Cantor Fitzgerald Investment Funds plc

(the "Company")

an open-ended investment company with variable capital incorporated in Ireland with registered number 427248 established as an umbrella fund with segregated liability between sub-funds.

Cantor Fitzgerald Global Equity Income Fund

(the "Fund")

SUPPLEMENT TO PROSPECTUS

1 May 2025

The Cantor Fitzgerald Global Equity Income Fund is a sub-fund of Cantor Fitzgerald Investment Funds plc, an investment company with variable capital established pursuant to the Regulations as an umbrella fund with segregated liability between sub-funds, in which different sub-funds may be created from time to time, with the prior approval of the Central Bank. Two classes of Shares in the Fund are offered through this Supplement, the Class A Shares and the Class B Shares.

A description of Cantor Fitzgerald Investment Funds plc, its management and administration, taxation and risk factors is contained in the Prospectus.

This Supplement relates to the Cantor Fitzgerald Global Equity Income Fund and forms part of the Prospectus. The information contained in this Supplement should be read in the context of, and together with, the information contained in the Prospectus, and distribution of this Supplement is not authorised unless accompanied by or supplied in conjunction with a copy of the Prospectus.

There are currently five sub-funds of the Company:

Cantor Fitzgerald Balanced UCITS Fund;
Cantor Fitzgerald Global Equity UCITS Fund;
Cantor Fitzgerald Global Equity Income Fund;
Pentagon High Conviction Bond Fund; and
Cantor Fitzgerald Paris-Aligned Global Equity Fund.

An investment in the Fund should not constitute a substantial portion of an investor's portfolio and may not be appropriate for all investors. The difference at any one time between the sale and repurchase price of the Shares of any Fund means that the investment should be regarded as medium to long term.

The Directors of the Company, whose names appear on page ii 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 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless otherwise stated, all capitalised terms shall have the same meaning herein as in the Prospectus.

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Section I: General

DEFINITIONS

The following definitions apply throughout this Supplement unless the context requires otherwise:

"Central Bank"	means the Central Bank of Ireland or any successor regulatory authority thereto;
"Fund"	means the Cantor Fitzgerald Global Equity Income Fund;
"Institutional Investor(s)"	means (i) a regulated investment intermediary, (ii) a bank, (iii) an insurance undertaking, (iv) another Exempt Irish Resident;
"Investment Management Fee"	means the fees paid to the Investment Manager in respect of the services provided in respect of the Fund, as further described under the section headed "Investment Management and Distribution Fees" in Section II and Section III below;
"Prospectus"	means the prospectus of the Company dated 9 August 2023 and all relevant supplements, addenda and revisions thereto;
"Redemption Date"	means every Business Day;
"Shares"	means the Class A Shares and Class B Shares of the Fund;
"Subscription Date"	means every Business Day;
"Supplement"	means this supplement;
"Valuation Date"	means every Business Day; and
"Valuation Point"	means 12.00 pm (Irish time) on each Valuation Date.

Section I: General

The Fund

This Supplement is issued in connection with the offer of the Cantor Fitzgerald Global Equity Income Fund which has two classes of Shares, namely the "Class A Shares" and "Class B Shares". The Directors of the Company may create new classes of Shares in the Fund from time to time, provided that the creation of any such new class of Shares is notified and cleared in advance to the Central Bank. A separate pool of assets is not maintained for each class of Shares.

The Fund is denominated in Euro.

Profile of a Typical Investor

A typical investor in the Fund may be an investor with a medium to long term investment horizon who considers an investment in the Fund a convenient way to achieve growth of capital through an exposure to a diversified global portfolio of companies and who will accept significant risk within their portfolio.

Investment Objective

The investment objective of the Fund is to maximise total returns while maintaining a balanced exposure to dividend yield and dividend growth, subject to relevant prudential considerations with regard to the spread of risk and the credit quality of individual investments.

Investment Policy

The Fund's investment objective will be achieved by investing in equities listed or traded on Recognised Markets and Collective Investment Schemes (including ETFs) with investment policies consistent with the Fund's overall investment policy. In addition, the Fund may include in its portfolio Cash Deposits or other ancillary liquid assets, held in accordance with the Central Bank UCITS Regulations.

The equities to be acquired by the Fund will consist of shares issued by a range of companies operating in different geographical regions (and, in particular, the Eurozone, UK, North America and Asia) and business sectors (including sectors such as financial, healthcare, consumer discretionary, consumer staples, energy, basic materials, communications, utilities, technology, and industrial). The companies will vary in terms of size and market capitalisation.

The exposure obtained through investment in Collective Investment Schemes (including ETFs) will be consistent with the overall investment policy of the Fund and shall be in accordance with the Regulations. Furthermore, investment in Collective Investment Schemes shall not exceed 10% of the Net Asset Value of the Fund. In addition, any investment by the Fund in other Collective Investment Schemes is subject to the restrictions set out in the Regulations and the Prospectus, particularly, the sections entitled "General Rules" and "Investment and Borrowing Restrictions".

The Fund shall have an actively managed portfolio. The Investment Manager shall seek to invest in the areas of the market where it sees the most attractive opportunities and shall manage market exposure according to its view of the potential risk and reward inherent in the market at any given time. In this regard, the Investment Manager shall seek to invest in a diversified global portfolio of financially-strong, well-managed companies that have a proven track record of paying an attractive dividend and have a management commitment to consistently increase it. However, the Fund may also maintain a cash balance should the Investment Manager determine that market conditions so warrant.

The construction of the portfolio of assets shall involve a three-stage approach. Stage one of the investment process involves screening stocks from global potential investments to match the valuation and investment parameters of the Fund's investment policy. The Investment Manager has developed a quantitative screen using portfolio management and data systems that screen equity securities from a variety of different global stock indices. The screen identifies equities that meet the valuation and investment parameters deemed by the Investment Manager to be appropriate for the Fund's investment policy. Stage two begins once suitable assets have been identified. Stage two involves the Investment Manager analysing individual securities and employing proprietary algorithms to enable it to monitor multiple risk factors at a stock, sector or portfolio level thus ensuring a consistent investment strategy. The final stage of the process (stage three) shall involve overlaying the stock selections with the macro

economic analysis carried out by the Investment Manager's economists to identify the optimum entry and exit points of the chosen equities. Such macro economic analysis shall include a review of any economic factors that may impact on the growth of the portfolio (such factors may include, for example, any global political events or global financial events that may occur from time to time).

Upon investing in an asset, the Investment Manager shall monitor the risk parameters of the investments both in the context of each individual asset and the wider investment strategy which ensures an optimum mix of risk and potential returns. A daily risk assessment is carried out to ensure that individual stock holdings, sector allocations and liquidity levels do not breach the Fund's agreed parameters. In addition, it is anticipated that the composition of the Fund's portfolio shall be reviewed fortnightly. Such review shall include a review of the Fund's individual holdings, sector allocations and geographical allocations.

The Fund does not currently utilise financial derivative instruments. In the event that the Fund intends to utilise financial derivative instruments in the future, Company, in consultation with the Manager will ensure details of such financial derivative instruments are set out in an updated copy of the Supplement that must be approved in advance by the Central Bank and the Manager will employ a risk management process which will enable it to accurately measure, monitor and manage the risks attached to such financial derivative instruments, and details of this process will be provided to, and approved in advance by, the Central Bank in accordance with the Central Bank UCITS Regulations.

Investment and Borrowing Restrictions

Investors' attention is drawn to the investment and borrowing restrictions set out in the Prospectus. Furthermore, the Investment Manager will apply the following additional investment restrictions to ensure that prudent diversification criteria is applied to the stock holdings;

- the Fund will hold a minimum weighting of 2% of Net Asset Value in any one position;
- the Fund will hold a maximum weighting of 7% of Net Asset Value in any one position; and
- the Fund will hold a maximum weighting of 10% of Net Asset Value in Collective Investment Schemes.

Although the Fund may invest in emerging markets, such investment shall not exceed 20% of the Net Asset Value of the Fund.

Dividend Policy

It is currently not intended that the Fund will pay dividends or otherwise make distributions to Shareholders.

Sustainability

The Investment Manager selects investments for the Fund with the goal of meeting the investment objective of the Fund, however, the Investment Manager also includes investments that promote an environmental characteristic (promotion of the reduction of thermal coal mining) and social characteristics (the promotion of universal human rights and of consumption reduction of tobacco products in addition to the reduction of exposure to controversial weapons) all whilst promoting good governance characteristics.

The Investment Manager will assess each potential investment to determine its suitability from an ESG and/or sustainability perspective based on its proprietary framework in line with industry best practice. To do so, the Investment Manager uses a screen in selecting its investments in order to exclude from investment those companies that do not align with the characteristics promoted by the Fund. Accordingly, the Investment Manager evaluates each investment for both its investment characteristics, and for its environmental and social characteristics. Environmental and social characteristics (and the risks and opportunities that arise from these characteristics) are therefore fully considered by the Investment Manager as part of the investment process. The Fund will report on its promotion of these characteristics at regular intervals to Shareholders.

The Investment Manager also considers governance factors in its decision-making process, evaluating a range of governance factors as part of its due diligence prior to investment, and following investment on an ongoing basis. The risks arising from governance factors are also considered as part of this investment framework.

As the Fund promotes a number of environmental and social characteristics in the manner contemplated by Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"), further information regarding the environmental and social characteristics promoted by the Fund is available in Annex I to this Supplement.

Integration of Sustainability Risks and Likely Impact upon Returns

The Investment Manager integrates sustainability risks and opportunities into its research, analysis and investment decision-making processes utilised on behalf of the Fund. In applying its screening processes, the Investment Manager makes use of specific methodologies and data into which environmental, social, and governance data from external research companies, as well as its own research results, are incorporated. Assessment of sustainability risks is complex and may be based on environmental, social or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that such data will be correctly assessed.

While the Investment Manager believes that the integration of sustainability risks will be beneficial for the Fund's performance, the risk arises that the strategies pursued by underlying investee companies may not develop as forecast or may develop more slowly than anticipated, which may negatively impact returns of the Fund and lead to under performance. Investors' attention is further drawn to the "*ESG Risk*" risk factor contained below. The Investment Manager has implemented a Sustainability Risks Policy which sets out the Investment Manager's policies in respect of the integration of sustainability risks in its investment decision-making process.

Further information on the manner in which the Manager integrates sustainability risks into its investment decision making process can be found in the Prospectus under the section headed "Sustainability Risk Integration and Impact on Returns".

Investment Restrictions

As part of its commitment to promoting these environmental characteristics, the following investment restrictions will apply on a binding basis to the Fund:

The Fund will not invest in any company:

(a) with more than 10% of total annual revenues related to thermal coal mining;
(b) that has ties to controversial weapons;
(c) that is a tobacco producer; or
(d) that breaches the United Nations Guiding Principals (UNGPs), International Labour Organizations (ILO) standards, United Nations Global Compact (UNGC) or Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

The Fund may invest in a company which breaches (d) above if the Investment Manager is actively engaging with the investee company to rectify such breach, however, no more than 10% of the Fund's assets may at any one time be invested in companies that are subject to such ongoing engagement.

If the Fund holds a particular equity at a time when the investee company breaches the above standards/guidelines, the Investment Manager will engage with the investee company. Engagement is performed and monitored through a norm-based engagement service to which the Investment Manager subscribes. This engagement service pools together investors to engage directly with companies that violate any of the norm-based standards mentioned above in order to work towards rectification of any breach. If engagement has proved to be ineffective in rectifying the issue after a period of one year, the Fund will divest itself of the equities.

Risk Factors

Investors' attention is drawn to the risk factors set out in the Prospectus and to the following additional risk factors.

Shareholders should note that the management fees and expenses incurred by the Fund will as far as possible be deducted from the income of the Fund. If there is insufficient income, to ensure timely payment, the balance will be charged to the assets of the Fund. This may have the effect of lowering the capital value of the Shareholder's investment.

ESG Risk

Sustainability risks can affect all known types of risk (for example, market risk, liquidity risk, counterparty risk and operational risk), and as a factor, contribute to the materiality of these risk types. Environmental, social and governance ("**ESG**") strategies pursued by underlying investee companies will be subject to the risks associated with their underlying investments' asset classes. Further, the demand within certain markets or sectors that an ESG strategy targets may not develop as forecasted or may develop more slowly than anticipated.

The investments of the Fund or an underlying investee company may be susceptible to various factors that may impact their businesses or operations, including changes to laws and regulations (including, but not limited to, SFDR, the Taxonomy Regulation or other ESG related legislation), costs associated with government budgetary constraints that impact publicly funded projects and clean energy initiatives, the effects of general economic conditions throughout the world, and increased competition from other providers of services.

Taxation

Any change in the Fund's tax status or in taxation legislation could affect the value of the investments held by the Fund and could affect the return to investors. Potential investors and Shareholders should note that the statements on taxation, which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Supplement and the Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Fund will endure indefinitely. The attention of potential investors is drawn to the tax risk associated with investing in the Fund. See section headed "Taxation" on page 31 in the Prospectus.

Investment Management and Distribution Fees

Investors' attention is drawn to the Fees and Expenses Section in the Prospectus and in Sections II and III of this Supplement.

Depositary and Administration Fee

Investors' attention is drawn to the Fees and Expenses Section in the Prospectus. Pursuant to the Administration Agreement and the Depositary Agreement, the Company will pay the Administrator and Depositary an aggregate fee of up to 0.30% per annum of the Net Asset Value of the Funds.

Compulsory Redemptions

The Directors may compulsorily redeem or transfer any holding of Shares in certain circumstances. See section headed "Compulsory Redemptions" in the Prospectus.

Establishment Expenses

The fees and expenses incurred in connection with the creation of the Fund, the preparation and publication of this Supplement and all legal costs and out of pocket expenses are not expected to exceed €25,000. Such expenses will be amortised on a straight line basis over the first 60 months of operations of the Fund or such shorter period as the Directors may determine.

Miscellaneous

As at the date hereof:

(i) none of the Directors, their spouses or any connected person has any interest in the share capital of the Company or any options in respect of such capital;

(ii) none of the Directors or any connected person has any interest, beneficial or non-beneficial, in the share capital of the Company or any options in respect of such capital;

(iii) the Fund does not have any loan capital (including term loans) outstanding or created by un-issued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptance (other than normal trade bills) or acceptance credits, obligations under finance leases, hire purchase commitments, guarantees or other material contingent liabilities; and

(iv) none of the Directors has (i) any unspent convictions in relation to indictable offences; or (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any of his assets; or (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangement with its creditors generally or with any class of its creditors; or (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

Section II: Class A Shares

DEFINITIONS

The following definitions apply throughout this section of the Supplement unless the context requires otherwise:

"Class A Shares"	means the class of Shares in the Fund, which are denominated in Euro;
"Minimum Holding"	means a minimum holding of €250,000 or such lesser amount as may be agreed by the Directors; and
"Minimum Subscription"	means a minimum subscription of €250,000 or such lesser amount as may be determined by the Directors in their absolute discretion in any particular case.

Section II: Class A Shares

Investors in the Class A Shares, in the case of an initial subscription into the Fund, must subscribe for at least the Minimum Subscription amount.

The Directors may, in their absolute discretion, charge a subscription fee, payable to the Investment Manager, of up to 4% of the gross cash amount subscribed.

The closing date for the Initial Offer of the Class A Shares was 29 July 2016.

Subscriptions

Offer

Monies subscribed for each class should be in the denominated currency of the relevant share class.

Shares will be available for subscription at the Net Asset Value on each Subscription Date. Applicants for Class A Shares must subscribe the relevant Minimum Subscription (in the case of an applicant's first subscription into the Fund).

The completed Application Form must be received by post, delivery or fax (with the original to follow as soon as is possible) by the Administrator no later than 11.00am (Irish time) on the Business Day before the Subscription Date on which Shares are to be issued. Subscription monies must be received by the Administrator, for the account of the Fund, by no later than 5pm (Irish time), on the second Business Day after the relevant Subscription Date. If payment in full has not been received by the relevant times stipulated above, the application may be refused and the Shares provisionally allotted will be cancelled.

Applications not received or incorrectly completed applications received by the Administrator by 11.00am (Irish time) on the Business Day before the Subscription Date on which Shares are to be issued shall be held over and applied on the next following Subscription Date or until such time as a properly completed Application Form is received by the Administrator on the date on which it is processed.

Redemptions

Shares will be redeemable at the option of the Shareholder on each Redemption Date except in the circumstances described herein and in the Prospectus. Following the relevant Closing Date, Shares may be redeemed at the Net Asset Value on each Redemption Date. Requests for redemption may be made by post, delivery or fax to the Administrator so as to be received by no later than 11.00am (Irish time) on the relevant Redemption Date on which the Shares are to be redeemed. Shares will be redeemed at the Net Asset Value as calculated on the relevant Redemption Date.

Redemption requests not received by this time shall be, held over and applied on the next following Redemption Date. A request for a partial redemption of Shares will be refused, or the holding may be redeemed in its entirety, if, as a result of such partial redemption, the aggregate Net Asset Value of the Shares maintained by the Shareholder would be less than the Minimum Holding.

Settlement for redemptions will normally be made by telegraphic transfer or other form of bank transfer to the bank account of the Shareholder specified in the Application Form (at the Shareholder's risk) three Business Days from receipt by the Administrator of the correct repurchase documentation and in any event within ten days of the Redemption Date on which the redemption request has been processed. No payments to third parties will be effected.

No redemption payment may be made from that holding until all documentation required by the Administrator including any documents in connection with anti-money laundering procedures have been received.

Investment Management and Distribution Fees

In respect of investment management services and distribution services provided to the Fund in respect of Class A Shares, the Company shall pay to the Investment Manager and Distributor an aggregate fee not exceeding 1.6% of the Net Asset Value of the Fund attributable to the Class A Shares.

Section III: Class B Shares

DEFINITIONS

The following definitions apply throughout this section of the Supplement unless the context requires otherwise:

"Class B Shares"	means the class of Shares in the Fund, which are denominated in Euro and which are intended for purchase primarily by Institutional Investors;

Section III: Class B Shares

Subscriptions

Monies subscribed for each class should be in the denominated currency of the relevant share class.

Class B Shares may only be acquired by Institutional Investors or such other investors as the Investment Manager may decide at its discretion.

The closing date for the Initial Offer of the Class B Shares was 23 August 2017.

Shares will be available for subscription at the Net Asset Value on each Subscription Date.

The completed subscription application form (available from the Administrator) (the "**Application Form**") must be received by post, delivery or fax (with the original to follow as soon as is possible) by the Administrator no later than 11.00am (Irish time) on the Business Day before the Subscription Date on which Shares are to be issued. Subscription monies must be received by the Administrator, for the account of the Fund, by no later than 5pm (Irish time), on the second Business Day after the relevant Subscription Date. If payment in full has not been received by the relevant times stipulated above, the application may be refused and the Shares provisionally allotted will be cancelled.

Applications not received or incorrectly completed applications received by the Administrator by 11.00am (Irish time) on the Business Day before the Subscription Date on which shares are issued shall be held over and applied on the next following Subscription Date or until such time as a properly completed Application Form is received by the Administrator on the date on which it is processed.

The Investment Manager may, in its absolute discretion, reject any application for Class B Shares in full or in part without ascribing any reason therefor. Amounts paid to the Company in respect of subscription applications which are rejected (or, in the case of applications which are not accepted in full, the balance of the amount paid) will be returned, where permitted by applicable law, to the applicant at his/her own risk and expense without interest.

Redemptions

Shares will be redeemable at the option of the Shareholder on each Redemption Date except in the circumstances described herein and in the Prospectus. Shares may be redeemed at the Net Asset Value on each Redemption Date. Requests for redemption may be made by post, delivery or fax to the Administrator so as to be received by no later than 11.00am (Irish time) on the relevant Redemption Date on which the Shares are to be redeemed. Shares will be redeemed at the Net Asset Value as calculated on the relevant Redemption Date.

Redemption requests not received by this time shall be, held over and applied on the next following Redemption Date.

Settlement for redemptions will normally be made by telegraphic transfer or other form of bank transfer to the bank account of the Shareholder specified in the Application Form (at the Shareholder's risk) three Business Days from receipt by the Administrator of the correct repurchase documentation and in any event within ten days of the Redemption Date on which the redemption request has been processed. No payments to third parties will be effected.

No redemption payment may be made from that holding until all documentation required by the Administrator including any documents in connection with anti-money laundering procedures have been received.

Investment Management and Distribution Fees

In respect of investment management services and distribution services provided to the Fund in respect of the Class B Shares, the Company shall pay to the Investment Manager and Distributor an aggregate fee not exceeding 0.5% of Net Asset Value of the Fund attributable to the Class B Shares.

Annex I

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

Product name: Cantor Fitzgerald Global Equity Income Fund **Legal entity identifier:** 213800HA1B43MTQHVV66

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

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

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

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

*The Fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation. Due to the range of investments the Fund can invest in, the environmental and social characteristics promoted by the Fund address a range of environmental, social and corporate governance ("**ESG**") issues.*

The Fund's assets are invested in securities of issuers that meet defined minimum standards in terms of ESG criteria. Each issuer of equities undergoes a sustainability analysis undertaken by the Investment Manager prior to acquisition. The ESG performance of an issuer is systematically evaluated on the basis of various environmental and social criteria, as well as information by which corporate governance practices can be assessed. In applying these criteria, the Fund specifically promotes the following social and environmental characteristics:

- *Environmental*
  - *Promotion of the reduction of thermal coal mining.*
- *Social*
  - *Promotion of universal human rights*
  - *Reduction of exposure to controversial weapons*
  - *Promotion of consumption reduction of tobacco products*

Promotion of good governance practices

The Fund promotes these environmental and social characteristics through the Investment Manager's consideration of ESG criteria using the following approaches as further outlined below: (i) exclusions, (ii) ESG integration, and (iii) engagement.

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

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

The Fund uses the following sustainability indicators to measure the attainment of each of the above-mentioned characteristics:

- *Environmental*
  - *No more than 10% of portfolio revenue related to thermal coal mining.*
- *Social*
  - *No more than 10% of investee companies that violate the UNGC, ILO or OECD Guidelines for Multinational Enterprises and are therefore part of the Investment Manager's norms-based engagement programme.*
  - *No more than 10% of portfolio involved in the manufacture or selling of controversial weapons.*
  - *No more than 20% of portfolio revenue related to tobacco products.*
- *Promotion of good governance practices.*
  - *The number of holdings voted.*

- ***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?***

The Fund will have a minimum proportion of 10% of sustainable investments composed of investments with an environmental or social objective in economic activities that are classified as sustainable within the meaning of Article 2(17) of the Disclosure Regulation.

The Fund's sustainable investments will be those which have been categorised as such by MSCI ESG Research which consider three crtieria in determining what qualifies as a 'sustainable investment', namely whether each issuer:

1. *abides by the Do No Significant Harm principles;*
2. *practices good governance; and*
3. *contributes to the achievement of at least one of the following objectives:*
   - I. *mitigating climate change and transitioning to a low carbon economy: the issuer must have an emission reduction target approved by the Science Based Target Initiative (SBTI);*
   - II. *financing economic activities from issuers that generate at least 20% of their revenues providing a significant sutainable impact solutions in the areas highlighted below.*

Regarding impact solutions mentioned at (ii) above, investments are classified as having a significant "sustainable impact" if 20% of their revenue contributes to one or multiple of the following objectives:

1. *<u>Climate change mitigation and energy efficiency:</u>*
   - a. *Alternative Energy*
   - b. *Carbon & Energy Efficiency*
   - c. *Green Building*
   - d. *Climate Adaptation*
2. *<u>Natural Capital:</u>*
   - a. *Sustainable Water*
   - b. *Pollution Prevention*
   - c. *Sustainable Agriculture*
3. *<u>Basic Needs:</u>*
   - a. *Nutrition*
   - b. *Major Diseases Treatment*
   - c. *Sanitation*
   - d. *Affordable Real Estate*
4. *<u>Empowerment:</u>*
   - a. *SME Finance*
   - b. *Education*
   - c. *Bridging the Digital Divide*

These sustainable impact metrics align with the 17 United Nations Sustainable Development Goals. Revenues in these areas are considered to provide products and services that are consistent with the 17 United Nations

Sustainable Development Goals. Sustainable impact data from MSCI ESG Research is used to measure these impacts. The contribution to meeting these objectives will be assessed by the Investment Manager and monitored on an ongoing basis. For further information on criteria methodology, please visit MSCI ESG Research.

The Fund's sustainable investments will seek to create positive environmental and social impacts by investing in issuers that fulfil designated environmental criteria and are targeted for related improvement by the Investment Manager's specialized team of internal shareholder advocates.

In the investment process, the Investment Manager's consideration of these indicators is based on a positive list of issuers that have developed a strategy against at least one of the above key indicators and have a track record in addressing environmental and/or social objectives. Information from MSCI ESG Research for the individual key indicators is used as the basis for this positive list and is kept under review to ensure that the Fund's sustainable investmnents continue to contribute to these objectives.

From time to time, the Fund may be invested in sustainable investments that contribute to any one (or more) of the environmental objectives identified in Article 9 of the Taxonomy Regulation (Regulation (EU) 2020/852), namely:

- *climate change mitigation;*
- *climate change adaptation;*
- *the sustainable use and protection of water and marine resources;*
- *the transition to a circular economy;*
- *pollution prevention and control; and*
- *the protection and restoration of biodiversity and ecosystems.*

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

The Fund ensures that in the selection of sustainable investments, none of the environmental and social objectives listed in Article 2(17) of the Disclosure Regulation or of the environmental objectives included in Article 9 of Regulation (EU) 2020/852 are significantly harmed. Significant harm exists in particular in the case of severe impacts on the adverse sustainability indicators or the breach of the minimum level of protection set out in Article 18 of Regulation (EU) 2020/852.

The Fund ensures that sustainable investments within its portfolio ensure do not cause any significant harm by investing only in those securiites which have met MSCI ESG Research's screening test criteria. This screening process undertaken by MSCI ESG Research includes ensuring an investee company (i) does not have ties to controversial weapons; (ii) derives siginificant revenue from thermal coal; (iii) is not a tobacco producer; (iv) has minimal revenues derived from tobacco; and (v) has not been flagged for any severe or very severe ESG controversies.

For the purposes of this Annex and the determination made by MSCI, 'ties to controversial weapons' shall include any involvement (not just revenue generated) a company may have which relates to cluster munitions, landmines, biological / chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments. This is measured by MSCI, and is monitored as a binary data point (e.g. must be answered as either yes/no).

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

In selecting sustainable investments for the Fund, the Investment Manager engages with a third-party data provider and the indicators of adverse impact on sustainability factors as applied by MSCI ESG Research are used to determine whether an investment is classified as a sustainable investment and so is found to 'do no significant harm'. The criteria employed by MSCI in ascertaining whether an investment 'does no signficant harm' are whether

an investee copmany (i) has any ties to controversial weapons; (ii) derives more than 1% of revenue from thermal coal; (iii) produces tobacco; (iv) derives more than 5% of revenue from tobacco; and (v) has not been flagged for any severe or very severe ESG controversies. Providing the investment in question does not breach any of the aforementioned criteria, it will be determined that the investment does not have an adverse impact ons sustainability factors.

Criteria for a severe impact are defined for the environmental and social indicators listed below. Investments that do not meet the MSCI ESG Research's defined ambition levels for each of these indicators cannot be classified as sustainable investments. In the absence of sufficient data, MSCI may be unable to make a determination regarding a particular investment and, in such a scenario, the investment will not be classified as a sustainable investment.

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

MSCI ESG Research takes into account the OECD Guidlenes for Multinational Enterprises and the UN Guiding Principles on Business and Human rights through the application of the MSCI ESG Controversies methodology, which identifies companies involved in the most serious and widespread controversies that may indicate a potential breach of either of these guidelines. The principles are based on international standards in the areas of human rights, labour rights, the environment and corruption.

There are four levels of controversies, incorporating Green, Yellow, Orange and Red Flags. Controversies marked with a Red Flag under the MSCI ESG Controversies methodology indicates MSCI's assessment of an issuer's direct involvement in the most serious adverse impacts (e.g., loss of life, destruction of eco-system, economic shakedown affecting multiple jurisdictions), which have not yet been mitigated to the satisfaction of all implicated stakeholders. Additionally, an Orange Flag under the MSCI ESG Controversies methodology may indicate either only an assessment of a partial resolution of such serious concerns with implicated stakeholders, or an indirect role of the issuer in very serious and extensive controversies (for example, through business relationships with directly implicated parties). When an issuer is flagged with either a Red or Orange Flag, they are considered to be in violation of the OECD Guideleines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, and will be considered investments which are not aligned with Do-No-Significant-Harm principles.

Issuers who score a Red or Orange Flag will not be considered sustainable investments and immediately excluded from the Fund's 10% sustainable investment criteria, however it will not be excluded entirely from the portfolio. If an existing holding moves to Red or Orange Flag status, the Investment Manager will no longer consider the holding as a sustainable investment, however the Sub-Fund may continue to hold the investment as an investment which is otherwise alligned with the Fund's promoted environmental and/or social characteristics, providing the issuer meets the binding criteria outlined below for promoting these characteristics.

Where a change in the categorisation under the MSCI ESG Controversies methodology would result in the Fund no longer meeting its commitment to investing 10% in sustainable investments, a new investment will be selected to ensure the 10% minimum threshold is met.

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.

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

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

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

☒ Yes

The Fund considers/monitors the impacts on the following principal adverse sustainability impacts:

- *PAI 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises*
- *PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)*
- *Additional Climate PAI 4 - Investments in companies without carbon emission reduction initiatives*
- *Additional Social PAI 14 - Number of identified cases of severe human rights issues and incidents*

☐ No

What investment strategy does this financial product follow?

The Fund pursues an actively managed investment strategy that gains exposures to a range of companies through investments in underlying funds and/or direct investments in the equities of such companies, integrating sustainability criteria throughout the investment selection process. The Fund has a diversified and carefully-chosen portfolio of high quality companies which are financially-strong and generally have resilient and reliable earnings and dividends, which we believe will deliver outperformance of global equities over the longer-term and also less volatile performance.The selection of these investments range across all sectors and focuses on maximising the rate of capital appreciation whilst considering the impact made by the investee company on the environment and society. In selecting its investments, the Investment Manager uses a screen to exclude companies that do not align with the environmental and social characteristics promoted by the Fund. Further information in respect of this screening process is set out below.

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

The following elements of the Fund's investment strategy are applied on a binding basis:

Environmental

- *the Fund will not invest in companies with more than 10% of total annual revenues related to thermal coal mining.*

Social

- *the Fund will not invest in any company that:*
  - *has ties to controversial weapons; or*
  - *are classified as a tobacco producer.*

The Fund will not invest in any company that breaches the United Nations Guiding Principals (UNGPs), International Labour Organizations (ILO) standards, United Nations Global Compact (UNGC) or Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, unless the Investment Manager is actively engaging with the investee company to rectify such breach. If the Fund holds a particular equity at a time when the investee company breaches the above standards/guidelines, the Investment Manager will engage with the underlying company. Engagement is performed and monitored through a norms-based engagement service to which the Investment Manager subscribes. This engagement service pools together a number of investors in order

to amplify their voices with regard to how a company might align with the aforementioned UNGP, ILO, UNGC and OECD standards. This service provides direct and impactful engagement with companies that violate any of the standards mentioned above in order to work towards rectification of any breach. The maximum expected amount of companies that will breach these global norms and therefore be apart of our norms based engagement at any given time is 10%, meaning the portfolio will not have more than 10% of its holdings violating these global norms standards at a given time. If engagement with any investee company has proved to be ineffective in rectifying the issue after a period of one year, the Fund will divest itself of the equities.

Good Governance

The Fund will vote in all eligible corporate actions using sustainability voting guidelines, as described in the Investment Manager's shareholder engagement policy, a copy of which is available at https://cantorfitzgerald.ie

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

The Fund does not commit to a minimum rate of reduction of the investments considered prior to the application of the investment strategy.

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?***

To assess good governance the Investment Manager uses a third-party ESG research provider to identify a company's performance in four key governance areas: management structure, employee relations, remuneration of staff, and tax compliance. The Investment Manager uses a proprietary screen to identify companies that it considers are underperforming in these areas. Any companies identified by the screen are immediately subjected to further review by the Investment Manager. This additional analysis sees the Investment Manager consult with an additional ESG data provider regarding the performance of the underlying company, with the results of that consultation then being used to further assess performance and confirm the view of the Investment Manager. Once the Investment Manager agrees that an issuer is underperforming in key governance areas, an estimation of scope and relevance will be made. If an underperformance in a governance issue is deemed to be likely material, the Investment Manager will divest from the issuer. For further details on the screen and process used, please consult the Investment Manager's Good Governance Policy.

- **What is the asset allocation planned for this financial product?**

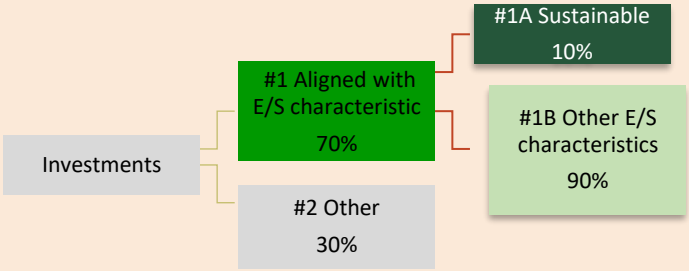
Asset allocation describes the share of investments in specific assets.

The Fund invests at least 70% of its net assets in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics).

Up to 30% of the investments are not aligned with these characteristics (#2 Other) to be able to raise cash levels during periods of high volatility in order to protect clients from drawdowns. The asset allocation is constantly monitored by the Investment Manager and reviewed quarterly.

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**



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

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

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

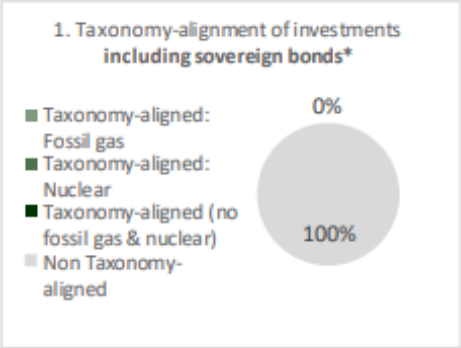
	• ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***
	N/A. The Fund does not invest in derivatives.
	To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?
	N/A. The Fund does not commit to making any investments which are aligned with the EU Taxonomy.
	• **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?**
	☐ Yes:
	☐ In fossil gas ☐ In nuclear energy
	☒ No

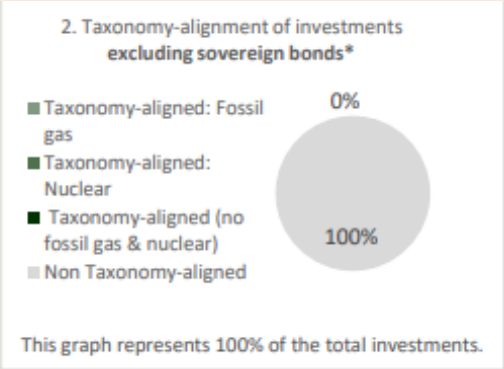
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

Transitional activities are activities for which low-

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





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

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

N/A

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

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

The Fund makes a minimum of 10% of sustainable investments based on the following criteria:

- *with an environmental objective or social objective in economic activities that are classified as sustainable within the meaning of Article 2(17) of the Disclosure Regulation.*

Sustainable investments with an environmental objective that do not conform to the EU Taxonomy are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities according to the EU Taxonomy.

What is the minimum share of socially sustainable investments?

The Fund will have a minimum proportion of 10% of sustainable investments composed of investments with either an environmental or social objective, with 10% being the combined minimum proportion of sustainable investments which have either environmental or social objectives.

From time to time the Fund may be invested in sustainable investments that contribute to one or more social objectives but the Fund does not currently commit to making a minimum proportion of its investments in such assets.

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

The investments categorised under the "#2 Other" will consist of ETFs, cash and other cash equivalents. No minimum safeguards are applicable to these assets.

For other investments that do not form part of the Fund's sustainability strategy, there are no binding criteria for the Investment Manager to consider minimum environmental and/or social safeguards. This is either due to the nature of the assets, where at the time of the preparation of this Annex, there are no legal requirements or standard market procedures regarding how to consider minimum environmental and/or social safeguards for such assets or investments are specifically excluded from the sustainability strategy, and are then also not subject to the consideration of minimum environmental and/or social safeguards.

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

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?

N/A

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

N/A

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

N/A

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

N/A

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

N/A

Where can I find more product specific information online?

More product-specific information can be found on the website: https://cantorfitzgerald.ie/merrion-investment-managers/sustainability-disclosure