencies can, for example, appear where two fixed income securities are priced differently, even though they have the same or similar credit risk and maturity. This strategy will invest primarily in debt securities (directly and through FDI), but may also invest in other securities as described below under **Use of Financial Instruments within the Portfolios**.

Systematic Equity Strategy

A systematic equity strategy aims to invest in equity securities based on the systematic investment models that provide insights into how fundamentals like supply, demand, and the macroeconomic environment impact the returns of an asset. A systematic investment model evaluates the relative attractiveness of each underlying asset and attempts to exploit the difference as seen in asset prices between the fundamental value and market value, by taking long and short positions in the underlying asset. Each Sub-Investment Manager appointed to manage a Portfolio with exposure to a systematic equity strategy will use its proprietary systematic investment models to evaluate the expected return of each asset independently as well as on a relative basis against other assets to which the relevant Portfolio is exposed. Such systematic investment models aim to maximize the expected return of the Portfolio while managing downside risk, through security selection and the correlation of individual securities with each other or to a particular sector or industry. This strategy will invest primarily in equity securities (directly and through FDI), but may also invest in other securities as described below under **Use of Financial Instruments within the Portfolios**.

CTA Strategies

Commodity Trading Advisors (“**CTA**”) strategies, also known as managed futures strategies, employ quantitative techniques in order to generate returns from investment opportunities observed in the global financial, commodity and currency markets. These include trend strategies and systematic macro strategies.

Trend strategies take either long or synthetic short positions on underlying assets, based on analysis of the market trends (ie whether a particular market is trending in a positive or negative direction), in order to profit from anticipated movements in asset prices both up and down and may also use models that try to profit when a trend in a financial market breaks and reverses. Systematic macro strategies take

either long or synthetic short positions on underlying assets, based on analysis aiming to identify fundamental, cross-sectional and other mispricings in a large set of markets.

In order to generate returns from movements in the global financial, commodity and currency markets, the Sub-Investment Managers focusing on implementing a CTA strategy will obtain exposure, directly or through transferable securities in the form of structured financial instruments ("**SFI**"), to a selection of futures and forward contracts in markets for currencies (such as the Australian Dollar, the New Zealand Dollar, Pound Sterling and the Euro as well as emerging market currencies), fixed-income (examples being short term interest rates, such as 3 month government Treasury bills (T bills) or Libor contracts, or longer term interest rates, such as 2, 5 or 10 year government bonds or swap rates globally), equity indices (such as European or US as well as emerging markets equity indices), credit indices and commodities (such as corn, soya, oil, gas and power futures and exposures to which will only be obtained indirectly through SFI) and commodities indices selected by the relevant Sub-Investment Manager.

Each Sub-Investment Manager will carry out asset selection through the use of its proprietary algorithmic models. The models have different characteristics. For trend strategies, the main part constitutes a diversified set of trend following strategies using for example different historical look-back periods (ie periods which are used as the analysis period of the relevant model). They are designed to identify market situations in which there is an enhanced probability that future price changes will be in a certain direction and in aggregate, they are used to make quantitative analyses of mainly price trends and fluctuations. Other non-trend following strategies (as outlined below) will also be used in certain models to add diversification and improve return characteristics, for example to increase returns and limit the possibility of losses. The use of non-trend following strategies within a model will add diversification to a Portfolio as such strategies' returns are driven by other types of market phenomena that tend to be less correlated to trend-following strategies and accordingly will provide the Portfolio with a more diversified exposure which may improve the risk-adjusted return. Non-trend strategies seek to benefit from market phenomena such as seasonal patterns and carry, as well as allocations between asset classes that are unrelated to price trends and may be of systematic macro character.

For systematic macro strategies, the models are designed to generate returns and identify opportunities through, typically, econometric models that look at a broad set of macroeconomic or other fundamental data. Rules-based trading systems are developed around the understanding of how fundamentals and markets interact, and position-taking is typically relative-value and cross-sectional based. Strategies may include a carry strategy (a strategy that tries to profit from the term structure of the futures curve i.e. taking a long position in a high yielding contract while at the same time taking a short position in a low yielding contract), a mean-reversion strategy (a short-term investment strategy that takes positions against price moves that are deemed exaggerated and where the asset price is expected to revert back to its mean), a pattern recognition strategy (where historical patterns, typically price-based are identified using statistical methodologies, including machine learning, that can be used to predict future price moves), or a strategy that uses fundamental data (such as commodity inventory data, international trade flows or equity dividends).

Machine learning algorithms may also be included in CTA strategies. These models analyse historical data patterns in order to predict future asset price moves. In traditional statistical methodologies a human being decides the trading rules based on quantitative analysis of data whereas in machine learning the algorithm itself will design the trading rules and also be able to adjust them over time as it continuously learns from new data. Machine learning is hence just another form of statistical tool used to make predictions of future asset price moves.

Discretionary Macro Strategy

Discretionary (or global) macro strategies rely on fundamental techniques and macroeconomic analysis (such as analysis of economic trends, long-term macroeconomic projections, the impact of fiscal and monetary measures on the global and local economy and counterfactual simulations of the economy) in order to identify changes in global economies from which they seek to generate profits. These strategies may involve investment in multiple asset classes (equities, fixed income securities, interest rates, currencies and UCITS eligible commodity indices), in order to create diversification and reduce volatility. Each Sub-Investment Manager will select the relevant asset classes and instruments based on its macro-analytical frameworks and a Portfolio's exposure to specific currencies will be based on

the factors outlined in this section, with a focus on taking exposure to currencies for investment and / or hedging purposes. These frameworks may use historical and regional comparisons and empirical due diligence in order to assist the Sub-Investment Manager in identifying the investments. Often the framework incorporates an extensive database of macroeconomic and market indicators (that may include GDP rates, inflation rates, interest rates, trade balances). These macroeconomic and market indicators are continually monitored by the Sub-Investment Manager.

The maximum “long” positions of the Fund when adopting the strategies above are expected to be within a range of 0% to 1000% of the Net Asset Value of the Fund and the maximum “short” positions are expected to be within a range of 0% to 1000% of the Net Asset Value of the Fund.

Asset Allocation between Portfolios

The Investment Manager, acting in its sole discretion, will allocate the Fund’s assets and rebalance them from time to time across the various Portfolios managed by the Sub-Investment Managers. All Sub-Investment Managers that may be appointed in respect of a Portfolio will be fund managers within Brummer & Partners group, who operate independently of each other and pursue different investment strategies. All Sub-Investment Managers will operate with an absolute return focus and by allocating the Fund’s assets across the various Portfolios, the Investment Manager will seek to ensure risk diversification for the Fund and a low correlation to the returns of equities and bonds over time with the aim of providing investors with a lower risk profile compared to a traditional equity portfolio. This will be achieved by the diversification of the Fund’s exposure helping to reduce volatility and decreasing the Fund’s exposure to a single asset-class or single strategy. However, depending on the views of the Investment Manager, the Fund may from time to time be concentrated in one or more Portfolios. It is expected that up to 15 Sub-Investment Managers will be appointed at any one time, each managing at least one separate Portfolio.

In order to make informed allocation and rebalancing decisions, the Investment Manager will continuously analyse and evaluate the Sub-Investment Managers, their portfolio management teams and the Portfolios with the primary aim of assessing the expected future contribution of each Portfolio to the Fund on a stand-alone basis as well as in an overall Fund context. These assessments focus on the quality of the research, investment and risk management processes of the Sub-Investment Manager and the Portfolio’s composition in various dimensions as well as its expected return, risk and correlation with e.g. equities and bond indices. The Investment Manager’s allocation decisions have two primary objectives (i) to reduce the risk of significant losses or (ii) to adjust the overall characteristics of the portfolio (expected return, risk and the relation between the two) in order to meet the Fund’s investment objective. Allocation decisions made by the Investment Manager may also be limited by the regulatory requirements of the UCITS Regulations.

Any adjustments to allocations are made at least on a monthly basis and updated allocations will be available to Shareholders on www.brummer.se/UCITS.

There can be no assurance that the Fund will achieve its investment objective. The Net Asset Value per Share in the Fund will fall or rise depending on the movements in the markets and, even though one or more Sub-Investment Managers may generate a very high positive performance in respect of a given Portfolio, Shareholders may get back substantially less than they invested if the investments of the Fund overall perform poorly. The Fund does not offer a protection of capital; however, the maximum loss an investor may incur is limited to its investment in the Fund.

Use of Financial Instruments within the Portfolios

When managing a Portfolio, the Investment Manager or the Sub-Investment Managers will seek to achieve the investment objective of the Fund by investing the assets of the Fund in some or all of the instruments set out below, each in accordance with **Appendix D – Investment Restrictions** of the Prospectus:

- (i) Equity securities of companies of any market capitalisation throughout the world, which may include common stocks, depositary receipts (American Depositary Receipts, European Depositary Receipts or Global Depositary Receipts) and related securities such as preferred stocks, real estate investment trusts (“REIT”), private placement securities, subscription

rights, warrants (subject to a limit of 5% of the Fund's Net Asset Value), Rule 144A securities (subject to a limit of 10% of the Fund's Net Asset Value);

(ii) Fixed income securities (such as bonds and treasury bills) including investment grade, below investment grade and unrated debt securities (each without limit) of any credit quality and having any maturity or duration. Such fixed income securities may be government or corporate securities and may be without coupon or with a fixed or floating rate coupon. The Fund may also invest in municipal bonds and convertible bonds including up to 3% of Net Asset Value in contingent convertible bonds (Cocos).

The Fund may have up to 15% of its Net Asset Value exposed to securities issued by emerging market issuers (including up to 15% of its Net Asset Value exposed to Russian securities).

The Fund may use the Stock Connect programmes, which permit investment on certain Chinese domestic exchanges through the Hong Kong Stock Exchange, as the route for trading in A Shares. Investors should refer to the "*Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect Risk*" sub-section of the "*Risk Considerations*" section in the Prospectus for further details about these programmes operate;

(iii) FDI, each of which may be used for investment purposes (i.e. to obtain exposure to the performance of the underlying assets contemplated in this Supplement in order to pursue the investment objective of the Fund) and/or for hedging purposes, as described in the Prospectus under the section headed **Investment Objective and Policies**, being:

- equity futures, index futures, currency futures, bond futures and interest rate futures;
- FX forward contracts and forward contracts on fixed income securities,
- equity swaps, interest rate swaps, credit default swaps, total return swaps, currency swaps;
- options on equity securities, debt securities, indices, currencies and futures, swaptions, rights, warrants, and interest rates cap, floors and collars (for investment and /or hedging purposes as part of the Long / Short Credit and / or Discretionary Macro strategies outlined above);

(iv) units of eligible investment funds, including money market funds which are domiciled in the EEA, Jersey, Guernsey, the Isle of Man, the United Kingdom or the United States, and which are UCITS funds or alternative investment funds which are equivalent to UCITS in accordance with the requirements of the Central Bank and exchange-traded funds ("**ETFs**") which are UCITS. The Fund's investment in such investment funds will be limited to 40% of its Net Asset Value in aggregate and such investment funds will be subject to management fees and expenses which are not expected to exceed 0.50% per annum, net of any management fee rebates which will be paid into the assets of the Fund; and

(v) Money market instruments including investment grade, below investment grade and unrated short term-fixed income securities (including bonds and treasury bills) issued by government and corporate issuers, deposits, certificates of deposit, bankers acceptances, commercial paper and treasury bills.

In order to implement a CTA strategy outlined above, certain of the Sub-Investment Managers may also invest in SFI selected by the Investment Manager. The SFI are a type of debt instrument which fall within the categorisation of 'transferable securities' as contemplated by the UCITS Regulations. The SFI will provide each relevant Portfolio with exposure to the assets outlined in the section headed **CTA Strategies** above.

The SFI will be issued by Skandinaviska Enskilda Banken AB ("**SEB**"), a Swedish credit institution, or certain special purposes vehicles (called Luminis Finance plc (established in Ireland), Luminis SA (established in Luxembourg), Luminis Limited, Luminis II Limited and Luminis III Limited (each established in the Cayman Islands) respectively) whose share capital will be held on trust for charitable purposes. The special purpose vehicles' principal activity is to issue SFIs under the terms of their prospectuses, which in the case of the special purpose vehicles as of the date hereof have been

approved pursuant to the Prospectus Regulation (EU 2017/1129), as amended. Any SFI issued by SEB will be listed on the Nordic Growth Market and any SFI issued by the special purpose vehicles will be listed on Euronext Dublin or the Vienna Stock Exchange respectively. The SFI are independently valued by a third party administrator.

The SFI provide exposure on a 1:1 basis to interests in a Cayman Island domiciled trading company and/or a Bermuda domiciled trading company, which will be managed by the relevant Sub-Investment Manager responsible for implementing the CTA strategy and which in turn has exposure to the assets outlined in the section headed **CTA Strategies** above. The SFI will not embed leverage or derivatives. The investment by the Fund in SFIs will not exceed 10% of the Net Asset Value of the Fund. Where the Fund invests in an SFI with the relevant issuer, each of SEB and in the case of the special purpose vehicles, The Goldman Sachs Group, Inc (“**Goldman Sachs**”), will commit, through a legally binding contract, to purchase the SFI from the Fund at their most recent net asset value as calculated by the third party administrator, subject to receiving up to two Business Days' prior notice and provided that there are no prevailing Market Disruption Events which give rise to the temporary suspension or termination of the Fund (further details of which are set out under the heading Market Disruption Events below).

Sustainable Finance

The Investment Manager acknowledges the increasing importance of taking into account environmental, social and governance (“**ESG**”) considerations for a sustainable future and to meet the expectations of Shareholders of the Fund. The Investment Manager has adopted a Responsible Investment policy which, amongst other things, outlines the approach to integrate sustainability risks in the investment decision-making process, and the process for identifying and managing Principal Adverse Impacts (as described in the EU Sustainable Finance Disclosure Regulation (the “**SFDR**”). Analysing material risks and opportunities independent of their labelling, and making well-informed allocation decisions is a prerequisite for generating sustainable, long-term returns for each fund and discretionary account managed by the Investment Manager, including the Fund. As outlined above, the Fund is actively managed and seeks to achieve its investment objective by allocating its assets across various discretionary investment strategies, each of which will be implemented by a Sub-Investment Manager.

Each Sub-Investment Manager that may be appointed in respect of a Portfolio will be a fund manager in the Brummer & Partners group. As part of the allocation process in respect of a Portfolio, the Investment Manager expects each Sub-Investment Manager to have a Responsible Investment policy in place which take into account sustainability considerations. When deciding on whether to allocate a Portfolio to a Sub-Investment Manager, the Investment Manager will evaluate the policies and processes that the Sub-Investment Manager has in place, and will analyse the Sub-Investment Manager's approach to integrating sustainability risks and opportunities into the investment process including the management of Principal Adverse Impacts in respect of the relevant Portfolio. The Investment Manager also supports the Sub-Investment Managers with ESG research and data to ensure alignment of sustainability efforts and activities, and to facilitate dialogue and engagement on the promoted characteristics outlined below.

The Investment Manager has also adopted a Shareholder Engagement policy that details the Investment Manager's approach to proxy voting and active ownership. The Investment Manager has a continuous dialogue on sustainability matters and the improvement of responsible investment practices with each Sub-Investment Manager in the Brummer & Partners group, and participates in thematic collaborative engagement activities on international norms (on human rights, labour rights, the environment and anti-corruption) and climate (such as for example net-zero alignment) with investee, or potential investee, companies.

The Investment Manager continuously assesses each Portfolio's exposures, to ensure that each Portfolio takes sustainability considerations into account, with the aim of improving ESG practices and long-term risk-adjusted returns within each Portfolio. As part of the portfolio monitoring process undertaken by the Investment Manager, the Brummer & Partners Sustainability and Risk teams perform regular screenings of each Portfolio to analyse the sustainability risks faced by each Portfolio, for example any exposure to companies in violation of the international norms described above, or to coal or controversial weapons. The screening process also includes measurements of Principal Adverse Impacts, WACI (weighted average carbon intensity), EU taxonomy revenue alignment and SDG (UN

Sustainable Development Goals) impact. The results are then subject to dialogue and engagement with each Sub-Investment Manager. As each Sub-Investment Manager is a member of the Brummer & Partners group, Brummer & Partners is represented on the board of directors (or equivalent body) of each Sub-Investment Manager and accordingly, has the ability to influence board agenda items with respect to sustainability risks and other ESG considerations. The Investment Manager's evaluation of (i) the Sub-Investment Managers' policies and processes for the integration of sustainability risks and opportunities in investment decisions; (ii) the results of the screening described above; and (iii) the attentiveness of the Sub-Investment Managers and their willingness to engage and improve on sustainability matters, are included in the Investment Manager's ESG Rating Matrix. In the event that the Investment Manager is not satisfied with the results of the ESG evaluation of a Sub-Investment Manager or the relevant Portfolio, the Investment Manager may take this into account as part of its ongoing asset allocation process and may require the Sub-Investment Manager to take appropriate measures as a result of sustainability considerations.

The Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR (Regulation (EU) 2019/2088) but does not have sustainable investment as its objective and should not be regarded as falling within the scope of Article 9 of the SFDR. The following characteristics are promoted by the Fund:

- From an environmental perspective, the Fund promotes climate action characteristics and supports activities to combat climate change and its negative impacts;
- From a social perspective, the Fund promotes investee companies' compliance with international norms and conventions on human rights, labour rights, the environment and anti-corruption; and
- From both an environmental and social perspective, the Fund promotes compliance with the Sustainable Development Goals published by the United Nations (the "**SDGs**").

More specifically, the Investment Manager applies the following criteria in respect of each Portfolio and investment restrictions lists are provided to the Sub-Investment Managers on a quarterly basis at a minimum:

- To promote climate action, the Investment Manager requires the Sub-Investment Managers to avoid investing a Portfolio's assets in issuers that generate more than 5 percent of their revenue from the production of thermal coal, or derive more than 30 percent of their revenue from energy production based on coal. Further, the Investment Manager measures the WACI and general fossil fuel exposures of the issuers of equities and corporate bonds in each Portfolio on a quarterly basis. The Investment Manager engages with Sub-Investment Managers on the results of the measurements and conducts an informed dialogue to raise awareness and share insights and to collaborate on interpreting the numbers from an alternative, absolute return and multi-strategy perspective. As it relates to thermal coal, a Portfolio may invest in an issuer that exceeds the thresholds above, if the Sub-Investment Manager determines that the relevant company is making (or will do so in the near future), a significant contribution to the transition towards renewable energy sources. Apart from the restrictions lists and the engagement with Sub-Investment Managers on the results of the screenings and measurements, the Investment Manager participates in thematic collaborative engagement activities with investee and potential investee companies on climate action activities, such as for example net-zero initiatives and alignment with the Paris Agreement.
- To promote companies' compliance with international norms and conventions on human rights, labour rights, the environment and anti-corruption, the Investment Manager measures, on a quarterly basis, the exposure of each Portfolio to companies involved in a violation of such international norms and conventions. The Sustainability and Risk teams of the Investment Manager review all flagged companies and engage with the relevant Sub-Investment Manager in relation to a Portfolio's holdings in any such companies. If a Portfolio has exposure to a particular company in violation of such rights, the Investment Manager may request the Sub-Investment Manager to divest the Portfolio's holding in such company unless the Sub-Investment Manager provides rationale for the continued holding of the current position of the

Portfolio and an action plan in compliance with the Sub-Investment Manager's policies and procedures.

To further promote compliance with the international norms and conventions mentioned above, the Investment Manager participates in collaborative engagement activities with companies that allegedly or verifiably are involved in violations of international norms, whether a Portfolio has exposure to such companies or not.

The Investment Manager also requires Sub-Investment Managers to avoid investments in controversial weapons such as cluster bombs, anti-personnel mines, biological and chemical weapons, and nuclear weapons. In the event that it is determined that a Portfolio has exposure to controversial weapons, the Investment Manager will require the Sub-Investment Manager to divest a Portfolio's holdings in the relevant company.

- To promote the SDGs, the Investment Manager has requested the Sub-Investment Managers to identify which SDG or SDGs are relevant for their respective investment strategy. Awareness of the SDGs and the role they play may help identify investment opportunities for Portfolios taking long exposure but also for Portfolios taking short exposure as some companies fail to adapt to a more sustainable future. The Investment Manager's Sustainability and Risk teams measure, on a quarterly basis, each Portfolio's exposure to companies which positively or negatively impact on the SDGs and the results of such assessment forms part of the ongoing dialogue between the Investment Manager and each Sub-Investment Manager in respect of the ongoing composition of each Portfolio.

While the Investment Manager evaluates the sustainability considerations that each Sub-Investment Manager takes into account, the Investment Manager acknowledges that each Sub-Investment Manager may take sustainability considerations into account in different manners and depending on the relevant investment strategies and financial instruments implemented by such Sub-Investment Manager.

Further details in respect of the environmental and social characteristics promoted by the Fund are outlined in Appendix I of this Supplement.

Use of FDI and Efficient Portfolio Management Techniques

The Fund may engage in transactions in FDIs as outlined above, for investment purposes and for efficient portfolio management and currency hedging purposes, subject to the conditions and limits set out in the Central Bank Regulations. FDI used for efficient portfolio management and hedging are not expected to have a material effect on the risk profile of the Fund.

Any market risk created through the use of FDIs will be measured using a risk measurement technique known as value at risk ("**VaR**"). The Fund will utilise an absolute VaR approach, and the absolute VaR of the Fund on any day may not exceed 20% of the Net Asset Value of the Fund using a one-tailed confidence interval of 99%, a holding period of 20 Business Days and a historical observation period of at least 1 year. This means that if the calculated probability of a loss of 20% or more of the Fund's Net Asset Value over the immediately forthcoming 20 Business Days is greater than 1%, steps will be taken to reduce the risk level of the Fund in a timely and prudent manner. The absolute VaR of the Fund will be calculated daily.

The Fund may enter into (i) total return swaps, (ii) repurchase and reverse repurchase agreements and (iii) securities lending transactions in relation to any of the securities outlined above, subject to the conditions and limits laid down by the Central Bank UCITS Regulations, and in the case of (ii) and (iii), for efficient portfolio management purposes only. The Fund's exposure to total return swaps, repurchase and reverse repurchase agreements and securities lending transactions is set out below (as a percentage of Net Asset Value):

	Expected	Maximum
Total Return Swaps	5%	100%

Repurchase Agreements	5%	100%
Reverse Repurchase Agreements	5%	100%
Securities Lending Transactions	0%	100%

Borrowing and Leverage

The Fund's use of FDI, as outlined above, will have an impact on its financial leverage. Leverage will be calculated as the sum of gross notional values of financial derivative instruments that are used. The calculation of leverage in this manner may be supplemented with leverage calculated on the basis of a commitment approach in accordance with Regulation 56(4) of the Central Bank UCITS Regulations. The Fund's total amount of leverage is not expected to exceed 2,000% of the Fund's Net Asset Value. Investors should be aware that the level of leverage may be higher from time to time. The "short" exposure of the Fund is expected to be at a maximum of 1,000% of the Net Asset Value of the Fund.

The sum of the gross notionals methodology may result in exceptionally high levels of leverage when short-term interest rate futures contracts are employed to implement a CTA or discretionary macro strategy. The short duration of near-term interest rates (typically 3-month contracts) and the low levels of volatility often associated with these instruments may therefore require higher notional exposure in order to achieve a meaningful market exposure. Furthermore, one derivative contract may fully or partially offset the market risk of another derivative contract. The sum of gross notional value approach does not allow netting or offsetting practices and as such a degree of leverage is not always representative of the economic risk in the Fund.

As the Fund's investment exposure is expected to exceed its total assets, it will be subject to increased risk compared to funds that do not use leverage. While this increased investment exposure may magnify the Fund's potential for gains, it will also magnify the potential for losses. For these reasons the Fund is intended for investors with a long-term investment horizon.

The ICAV may borrow money in an amount up to 10% of its net assets at any time for the account of the Fund and the ICAV may charge the Fund Assets as security for any such borrowing, provided that such borrowing is only for temporary purposes.

Market Disruption Events

As outlined above, where the Fund invests in an SFI with the relevant issuer, each of SEB and Goldman Sachs will enter into a legally binding contract to purchase the relevant SFI from the Fund. Each contract will contain relevant Market Disruption Events and these are outlined below in respect of each entity:

SEB

A Market Disruption Event is the occurrence or existence of one or more of the following events, which occur in relation to SFI:

- (i) it is not possible to obtain a price or value (or an element of such price or value) of the SFI according to the rules or normal accepted procedures for the determination of such price or value (whether due to the non-publication of such price or value or otherwise);
- (ii) the calculation of the price or value of the SFI is, at the relevant time, in the opinion of SEB impractical or impossible to make and notified to the ICAV by the SEB/Investment Manager; or
- (iii) there is a cessation, or reduction of trading, in any of the underlying assets of an SFI, that is significant in the opinion of SEB.

Goldman Sachs

A Market Disruption Event is the occurrence or existence of one or more of the following events, which occur in relation to the SFI:

- (i) it is not possible to obtain a price or value (or an element of such price or value) of the SFI according to the rules or normal accepted procedures for the determination of such price or value (whether due to the non-publication of such price or value or otherwise);
- (ii) the calculation of the price or value of the SFI is, at the relevant time, in the opinion of Goldman Sachs impractical or impossible to make; or
- (iii) any suspension of or limitation is imposed on trading on any exchanges, quotation systems or over-the-counter market where the SFI are traded; and/or there exists an event or circumstance that prevents or materially limits transactions in the SFI.

INVESTOR PROFILE

The Fund is suitable for both retail and professional investors seeking an increase in expected risk-adjusted returns and a lower risk profile compared to a traditional equity portfolio. You should carefully consider your own investment goals and risk tolerance before investing in the Fund.

INVESTMENT MANAGER

The Investment Manager of the Fund is Brummer Multi-Strategy AB. The Investment Manager provides discretionary investment management services in relation to the Fund. The registered address of the Investment Manager is Box 7030, 103 86 Stockholm and its offices are located at Norrmalmstorg 14, SE-111 46 Stockholm, Sweden.

The Investment Manager's principal business and occupation is to provide investment management services to clients.

Under the Investment Management Agreement, the Investment Manager is entitled to delegate or sub-contract all or any of its functions, powers, discretions, duties and obligations in accordance with the requirements of the Central Bank, provided that such delegation or sub-contract will terminate automatically on the termination of the Investment Management Agreement and provided further that the Investment Manager will remain responsible and liable for any acts or omissions of any such delegate as if such acts or omissions were those of the Investment Manager. All Sub-Investment Managers appointed will be disclosed in the ICAV's periodic reports. Details on any Sub-Investment Managers appointed will be disclosed to Shareholders on request. Such Sub-Investment Managers will not be paid directly by the ICAV but instead will be paid by the Investment Manager.

The Investment Management Agreement provides that the appointment of the Investment Manager shall continue until terminated by either party on not less than 6 months' notice or immediately upon certain breaches or certain insolvency events of either party. In the absence of negligence, wilful default, fraud or bad faith the Investment Manager will not be liable for any loss damage arising directly or indirectly out of any act or omission arising as a result of the performance by the Investment Manager of its obligations and duties under the Investment Management Agreement. The ICAV has agreed to indemnify the Investment Manager out of the assets of the relevant Fund, against losses suffered by the Investment Manager in the performance of its duties and obligations under the Investment Management Agreement, except for losses arising out of the negligence, wilful default, fraud or bad faith of the Investment Manager.

SUB-INVESTMENT MANAGERS

Details of the Sub-Investment Managers will be disclosed in the most recent financial reports of the ICAV. The fees of the Sub-Investment Manager(s) shall be paid out of the Investment Management Fee as further detailed in the section headed **Fees and Expenses** below.

DISTRIBUTOR

The Distributor appointed in respect of the Fund is B&P Fund Services AB, an entity within the Brummer Group. The Distributor shall be responsible for the distribution of the Shares of the Fund pursuant to the Distribution Agreement entered into between the ICAV, the Manager and the Distributor dated 30 October 2020.

SUBSCRIPTION AND REDEMPTION OF SHARES

SUBSCRIPTIONS

Shares in the Fund will be issued on the terms and in accordance with the procedures described in the Prospectus. For detailed information concerning subscriptions, please consult the section under the heading “Subscription for Shares” in the Prospectus.

The Fund offers the Classes of Shares as set out below. The Fund may also create additional Classes of Shares in the Fund in accordance with the requirements of the Central Bank.

Share Class	Currency	Investment Management Fee	Performance Fee	Minimum Initial Subscription	Minimum Subsequent Subscription	Minimum Shareholding
Institutional Class Shares						
USD Inception Shares	US Dollar	1.50%	20%	USD 5,000,000	USD 1,000	N/A
USD Shares	US Dollar	1.50%	20%	USD 5,000,000	USD 1,000	N/A
EUR Shares	Euro	1.50%	20%	EUR 5,000,000	EUR 1,000	N/A
SEK Shares	Swedish Krona	1.50%	20%	SEK 50,000,000	SEK 10,000	N/A
SEK Income Shares	Swedish Krona	1.50%	20%	SEK 50,000,000	SEK 10,000	N/A
GBP Shares	Pound Sterling	1.50%	20%	GBP 5,000,000	GBP 1,000	N/A
CHF Shares	Swiss Franc	1.50%	20%	CHF 5,000,000	CHF 1,000	N/A
Investor Class Shares						
USD Shares	US Dollar	1.80%	20%	USD 10,000	USD 1,000	N/A
EUR Shares	Euro	1.80%	20%	EUR 10,000	EUR 1,000	N/A
SEK Shares	Swedish Krona	1.80%	20%	SEK 100,000	SEK 10,000	N/A
GBP Shares	Pound Sterling	1.80%	20%	GBP 10,000	GBP 1,000	N/A
CHF Shares	Swiss Franc	1.80%	20%	CHF 10,000	CHF 1,000	N/A

Distribution Class Shares						
USD Shares	US Dollar	2.00%	20%	USD 10,000	USD 1,000	N/A
EUR Shares	Euro	2.00%	20%	EUR 10,000	EUR 1,000	N/A
SEK Shares	Swedish Krona	2.00%	20%	SEK 100,000	SEK 10,000	N/A
GBP Shares	Pound Sterling	2.00%	20%	GBP 10,000	GBP 1,000	N/A
CHF Shares	Swiss Franc	2.00%	20%	CHF 10,000	CHF 1,000	N/A
JPY Shares	Japanese Yen	2.00%	20%	JPY 1,000,000	JPY 100,000	N/A
X Class Shares						
USD Shares	US Dollar	1.80%	20%	USD 10,000	USD 1,000	N/A
EUR Shares	Euro	1.80%	20%	EUR 10,000	EUR 1,000	N/A
GBP Shares	Pound Sterling	1.80%	20%	GBP 10,000	GBP 1,000	N/A
CHF Shares	Swiss Franc	1.80%	20%	CHF 10,000	CHF 1,000	N/A
Seed Class Shares						
USD Shares*	US Dollar	1.30%	20%	USD 50,000,000	USD 1,000	USD 30,000,000
EUR Shares*	Euro	1.30%	20%	EUR 50,000,000	EUR 1,000	EUR 30,000,000
SEK Shares*	Swedish Krona	1.30%	20%	SEK 500,000,000	SEK 10,000	SEK 300,000,000
GBP Shares*	Pound Sterling	1.30%	20%	GBP 50,000,000	GBP 1,000	GBP 30,000,000

* The Seed Class Shares will be the seed Share Classes and therefore it is expected that such Shares will only be available for subscription until such time as the Net Asset Value in such Share Classes reaches \$200 million in aggregate, or such other amount as may be determined by the Directors from time to time in their absolute discretion.

All Share Classes denominated in a currency other than the Base Currency are Hedged Classes. Please see the section of the Prospectus headed **Share Class Hedging** for further details.

The Directors reserve the right to differentiate between Shareholders and to waive or reduce the Minimum Initial Subscription Amount, Minimum Subsequent Subscription Amount or Minimum Shareholding for any such Shareholder or to refuse an application for any such Shares in their absolute discretion. Additional Classes of Shares may be created in accordance with the requirements of the Central Bank.

The Directors have the power to redeem the remaining holding of any Shareholder who redeems its holding of Shares in any Share Class to below the Minimum Shareholding (or its foreign currency equivalent, where applicable).

Investors must subscribe into a Share Class in the currency in which that Share Class is denominated. Repurchase payments are also made in the currency in which the relevant Share Class is denominated.

Subscription proceeds must be paid by the Settlement Deadline.

The Initial Offer Period for the Classes of Shares in the Fund in which no Shares have been issued yet (the “**Unlaunched Classes**”) will run from 9.00 am (Irish time) on 22 December 2023 until 11.00 am (Irish time) on 21 June 2024 or the receipt of the first subscription into a Class, or such earlier or later date as the Directors may determine and notify to the Central Bank. During the Initial Offer Period, Shares will be available at the Initial Offer Price of US\$ 100, EUR 100, SEK 1,000, GBP 100, CHF 100 and JPY 10,000. After the Initial Offer Period, Shares will be issued at the relevant Net Asset Value per Share. Details of which Classes are available for subscription as Unlaunched Classes are available from the Manager.

The ICAV or the Manager may, in their sole discretion, reject any subscription in whole or in part without reason.

REDEMPTIONS

Shares in the Fund may be redeemed on the terms and in accordance with the procedures described in the Prospectus. For detailed information concerning redemptions, please consult the section under the heading Redemption of Shares in the Prospectus.

Shareholders may request that Shares be redeemed on any Dealing Day by completing and submitting a Redemption Application to the Administrator in accordance with the procedures set out in the Prospectus. Redemption Applications will generally not be accepted after the Dealing Deadline. Redemption Applications received after the relevant Dealing Deadline will be held over until the next applicable Dealing Day, unless the Directors determine in their sole discretion, in exceptional circumstances and where such Redemption Applications are received before the earliest relevant Valuation Point, to accept such Redemption Applications on the relevant Dealing Day.

Shares will be redeemed at the applicable Net Asset Value per Share on the Dealing Day as of which the redemption is effected, subject to any applicable fees associated with such redemption. Subject to any provisions contained herein, distributions in respect of redemptions will be paid in full (on the basis of unaudited data) in the applicable Class Currency of the Shares being redeemed normally within six (6) Business Days after the relevant Dealing Day and in any event will not exceed ten (10) business days from the relevant Dealing Deadline. All payments will be made by transfer to the bank account previously designated by Shareholders for such purpose.

RISK CONSIDERATIONS

Sustainability Risk

As outlined in the section headed **Sustainable Finance** above, the Investment Manager has implemented a policy in respect of the integration of sustainability risks in the investment decision-making process.

The Investment Manager considers that sustainability risks may be relevant to the returns of the Fund. The SFDR defines sustainability risk as 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. Sustainability risks can broadly be divided into three categories of environmental, social and governance risks and can include (without limitation) climate change, carbon emissions, harm to biodiversity, human rights violations, breaches of employee rights, lack of board diversity and bribery and corruption.

Sustainability risks are relevant as both standalone risks, and also as cross-cutting risks which manifest through many other risk types which are relevant to the assets of the Fund. For example, the occurrence of a sustainability risk can give rise to financial and business risk, including though a negative impact on the credit worthiness of other businesses. The increasing importance given to sustainability considerations by both businesses and consumers means that the occurrence of a sustainability risk may result in significant reputational damage to affected businesses. The occurrence of a sustainability risk may also give rise to enforcement risk by governments and regulators, and also litigation risk. As the Fund seeks to achieve its investment objective by allocating its assets across various discretionary investment strategies, as outlined in further detail above, the Fund may, through the various strategies to which the Fund is exposed, have exposure to many sustainability risks.

The potential impact of sustainability risks

The impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk and asset class to which the Fund is exposed. In general, where a sustainability risk occurs in respect of an asset, there could be a negative impact on, and may be an entire loss of, its value. For a corporate, this may be because of damage to its reputation with a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A corporate may also suffer the impact of fines and other regulatory sanctions. The time and resources of the corporate's management team may be diverted from furthering its business and be absorbed seeking to deal with the sustainability risk, including changes to business practices and dealing with investigations and litigation. Sustainability risks may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by businesses to which the Fund is exposed may also be adversely impacted by a sustainability risk.

A sustainability risk may arise and impact a specific investment or may have a broader impact on an economic sector, geographical regions and/or jurisdictions and political regions. Many economic sectors, regions and/or jurisdictions, including those in which the Fund may invest, are currently and/or in the future may be, subject to a general transition to a greener, lower carbon and less polluting economic model. Drivers of this transition include governmental and/or regulatory intervention, evolving consumer preferences and/or the influence of non-governmental organisations and special interest groups.

Laws, regulations and industry norms play a significant role in controlling the impact on sustainability factors of many industries, particularly in respect of environmental and social factors. Any changes in such measures, such as increasingly stringent environmental or health and safety laws, can have a material impact on the operations, costs and profitability of businesses. Further, businesses which are in compliance with current measures may suffer claims, penalties and other liabilities in respect of alleged prior failings. Any of the foregoing may result in a material loss in value of an investment linked to such businesses.

Further, certain industries face considerable scrutiny from regulatory authorities, non-governmental organisations and special interest groups in respect of their impact on sustainability factors, such as compliance with minimum wage or living wage requirements and working conditions for personnel in the supply chain. The influence of such authorities, organisations and groups along with the public attention they may bring can cause affected industries to make material changes to their business practices which can increase costs and result in a material negative impact on the profitability of businesses. Such external influence can also materially impact the consumer demand for a business's products and services which may result in a material loss in value of an investment linked to such businesses.

Sectors, regions, businesses and technologies which are carbon-intensive, higher polluting or otherwise cause a material adverse impact on sustainability factors may suffer from a significant fall in demand and/or obsolescence, resulting in stranded assets the value of which is significantly reduced or entirely lost ahead of their anticipated useful life. Attempts by sectors, regions, businesses and technologies to adapt so as to reduce their impact on sustainability factors may not be successful, may result in significant costs being incurred, and future ongoing profitability may be materially reduced.

The assessment and mitigation of sustainability risks

To the extent that a sustainability event occurs, there may be a sudden, material negative impact on the value of an investment, and hence the Net Asset Value of the Fund. Such negative impact may result in an entire loss of value of the relevant investment(s) and may have an equivalent negative impact on the Fund.

As outlined above, the Investment Manager has adopted a framework for responsible investing, with the aim of mitigating the impact of sustainability risks. However, while the Investment Manager considers that sustainability risks will not have a material impact on the Fund in light of the multi-asset strategy employed in respect of the Fund, there can be no assurance that the Investment Manager and the Sub-Investment Managers can successfully mitigate against the relevant sustainability risks faced by the Fund.

Other Risk Considerations

There can be no assurance that the Fund's investments will be successful or that the investment objective of the Fund will be achieved. Investors should be aware of the risks of the Fund described in the **Risk Considerations** section of the Prospectus. An investment in the Fund is suitable only for persons who are in a position to take such risks.

DIVIDEND POLICY

Under normal circumstances, the Directors intend that dividends in respect of the SEK Income Shares shall be declared on 31 December (the "**Dividend Declaration Date**") of each calendar year and paid within 20 Business Days thereafter.

The Directors intend to declare dividends of 4% of the Net Asset Value of the SEK Income Shares. The Directors may determine, at their sole discretion, to pay a dividend of more than 4% on the Dividend Declaration Date. Where the SEK Income Shares do not have sufficient capital gains or income to pay a dividend on the Dividend Declaration Date, the Directors may also use the capital of the SEK Income Shares to pay the Shareholders in the SEK Income Shares. This may result in capital erosion and therefore forego the potential for future capital growth. Please see the **Dividend Distribution Policy** section of the Prospectus for further details on distributions out of capital.

The Directors do not currently intend to declare any dividends in respect of any other Share Class of the Fund and net investment income on the Fund's investments attributable to the other Classes is expected to be retained by the Fund, which will result in an increase in the Net Asset Value per Share of the relevant Class.

The Directors nevertheless retain the right to declare dividends in respect of such net investment income on the Fund's investments in their sole discretion. In the event that the Directors determine to declare dividends in respect of any Class of Shares in the Fund, Shareholders will be notified in advance of any such change in the dividend policy (including the date by which dividends will be paid and the method by which dividends will be paid) and full details will be disclosed in an updated Supplement.

FEES AND EXPENSES

The following fees and expenses apply in respect of the Fund. Please see the **Fees and Expenses** section of the Prospectus for further detail in relation to the fees and expenses of the ICAV and Fund.

Management Fee

The Manager shall be paid a fee out of the assets of the Fund, calculated and accrued on each Dealing Day and payable monthly in arrears, an annual management fee of up to 0.05% of the Net Asset Value of the Fund (plus VAT, if any), subject to a monthly minimum fee up to EUR5,000 (plus VAT, if any). The Manager is also entitled to receive out of the assets of the Fund reasonable and properly vouched expenses.

Fees Payable to the Investment Manager

Investment Management Fee

The Fund will pay to the Investment Manager an annual investment management fee (the "**Investment Management Fee**") from the assets attributable to each Class of Shares, as outlined in the Share Class table above (plus VAT, if any, including any VAT in respect of fees paid by the Investment Manager to a Sub-Investment Manager). The Investment Management Fee is accrued on each Dealing Day and Month-End based on the Net Asset Value of each Class of Shares on the relevant Dealing Day or Month-End and is paid monthly in arrears. The Investment Manager shall pay the fees of each Sub-Investment Manager and the Distributor out of the Investment Management Fee.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the Investment Management Fee or performance fee outlined below payable to the Investment Manager. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder.

Performance Fee

In addition to the Investment Management Fee, a performance fee (the "**Performance Fee**") is payable in total to the Investment Manager in respect of each Share equal to 20% of the net appreciation in the Net Asset Value per Share of each Class (before deduction of any unrealised accrued Performance Fee but after accrual for the Investment Management Fee and all other fees and expenses payable) calculated to the end of December of each calendar year, each such period being a "**Calculation Period**".

The current Calculation Period began on 1 September 2022 and shall end on 31 December 2023 and a Hurdle Rate shall not be applied in respect of such Calculation Period. Going forward, Calculation Periods shall begin on 1 January of the relevant year and end on 31 December of the relevant year. The Hurdle Rate shall apply for any Calculation Period beginning on or after 1 January 2024.

Where a Share Class has not previously had a Calculation Period prior to 1 January 2024, for the first Calculation Period beginning on or after 1 January 2024 in respect of a Share Class, the "**Hurdle Rate Adjusted High Water Mark Net Asset Value per Share**" is the Initial Offer Price for the relevant Share Class (which will be taken as the starting price for the calculation of the initial Performance Fee for a Share Class), increased by the Hurdle Rate. Where a Share Class has previously had a Calculation Period, for each Calculation Period beginning on or after 1 January 2024, the "**Hurdle Rate Adjusted High Water Mark Net Asset Value per Share**" means either (i) where a Performance Fee was payable in respect of the prior Calculation Period, the Net Asset Value per Share of the relevant Share Class at

the beginning of the Calculation Period, increased by the Hurdle Rate; or (ii) where no Performance Fee was payable in respect of the prior Calculation Period, the Net Asset Value per Share of the relevant Share Class at the beginning of the Calculation Period following the Calculation Period on which a Performance Fee was last paid, increased by the Hurdle Rate; or (iii) where no Performance Fee has been paid in relation to any Calculation Period, the Initial Offer Price for the relevant Share Class, increased by the Hurdle Rate.

The Performance Fee payable in respect of each Share for a Calculation Period shall be equal to 20% of the amount by which the Net Asset Value per Share exceeds the Hurdle Rate Adjusted High Water Mark Net Asset Value per Share as at the end of the relevant Calculation Period, plus any Performance Fee accrued in respect of any Shares which were redeemed during the Calculation Period and remained unpaid at the end of Calculation Period.

During each Calculation Period the Hurdle Rate Adjusted High Water Mark Net Asset Value per Share for each Share Class will be adjusted to account for subscriptions and redemptions of Shares of the relevant Share Class which have taken place during such Calculation Period.

For the purposes of the Performance Fee calculation, the Net Asset Value per Share of the relevant Share Class shall be calculated before the deduction of any accrual for Performance Fee for that Calculation Period, other than Performance Fees accrued for the Share Class in respect of any Shares which were redeemed during the Calculation Period but not yet paid.

No Performance Fee may be accrued until the Net Asset Value per Share of a Share Class exceeds the relevant Hurdle Rate Adjusted High Water Mark Net Asset Value per Share for the relevant Calculation Period. Accordingly, underperformance of the Fund in all preceding Calculation Periods will be recouped. Where Performance Fees are payable by the Fund, these will be based on net realised and net unrealised gains and losses as at the end of each Calculation Period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

The Performance Fee will be accrued on each Dealing Day on the basis of the performance of the Net Asset Value per Share of the Share Class in question during the relevant Calculation Period. If applicable, Performance Fees are deducted from the Fund attributable to the Share Class in question, and paid within 14 calendar days of the end of the relevant Calculation Period to the Investment Manager.

If a Shareholder redeems all or part of their Shares before the end of the Calculation Period, any accrued Performance Fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager within 14 calendar days of the end of relevant month when the Performance Fees has been crystallised. When a Performance Fee is crystallised on a redemption of Shares prior to the end of a Calculation Period, it will not be reimbursed to the Fund despite any poor performance that the Fund may suffer from the date of such redemption to the end of the relevant Calculation Period.

If the Investment Management Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The Performance Fee will be calculated by the Administrator and verified by the Depositary and will not be open to the possibility of manipulation. The Investment Manager may use any Performance Fee paid by the Fund to the Investment Manager to pay certain performance-related fees to a Sub-Investment Manager.

It should be noted that as the Net Asset Value per Share may differ between Share Classes, separate Performance Fee calculations will be carried out for separate Share Classes within the Fund which may therefore become subject to different amounts of Performance Fee.

Worked Examples

An illustrative example is set out below showing the impact of different investment performance and resulting Performance Fee outcomes. This illustration has been simplified and has been prepared to aid Shareholders' understanding of circumstances when a Performance Fee may or may not be paid.

Calculation Period 1: The Shares of a Class are launched at the Initial Offer Price of US\$100. The Hurdle Rate during the Calculation Period is 4.0%. The Net Asset Value per Share (before the deduction of a Performance Fee) drops to US\$90 by the end of the first Calculation Period, with the result that no Performance Fee is payable at the end of the first Calculation Period as no increase in the Net Asset Value per Share was realised.

Calculation Period 2: The Net Asset Value per Share (before the deduction of a Performance Fee) increases to US\$110 at the end of the second Calculation Period. The Hurdle Rate during the Calculation Period is 3.0%. Given no Performance Fee had become payable in respect of any previous Calculation Period, the Initial Offer Price (increased by the applicable Hurdle Rate) is used for the purposes of calculating the Hurdle Rate Adjusted High Water Mark Net Asset Value per Share for this Calculation Period. Given the increase in Net Asset Value per Share (before the deduction of a Performance Fee) exceeds the Hurdle Rate Adjusted High Water Mark Net Asset Value per Share, a Performance Fee equal to 20% of the excess is payable at the end of the Calculation Period, amounting to US\$0.576¹. Following the payment of the Performance Fee of US\$0.576, the Net Asset Value per Share at the end of the Calculation Period is US\$109.424

Calculation Period 3: The Net Asset Value per Share (before the deduction of a Performance Fee) falls to US\$105 at the end of the third Calculation Period. The Hurdle Rate during the Calculation Period is 5.0%. Given a Performance Fee was payable in respect of the previous Calculation Period, the Hurdle Rate Adjusted High Water Mark equals the Net Asset Value per Share as at the beginning of this Calculation Period is used for the purposes of calculating the Hurdle Rate Adjusted High Water Mark Net Asset Value per Share for this Calculation Period. As no increase in the Net Asset Value per Share (before the deduction of a Performance Fee) has been realised in respect of the third Calculation Period, no Performance Fee is payable.

	Initial Offer Price	Net Asset Value per Share at beginning of Calculation Period	Net Asset Value per Share at end of Calculation Period	Hurdle Rate ²	Hurdle Rate Adjusted High Water Mark Net Asset Value per Share	Result
Calculation Period 1	US\$100.000	US\$100.000	US\$90.000	4.0%	US\$104.000	No fee paid.
Calculation Period 2	US\$100.000	US\$90.000	US\$110.000	3.0%	US\$107.120	Fee paid.
Calculation Period 3	US\$100.000	US\$109.424	US\$105.000	5.0%	US\$114.895	No fee paid.

Administration and Depositary Fees and Expenses

The Fund shall be responsible for the fees of and reasonable out-of-pocket expenses properly incurred by the Administrator. The Administrator shall receive an annual administration fee of up to 0.10% of the Net Asset Value of the Fund (plus VAT, if any) subject to a monthly minimum fee of USD 15,000 per month (plus VAT, if any). This fee accrues and is calculated on each Dealing Day and is payable monthly in arrears.

The Fund shall be responsible for the fees of and reasonable out-of-pocket expenses properly incurred

¹ For the purposes of this calculating this illustrative example, we have not factored in accruals in Performance Fee in respect of any Shares which were redeemed during the Calculation Period but not yet paid.

² For the purposes of this illustrative example, the Hurdle Rate is assumed to be the same for the entire Calculation Period, while the Hurdle Rate actually will reset and be compounded each month.

by the Depositary in the performance of its duties under the Depositary Agreement. The Depositary shall receive an annual depositary fee of up to 0.02% of the Net Asset Value of the Fund (plus VAT, if any) subject to a minimum fee of USD 50,000 per annum (plus VAT, if any). This fee accrues and is calculated on each Dealing Day and is payable monthly in arrears. The Depositary shall also be entitled to receive out of the assets of the Fund all agreed sub-depositary fees and transaction charges (which will be charged at normal commercial rates).

Sales Charge, Exchange and Redemption Charges

No sales charge, exchange charge or redemption charge will be payable in respect of the Shares.

Research Charges

The ICAV has agreed to pay Research Charges in respect of the Fund to a Research Payment Account which will be used to purchase Research on behalf of the Fund and will be paid out of the assets of the Fund.

Further information in relation to the operation of the Research Payment Account, including the research budget agreed in respect of a given period is available from the Investment Manager upon request.

Appendix I – SFDR Level 2 Disclosures

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

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

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

Product name: BRUMMER UMBRELLA ICAV - BRUMMER MULTI-STRATEGY UCITS

Legal entity identifier: 635400LSIB2KXQZMAD07

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? [tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]

Yes No

<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective : ___%	<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 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 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 checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

What environmental and/or social characteristics are promoted by this financial product?
[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]

- BRUMMER UMBRELLA ICAV - BRUMMER MULTI-STRATEGY UCITS (the "Fund") promotes:
- Climate action (activities to combat climate change and its negative impacts);
 - Compliance with international norms and conventions on human rights, labour rights, the environment and anti-corruption; and
 - Consideration of the Sustainable Development Goals published by the United Nations (the "SDGs").

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics.

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



Sustainability indicators measure how the

environmental or social characteristics promoted by the financial product are attained.

To measure the attainment of climate action, the Investment Manager measures the Sub-Investment Managers' investee companies', and portfolio exposure to thermal coal and fossil fuels (shares of revenue derived from thermal coal and fossil fuels respectively) as well as their Weighted Average Carbon Intensity (WACI).

To measure the attainment of compliance with international norms and conventions on human rights, labour rights, the environment and anti-corruption, the Investment Manager measures the Sub-Investment Managers' investee companies' involvement in controversies in relation to these norms as well as any involvement in controversial weapons.

To measure the attainment of consideration of the SDGs, the Investment Manager measures the Sub-Investment Managers' investee companies' impact on the SDGs. These measurements are aggregated and assessed at the level of the Fund and each Sub-Investment Manager's Portfolio. Further details are set out in the section of the Supplement headed "Sustainable Finance".

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives? *[include, for financial products that make sustainable investments, a description of the objectives and how the sustainable investments contribute to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes]*

The Fund does not commit to making any sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective? *[include a description for the financial product that partially intends to make sustainable investments]*

Not Applicable

— *How have the indicators for adverse impacts on sustainability factors been taken into account? [include an explanation of how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I, are taken into account]*

The Investment Manager commits to measure, assess, and disclose all of the indicators described in Table 1 of Annex 1 in annual statements in order to raise awareness internally and to inform existing and potential investors in the Fund. The indicators that the Investment Manager has prioritised (certain indicators from Tables, 1, 2 and 3 from Annex 1) may either be avoided by the Fund by distributing restriction lists to the Sub-Investment Managers excluding investee companies, identified as causing such adverse impacts, from the investment universe, or by engaging with the Sub-Investment Managers on any such holding with the purpose to agree on actions such as for example increased monitoring and follow up on how the issue evolves.

Please see sections "Does this financial product consider principal adverse impacts on sustainability factors?" and "What Investment Strategy does this financial product follow?" for more information.

— **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:** *[include an explanation on the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*

Not Applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

Yes, _____ *[if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available]*

The Fund's principal adverse impacts on sustainability factors are measured and assessed at least quarterly and annual statements including principal adverse impact indicators are published on the website (www.brummer.se/ucits) in order to raise awareness internally and inform any existing or potential investors in the Fund. The Investment Manager has prioritised certain principal adverse impacts and they are considered as described below.

Greenhouse gas emissions

The Investment Manager measures the Weighted Average Carbon Intensity (WACI) of investee companies in the Sub-Investment Managers' Portfolios to inform engagement with Sub-Investment Managers and to discuss with them how this metric should be interpreted for their respective investment strategy, and also to analyse how it develops over time. Topics for discussion on investee companies with high carbon intensity may include what the drivers behind that intensity are, any communicated action plan and target setting by investee companies, and the Sub-Investment Manager's investment rationale. Also, as a Portfolio's underlying investment strategies may take both long and short exposure, companies that fail to adapt to the climate transition for example could be short candidates.

The Investment Manager is unlikely to set targets in relation to carbon intensity in the near future as the Investment Manager is still evaluating how this could be done in a meaningful way for an alternative multi-strategy product investing in absolute return strategies and may take long and short exposures in many different asset classes. How meaningful targets could be defined is also a topic of engagement with Sub-Investment Managers as well as with industry peers of the Investment Manager. The same challenges apply to the indicator GHG intensity of investee countries, which will be measured from 1 January 2023.

The Sub-Investment Managers, on behalf of the Fund, avoid long exposure to companies involved in thermal coal. Involvement in thermal coal is defined in terms of share of revenue and hence, companies that derive more than 5 % of their revenues from production of thermal coal, or more than 30% of their revenues from electricity production based on coal, are avoided. Short exposure however is not avoided as companies that fail to adapt to the climate transition may constitute short candidates. The Sub-Investment Managers' Portfolios are screened to ensure compliance.

The Investment Manager is also measuring the Sub-Investment Managers' investee companies' exposure to companies involved in fossil fuel and the metric is shared with the relevant Sub-Investment Manager to raise awareness and to understand their investment rationale. The Sub-Investment Managers do not avoid either long or short exposure to fossil fuels and may identify investment opportunities in companies with credible transition plans or in companies providing products and services that will contribute to the climate transition.

Violation of international norms

The Investment Manager and all Sub-Investment Managers avoid long exposure to companies in violation of international norms on labour rights, human rights, the environment (for example biodiversity loss, water pollution, waste management) and anti-corruption (such as the 10 principles in UN Global Compact and the OECD Guidelines for Multinational Enterprises) and investment restrictions lists are submitted to the Sub-Investment Managers on a quarterly basis. The Sub-Investment Managers' Portfolios are screened to ensure compliance. In case a Sub-Investment Manager's investee company is flagged for an alleged or confirmed violation of international norms, the Sustainability team of the Investment Manager engages with the Sub-Investment Manager to understand its view on the issue and discuss potential actions such as divestment, increased monitoring and follow up, engagement with the third party research provider to get more information in case the Sub-Investment Manager disagrees with their research, and any action plans communicated by the investee company.

The Investment Manager and the Sub-Investment Managers also exclude companies with exposure to controversial weapons as their use severely violates social matters and human rights.

In order to further promote good governance practices and compliance with international norms, the Investment Manager also participates in collaborative engagement activities with companies allegedly or verified to be involved in controversies.

Please see section *What Investment Strategy does this financial product follow?* for more information.

No



What investment strategy does this financial product follow? [provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]

The Investment Manager allocates risk across separate investment strategies managed by Sub-Investment Managers within Brummer & Partners. The objective is to build a well-balanced portfolio that can perform well in most scenarios. This is achieved by allocating to investment strategies with low correlation to one another and where risk and return are primarily idiosyncratic (specific to e.g. an equity or a company) and not market or factor driven. Any directionality should mainly come from more trading-oriented strategies such as trend following and macro strategies. The Fund seeks to achieve its investment objective by capitalising on the expertise and experience that each Sub-Investment Manager believes it has developed in a specified investment strategy or asset class. Accordingly, the Fund's assets will be managed by the Sub-Investment Managers in accordance with the following investment strategies:

- Long / Short Equity Strategy
- Long / Short Credit Strategy
- Systematic Equity Strategy
- CTA Strategy

- Discretionary Macro Strategy

Further details of the investment strategy of the Fund are outlined in the section of the Fund's supplement entitled "Investment Policy".

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

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

Climate action

The Investment Manager requires the Sub-Investment Managers to avoid investing a Portfolio's assets in issuers that generate more than 5 percent of their revenue from the production of thermal coal, or derive more than 30 percent of their revenue from energy production based on coal. The Investment Manager provides investment restrictions lists to the Sub-Investment Managers to help them implement this requirement, and screens their portfolios to ensure compliance. Further, the Investment Manager measures the Weighted Average Carbon Intensity (WACI) and general fossil fuel exposures of the issuers of equities and corporate bonds in each portfolio on a quarterly basis. The Investment Manager engages with Sub-Investment Managers on the results of the measurements and conducts an informed dialogue to raise awareness and share insights and to collaborate on interpreting the numbers from an alternative, absolute return, multi-strategy perspective. As it relates to thermal coal, a portfolio may be invested in an issuer that exceeds the thresholds above, if the Sub-Investment Manager determines that the relevant company is making (or will do so in the future), a significant contribution to the transition towards renewable energy sources. Apart from the restriction lists and the engagement with Sub-Investment Managers on the results of the screenings and measurements, the Investment Manager participates in thematic collaborative engagement activities with investee and potential investee companies on climate action activities, such as for example net-zero initiatives and alignment with the Paris Agreement.

Compliance with international norms and conventions on human rights, labour rights, the environment and anti-corruption

The Investment Manager measures, on a quarterly basis, the exposure of each Portfolio to companies involved in a violation of such international norms and conventions. The Sustainability and Risk teams of the Investment Manager review all flagged companies and engage with the relevant Sub-Investment Manager in relation to a Portfolio's holdings in any such companies. If a Portfolio has exposure to a particular company in violation of such rights, the Investment Manager may request the Sub-Investment Manager to divest the Portfolio's holding in such company unless the Sub-Investment Manager provides rationale for the continued holding of the current position of the Portfolio and an action plan in compliance with the Sub-Investment Manager's policies and procedures.

To further promote compliance with the international norms and conventions mentioned above, the Investment Manager participates in collaborative engagement activities with companies that allegedly or verifiably are involved in violations of international norms, whether these companies are in a portfolio or not.

Another tool used by the Investment Manager to promote international norms and conventions on human rights is to also require Sub-Investment Managers to avoid investments in controversial weapons such as cluster bombs, anti-personnel mines, biological and chemical weapons, and nuclear weapons. The Investment Manager provides investment restrictions lists to the Sub-Investment Managers to help them implement this investment restriction and performs screening to ensure compliance. In case an exposure to controversial weapons would be identified, the Investment Manager will require the Sub-Investment Manager to exit the position in such company.

Consideration of the Sustainable Development Goals

The Investment Manager has requested the Sub-Investment Managers to identify which SDGs that are relevant for their respective investment strategy. Awareness of the SDGs and the role they play may help identify investment opportunities both for Portfolios taking long exposure but also for Portfolios taking short exposure as some companies fail

to adapt to a more sustainable future. The sustainability and risk teams measures, on a quarterly basis, each Portfolio's exposure to companies which positively or negatively impact on the SDGs and the results are taken into account in the ongoing dialogue between the Investment Manager and each Sub-Investment Manager.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy? [include an indication of the rate, where there is a commitment to reduce the scope of investments by a minimum rate]**

The Investment Manager does not apply any minimum rates to reduce the scope of investments, but instead exclude certain investments based on a company's exposure to some unwanted activities. The exposure is defined by involvement and revenue thresholds.

The Investment Manager and the Sub-Investment Managers exclude long positions in companies involved in thermal coal unless there is clear evidence that the company is, or will be, significantly contributing to the energy transition by, for example, alignment with the Paris agreement.

The Investment Manager also measures the Sub-Investment Managers' Portfolios' Weighted Average Carbon Intensity (WACI) to inform engagement with Sub-Investment Managers and to discuss with them how this metric should be interpreted for their respective investment strategy, and also to analyse how it develops over time. The Investment Manager is unlikely to set targets in relation to carbon intensity in the near future as it is still evaluating how this could be done in a meaningful way for an alternative multi-strategy product investing in absolute return strategies that may go both long and short in many different asset classes. How meaningful targets could be defined is also a topic of engagement with Sub-Investment Managers as well as with industry peers.

The Investment Manager and the Sub-Investment Managers avoid long exposure to companies in violation of international norms on human rights, labour rights, the environment and anti-corruption. They also exclude both long and short exposure to companies involved in controversial weapons such as cluster munitions, anti-personnel mines, biological and chemical weapons, and nuclear weapons.

The Investment Manager measures the Sub-Investment Managers' portfolios' impact on the Sustainable Development Goals (SDGs) based on investee companies' contribution to the SDGs. The impact is based on the products and services offered and to what extent they offer solutions that will facilitate the fulfillment of the SDGs, how those products or services are produced (operations) and any potential violation of the international norms mentioned above. The Investment Manager has not defined a target or threshold in relation to the SDGs but discuss the results of the measurements with the Sub-Investment Managers to raise awareness and get an understanding on the largest contributors/detractors, the drivers behind their SDG impact, and investment rationale.

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? [include a short description of the policy to assess good governance practices of the investee companies]**

The Investment Manager screens all Sub-Investment Managers' Portfolios for investee companies' involvement in alleged breaches of international norms at least quarterly, and long exposure to such companies is avoided. These international norms are outlined in the UN Global Compact's 10 principles on human rights, labour rights, the environment, and anti-corruption, the ILO Tripartite declaration of Principles concerning Multinational Enterprises and Social Policy and the Guiding Principles on Business and

Human Rights, and the OECD Guidelines for Multinational Enterprises. In case a company is flagged for involvement in a controversy, the Sustainability team will engage with the relevant Sub-Investment Manager on potential actions such as divestment, increased monitoring and follow up, engagement with the company and/or the ESG research provider to get a better understanding and outlook on the issue.

Further, Sub-Investment Managers with relevant investment strategies (e.g. fundamental long/short equity strategies) may also evaluate corporate governance practices, including sound management structures, employee relations, tax compliance, executive remuneration and ownership structures, in their analysis and investment decision-making process.

Further information on the Fund's investment strategy can be found on the Fund's website, www.brummer.se/ucits.

Asset allocation describes the share of investments in specific assets.



What is the asset allocation planned for this financial product? *[include a narrative explanation of the investments of the financial product, including the minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the financial product where that financial product commits to making sustainable investments, and the purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards]*

The Fund allocates to investment strategies managed by Sub-Investment Managers in the Brummer & Partners group, covering different types of asset classes, methodologies and investment universes. The Fund therefore has exposure to a wide range of asset classes in a great number of financial markets. As a multi-strategy investment product, the planned asset allocation changes over time depending on the constituent Sub-Investment Managers and their Portfolio exposures.

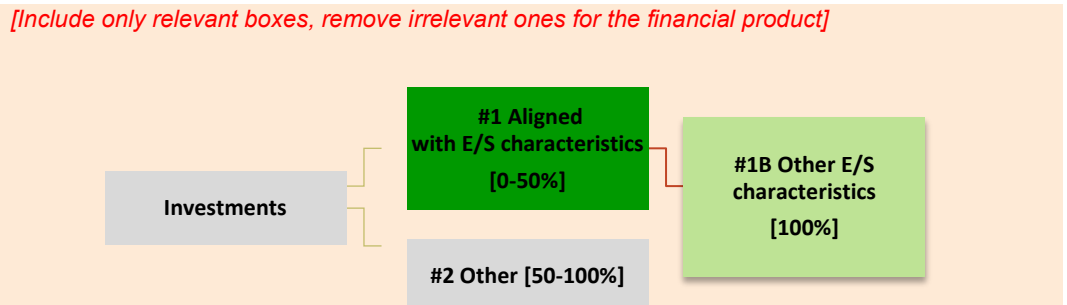
The investments made by the Sub-Investment Managers in equities and corporate bonds (or applicable derivative instrument such as call or put options, certificates or swaps where we can identify a company) should be aligned with and not obstruct the environmental and social characteristics that the Fund strives to promote (#1 Aligned), or should be managed in accordance with the binding criteria described above. Some of these investments may also be considered to be sustainable investments although the Fund does not commit to make any sustainable investments.

Other investments (#2 Other) made by Sub-Investment Managers may not be aligned with the environmental and social characteristics that the Fund strives to promote (#2 Other). The reason for this is that some investments cannot be screened for relevant ESG factors, e.g. interest rates, foreign exchange rates, cash, commodity derivatives and index based derivatives. The Fund's exposure to such investments depends on the Sub-Investment Managers' investment decisions to deliver on the Fund's objective to generate sustainable, long-term, competitive risk-adjusted positive returns.

[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]

Taxonomy-aligned activities are expressed as a share of:

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



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

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

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

[include the note below where the financial product commits to making sustainable investments]

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

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

The screening, monitoring and promotion of environmental and social characteristics are only relevant for investments made in equities and corporate bonds (or applicable derivative instruments such as call or put options, certificates or certain swaps - the #1 Aligned category). In certain cases, monitoring such as for example Weighted Average Carbon Intensity (WACI) and other principal adverse impact indicators is relevant for sovereign issuers of bonds.

Due to the nature of the multi-strategy product allocating to Sub-Investment Managers with different investment strategies, the share of #1 Aligned assets and #2 Other assets, will fluctuate over time. Therefore no particular minimum proportion of investment categorized as #1 Aligned assets can be pre-determined hence, the minimum proportion could, in theory, be 0 percent. However, as #1 Aligned assets can only include equities and corporate bonds (or applicable derivative instruments such as call or put options, certificates or swaps where we can identify a company), the #1 Aligned asset share could, in theory, be 100 percent. In order to be conservative and not risk sharing misleading information, the Investment Manager has stated the share of #1 Aligned assets to be 0 to 50 percent. In September 2022, it was approximately 23 percent. As previously stated, the Fund does not seek to invest in sustainable investments hence, the minimum proportion of such investments is also 0 percent.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product? *[for financial products that use derivatives as defined in Article 2(1), point (29), of Regulation (EU) No 600/2014 to attain the environmental or social characteristics they promote, describe how the use of those derivatives meets those characteristics]*

The underlying securities of derivatives are screened and monitored when we can identify a company or sovereign issuer, and they should in such cases also be aligned with the promoted characteristics. The Sub-Investment Managers may frequently seek exposure through derivatives for various reasons.

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

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



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? *[include a section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 15(1), point (a), of this Regulation, the description referred to in Article 15(1), point (b), of this Regulation, a clear explanation as referred to in Article 15(1), point (c), of this Regulation, a narrative explanation as referred to in Article 15(1), point (d), of this Regulation and the information referred to in Article 15(2) and (3) of this Regulation]*

As mentioned previously, the Investment Manager has implemented measures in order to promote the environmental and social characteristics described in this template. The Fund does not however have as an objective to invest in sustainable investments but will however from time to time, depending on the underlying investment strategies, hold investments that may be labelled sustainable investments as per the regulatory definitions. The Investment Manager will

criteria include comprehensive safety and waste management rules.

measure the EU Taxonomy revenue alignment of Sub-Investment Managers' Portfolios and also on an aggregate Fund level. Please note however that the Fund does not commit to making any sustainable investments (including environmentally sustainable investments within the meaning of the EU Taxonomy), but will disclose any such exposure when required.

For now, the minimum commitment to environmentally sustainable investments is 0 percent. Please also note that the Investment Manager is prompted to state that:

'The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.'

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy³**

Yes: *[specify below, and details in the graphs of the box]*

In fossil gas In nuclear energy

No

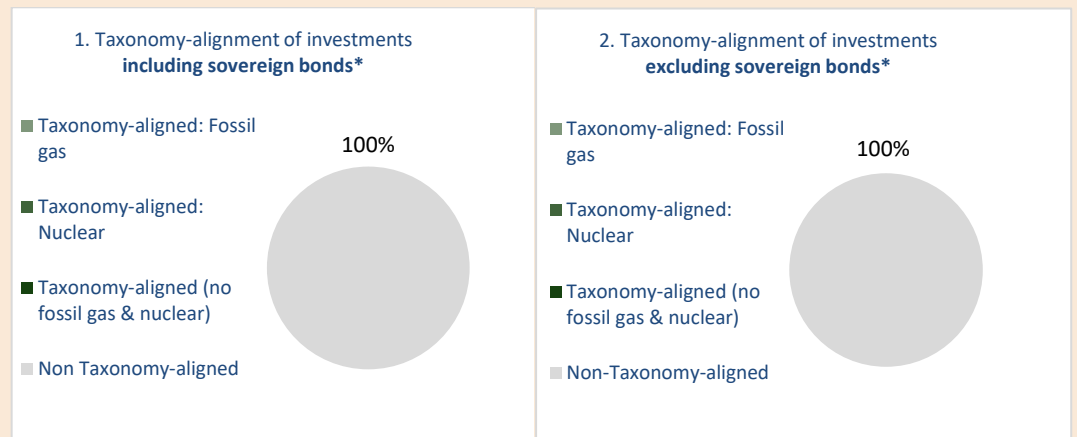
As mentioned above, the Fund does not commit to making any sustainable investments (including environmentally sustainable investments within the meaning of the EU Taxonomy). However, the Investment Manager will disclose any such exposure in periodic reports.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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.


[only include in the graphs the figures for Taxonomy aligned fossil gas and/or nuclear energy as well as the corresponding legend and the explanatory text in the left hand margin if the financial product makes investments in fossil gas and/or nuclear energy]



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

³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limited 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 Regulations (EU) 2022/1214.

[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

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

- **What is the minimum share of investments in transitional and enabling activities?** *[include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

Not applicable.



- **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** *[include section only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 where the financial product invests in economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]*

The Fund does not commit to make any sustainable investments, including environmentally sustainable investments.



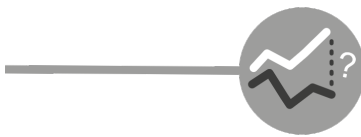
- **What is the minimum share of socially sustainable investments?** *[include section only where the financial product includes sustainable investments with a social objective]*

The Fund does not commit to make any sustainable investments, including socially sustainable investments.



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

All other investments that are made within the Fund in order to improve the risk adjusted returns of investment product are included under #2 Other. These include investments that cannot be screened for relevant ESG factors, e.g. interest rates, foreign exchange rates, cash, commodity derivatives and index based derivatives. The Fund's exposure to such investments depends on the Sub-Investment Managers' investment decisions to deliver on the Fund's objective to generate sustainable, long-term, competitive risk-adjusted positive returns.



- **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

No specific index is designated as a reference benchmark to determine whether the Fund is aligned with the environmental or social characteristics that it promotes.

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

Not applicable

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

Not applicable

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

Not applicable

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

[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]

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

be found?

Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website: *[include a hyperlink to the website referred to in Article 23 of this Regulation]*

More product-specific information can be found on the website:
www.brummer.se/ucits