

The Directors of APS Funds SICAV p.l.c. whose names appear on the last page accept responsibility for the information contained in this Offering Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this Offering Supplement is in accordance with the facts and does not omit anything likely to affect the accuracy of such information. The Directors accept responsibility accordingly.

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# Offering Supplement

(the "Offering Supplement")

8<sup>th</sup> July 2025

relating to the offer of Investor Shares in

## APS Ethical Adventurous Fund

(the "Sub-Fund")

a Sub-Fund of

### APS Funds SICAV p.l.c.

(the "Company")

an open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the laws of Malta and licensed by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370, Laws of Malta). The Company qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta).

#### ReAPS Asset Management Limited

(the "Investment Manager")

#### Swissquote Financial Services (Malta) Limited

(the "Custodian")

#### Swissquote Bank Limited (Affiliate of the Custodian)

(the "Sub-Custodian")

#### Apex Fund Services (Malta) Ltd.

(the "Administrator")

**Important Notice:** This Offering Supplement may not be distributed unless accompanied by, and is to be read in conjunction with, the latest version of the Prospectus of the Company. Save as disclosed in this Offering Supplement, there has, as at the date indicated above, been no significant change and no significant new matter has arisen since publication of the Prospectus. The Investment Manager has also published one or more Key Investor Information Documents (each a "KIID") in respect of the Sub-Fund. This Offering Supplement is an updated version of the Offering Supplement dated 21<sup>st</sup> October 2024.

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APS ETHICAL ADVENTUROUS FUND, A SUB-FUND OF APS FUNDS SICAV P.L.C. IS LICENSED AS A COLLECTIVE INVESTMENT SCHEME BY THE MALTA FINANCIAL SERVICES AUTHORITY ("MFSA") UNDER THE INVESTMENT SERVICES ACT (CAP. 370, LAWS OF MALTA) AND QUALIFIES AS A 'MALTESE UCITS' IN TERMS OF THE INVESTMENT SERVICES ACT (MARKETING OF UCITS) REGULATIONS (S.L. 370.18, LAWS OF MALTA). AUTHORISATION OF THE COMPANY AND ITS SUB-FUNDS BY THE MFSA DOES NOT CONSTITUTE A WARRANTY BY THE MFSA AS TO THE PERFORMANCE OF THE COMPANY AND ITS SUB-FUNDS AND THE MFSA SHALL NOT BE LIABLE FOR THE PERFORMANCE OR DEFAULT OF THE COMPANY AND ITS SUB-FUNDS.



APPROVED IN ACCORDANCE WITH ARTICLE 11 OF THE  
INVESTMENT SERVICES ACT CAP. 370

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# Important Information

**BEFORE PURCHASING ANY INVESTOR SHARES IN THE SUB-FUND DESCRIBED IN THIS OFFERING SUPPLEMENT, YOU SHOULD MAKE SURE THAT YOU FULLY UNDERSTAND THE NATURE OF THIS INVESTMENT, THE RISKS ASSOCIATED WITH IT AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE NOT CERTAIN ABOUT THE CONTENTS OF THIS OFFERING SUPPLEMENT, YOU SHOULD SEEK THE ADVICE OF A SUITABLY QUALIFIED ADVISOR. YOU SHOULD ALSO REFER TO THE LATEST VERSION OF THE PROSPECTUS WHICH ACCOMPANIES THIS OFFERING SUPPLEMENT AND WHICH DESCRIBES THE COMPANY AND PROVIDES GENERAL INFORMATION ABOUT OFFERS OF INVESTOR SHARES IN THE COMPANY. YOU SHOULD NOT TAKE ANY ACTION IN CONNECTION WITH THIS OFFER OF INVESTOR SHARES UNLESS YOU HAVE RECEIVED A COPY OF THE PROSPECTUS.**

**SUBSCRIPTIONS MAY BE MADE IN THE FORM OF LUMP SUM INVESTMENTS OR VIA THE MONTHLY INVESTMENT PLAN.**

## **Suitability of Investment**

Before investing in the Sub-Fund, you should inform yourself how you could be affected by: (a) any possible tax consequences; (b) any legal and regulatory requirements; (c) any applicable foreign exchange restrictions or exchange control requirements; (d) any governmental or other consents or formalities that you might require or otherwise encounter under the laws of your country of citizenship, residence or domicile and which might affect your acquisition, holding or disposal of Investor Shares or receipt by you of income from such Investor Shares.

The value of the Investor Shares will fluctuate, and there is no guarantee that you will make a profit, or that you will not make a loss, on your investment. Refer also to the Section of the Prospectus entitled "Risk Factors". The Risk Factors outlined in the Prospectus are sufficiently exhaustive to also cater for any specific risks which may apply for an investment in the Sub-Fund.

An investment in the Investor Shares by you is best undertaken after you are satisfied, possibly after obtaining advice from a suitably qualified advisor, that you have properly assessed the merits and risks associated with the investment and that your financial resources are adequate to enable you to bear any potential losses that may arise. The contents of this Offering Supplement and of the Prospectus are not intended to contain, and should not be regarded as containing, advice relating to taxation, legal advice, investment advice or any other matter.

## **Restrictions on Distribution outside Malta**

The offer of Investor Shares pursuant to this Offering Supplement is deemed to be an offer of securities to the public in terms of the Companies Act, however, the distribution of this Offering Supplement, the Prospectus, the KIID and the offering of Investor Shares may be restricted in other jurisdictions. This Offering Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. Persons to whose attention this Offering Supplement may come are required to inform themselves about, and to observe, such restrictions.

# Interpretation

## Definitions

Terms used in this Offering Supplement shall, unless otherwise defined or the context otherwise requires, have the same meaning as those defined in the Prospectus.

In this Offering Supplement, the following words shall have the meanings set opposite them:

<b>Business Day</b>	Any day that is not a Saturday or a Sunday and not a public or bank holiday in Malta. The Board may under the Prospectus determine additional Business Days for any particular year.
<b>Investor Shares</b>	Three Classes of Investor Shares in the Sub-Fund:  Class A EUR Accumulator Shares Class B EUR Distributor Shares Class P EUR Accumulator Shares
<b>Monthly Subscription Day</b>	On the last Subscription Day of each calendar month.
<b>Redemption Day</b>	Unless otherwise determined by the Directors, Wednesday of every week. Where Wednesday is not a Business Day, the Redemption Day shall be the following Business Day.
<b>Redemption Price</b>	The price at which Investor Shares shall be redeemed, which shall be equivalent to the NAV per Share at the Valuation Day on the relevant Redemption Day.
<b>Subscription Day</b>	Unless otherwise determined by the Directors, Wednesday of every week. Where Wednesday is not a Business Day, the Subscription Day shall be the following Business Day.
<b>Subscription Price</b>	The price at which Investor Shares may be acquired, which shall be equivalent to the NAV per Share at the Valuation Day on the relevant Subscription Day.
<b>Valuation Day</b>	The Business Day immediately preceding a Subscription Day and/or a Redemption Day and such other day as the Directors may from time to time determine

## General

This Offering Supplement shall, in addition, be subject to the same rules of interpretation as those set out in the Prospectus. Please see the Section of the Prospectus entitled “**Interpretation**” for further details.

# Key Features

## The Sub-Fund and the Investor Shares

<b>Name of the Sub-Fund</b>	APS Ethical Adventurous Fund
<b>Segregation</b>	The Sub-Fund is a segregated portfolio whose assets and liabilities are to be treated as a patrimony separate from the assets and liabilities of each other sub-fund and of the Company. The Classes of the Sub-Fund do not constitute segregated portfolios. Please refer to the Prospectus for further details.
<b>Classes of Investor Shares</b>	The Sub-Fund is comprised of three Classes of Investor Shares:  Class A EUR Accumulator Shares Class B EUR Distributor Shares Class P EUR Accumulator Shares
<b>Base Currency</b>	Class A EUR Accumulator Shares: EUR Class B EUR Distributor Shares: EUR Class P EUR Accumulator Shares: EUR
<b>Eligibility for Investment</b>	The Class A EUR Accumulator Shares, and Class B EUR Distributor Shares are available to Retail Investors.  The Class P EUR Accumulator Shares is available to Professional Investors.
<b>Profile of Typical Investor</b>	The Sub-Fund is targeted for investors who want to assume high levels of risk and are willing to hold their investment for the medium to long term.
<b>Voting Rights</b>	The Founder Shares and the Investor Shares are voting shares.
<b>Dividend Policy</b>	It is intended that the Company will declare dividends on the 31 <sup>st</sup> March and 30 <sup>th</sup> September each year in respect of Class B EUR Distributor Shares only.
<b>Tax Status</b>	The Sub-Fund is classified as a Non-Prescribed Fund. Please refer to the Section of the Prospectus entitled "Taxation" for further details on the tax treatment of Non-Prescribed Funds and shareholdings in such funds.

Further details regarding the Investor Shares and the rights attaching thereto in respect of the Sub-Fund can be found in the Section entitled "General Information" below.

## Investment Objective, Policy and Restrictions

<b>Investment Objective</b>	The investment objective of the Sub-Fund is to achieve long-term capital growth and income generation following the principles of the Ethical Policy. The Sub-Fund's strategy is to adapt to varying market conditions to optimize returns while managing risk through a diversified asset allocation approach.  <b>There is no guarantee that the investment objective of the Sub-</b>
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## Investment Policy

**Fund will be achieved and investment results may vary substantially over time.**

The Sub-Fund will seek to achieve its investment objective by investing in government and corporate bonds, and in equities, in any currency. The Sub-Fund may also hold selected Collective Investment Schemes, deposits and cash.

### ***Ethical Universe***

The Sub-Fund can only invest in investments that satisfy the ethical selection approach defined in the Ethical Policy of the Sub-Fund. The Sub-Fund promotes environmental, social and governance characteristics by selecting securities from an ethical universe.

The ethical universe is monitored by the Investment Manager and updated regularly, at least yearly, to ensure compliance with the ethical mandate of the Sub-Fund. For inclusion in the ethical universe, potential investments undergo screening against negative filtering criteria and are then analysed against environmental, social and governance criteria. This analysis is conducted using a blend of third-party data and the Investment Manager's own research from reputable monitors. Ongoing monitoring ensures continued adherence to the ethical principles outlined in the Ethical Policy. Should an organisation in which the Fund has invested deviate from the Fund's ethical principles, the Investment Manager will develop a strategy for divestment in an appropriate way, within a reasonable timeframe, not exceeding six months from discovery. Details of the Ethical Policy adopted by the Investment Manager in the management of the assets of the Sub-Fund shall be provided to investors prior to investing in the Sub-Fund and thereafter upon request. The most recent version of the Ethical Policy adopted by the Investment Manager is also available at [www.apsbank.com.mt/ethical-adventurous-fund](http://www.apsbank.com.mt/ethical-adventurous-fund).

Any material changes to the Ethical Policy adopted by the Investment Manager can only be undertaken by approval from the Board of Directors, upon recommendation of the Investment Manager. All Shareholders in the Sub-Fund will be notified of any material changes in the Ethical Policy.

As the Sub-Fund promotes environmental, social and governance characteristics as defined in the Ethical Policy however does not have as its objective sustainable investment, it qualifies under Article 8 of the SFDR, but does not commit to making environmentally sustainable investments as defined in the Taxonomy Regulation. Therefore, the "do no significant harm" principle does not necessarily apply to any of the investments of this Sub-Fund. Further information is set out in the Pre-Contractual Disclosure in Appendix I to this Offering Supplement.

### ***Equities***

The Sub-Fund may invest up to 90% of total assets in direct equities, equity-related securities (including transferable securities related to, backed by, linked to the performance of or referenced to equities) and/or Collective Investment Schemes (CIS) whose main exposure is in equities. There will be no restriction on geographical allocation. Furthermore, there will not be any target market cap on the equities in which the Sub-Fund invests.

### ***Investment Grade Bonds***

The Sub-Fund may invest up to 90% of total assets in direct bonds and

other debt securities (Sovereign and Corporate) or bond-related instruments (including transferable securities related to, backed by, linked to the performance of or referenced to bonds or other debt securities) whose credit rating is deemed to be investment grade by a reputable rating agency or, in the case of unrated bonds or instruments, are deemed to have an equivalent rating by the Investment Manager. The Sub-Fund may invest in CIS whose main exposure is investment grade bonds.

### ***High Yield Bonds***

The Sub-Fund may invest up to 70% of its total assets in high yield bonds (Sovereign and Corporate), which are issues rated below investment grade, or non-rated debt instruments deemed by the Investment Manager to be of similar credit quality. The Sub-Fund may invest in CIS whose main exposure is high yield bonds.

### ***Currency Exposures***

The Sub-Fund will always maintain at least 50% of total assets in the Sub-Fund's base currency. The Investment Manager may hedge the currency exposure arising from positions back to the Sub-Fund's base currency.

From time to time, the Investment Manager may take currency positions where it sees potential value, relative to the base currency.

### ***Financial Derivative Instruments***

The Sub-Fund may invest in financial derivative instruments (FDIs) for the purposes of Efficient Portfolio Management (EPM), including hedging purposes.

Permitted EPM transactions (excluding stock lending transactions) are transactions in FDIs (as described in the Prospectus) dealt in or traded on an Approved Regulated Market or off-exchange (including futures, options, swaps or forward currency transactions). For example, the Sub-Fund may use forward currency transactions to hedge foreign exchange risk. Any forward transactions must be with an Approved Counterparty and in accordance with the requirements of the MFSA. There is no limit on the amount of the assets which may be used for EPM.

The purpose of an EPM transaction for the Sub-Fund must be to achieve one of the following in respect of the Sub-Fund:

- (i) Reduction of risk
- (ii) Reduction of cost
- (iii) The generation of additional capital or income for the Sub-Fund with no, or an acceptably low level of, risk
- (iv) The global exposure may not exceed the Net Asset Value of the Sub-Fund. Assets and cash can be used only once for cover.
- (v) They cannot result in a change to the Sub-Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Sub-Fund identified in the Prospectus and this Supplement.
- (vi) The use of FDIs for the purpose of EPM is not otherwise expected to raise the risk profile of the Sub-Fund or result in higher volatility.

### ***Other information***

There will be no restriction on geographical allocation.

**Investment and Borrowing Restrictions**

The Sub-Fund may invest in other CIS provided that any underlying CIS shall at least fall under Article 8 or 9 of the SFDR.

When the Sub-Fund invests in the units of another UCITS and/or other CISs, the maximum level of management fees that may be charged to the Sub-Fund, will not exceed 2.5% per annum of the net assets of such schemes.

The Sub-Fund may invest in ancillary liquid assets such as cash, bank deposits, stocks, bonds, short term certificates, commercial paper, and treasury bills.

In pursuing its Investment Objective and Investment Policy, the Sub-Fund will be subject to the Investment, Borrowing and Leverage Restrictions set out in the Section of the Prospectus entitled "Investment Objectives, Policies and Restrictions".

The expected maximum level of borrowing allowed by the Sub-Fund is of 10% provided that such borrowing is on a temporary basis in line with SLC 5.47 of the Rules.

**Leverage**

The Sub-Fund may not be leveraged through the use of Financial Derivative Instruments. As mentioned above FDIs shall only be used for hedging purposes and the reduction of risk.

Leverage will be calculated on the basis of the Commitment Approach.

The maximum level of leverage allowed by the Sub-Fund is up to 10%.

**Approved Regulated Markets**

As per the Prospectus.

**The Offering**

**Number of Investor Shares on Offer**

Class A EUR Accumulator Shares: up to 5,000,000,000 Shares  
Class B EUR Distributor Shares: up to 5,000,000,000 Shares  
Class P EUR Accumulator Shares: up to 5,000,000,000 Shares

**Initial Offering Price**

Class A EUR Accumulator Shares: EUR1  
Class B EUR Distributor Shares: EUR1  
Class P EUR Accumulator Shares: EUR1

**Initial Offering Period**

The Initial Offering Period for Class A EUR Accumulator Shares and Class B EUR Distributor Shares opened on 28<sup>th</sup> September 2020 and ended on the Closing Date of those classes being 26<sup>th</sup> October 2020.

The Initial Offering Period for the Class P EUR Accumulator Shares opens on the 5<sup>th</sup> November 2024 and will end on the Closing Date.

**Closing Date**

The Closing Date in respect of Class A EUR Accumulator Shares and Class B EUR Distributor Shares was 26<sup>th</sup> October 2020.

The Closing Date in respect of the Class P EUR Accumulator Shares will be 3<sup>rd</sup> December 2024 or such other earlier or later date as the Directors may in their sole and absolute discretion determine.

**Minimum Initial Investment**

Lump Sum Investments:

Class A EUR Accumulator Shares: EUR 1,000

	<p>Class B EUR Distributor Shares: EUR 1,000  Class P EUR Accumulator Shares: EUR 50,000</p> <p><u>Monthly Investment Plan:</u></p> <p>Class A EUR Accumulator Shares: EUR50</p> <p><u>Lump Sum Investments:</u></p> <p>Class A EUR Accumulator Shares: EUR 1,000  Class B EUR Distributor Shares: EUR 1,000  Class P EUR Accumulator Shares: EUR 50,000</p> <p><u>Monthly Investment Plan:</u></p> <p>Class A EUR Accumulator Shares: EUR 50</p> <p><u>Lump Sum Investments:</u></p> <p>Class A EUR Accumulator Shares: EUR 100  Class B EUR Distributor Shares: EUR 100  Class P EUR Accumulator Shares: EUR100</p> <p><u>Monthly Investment Plan:</u></p> <p>Class A EUR Accumulator Shares: EUR 50</p>
<b>Minimum Holding</b>	
<b>Minimum Additional Investment</b>	
<b>Publication of NAV per Share</b>	The NAV per Share will be published on the website of the Company and on the website and/ or platform of data providers.
<b>Listing</b>	The Investor Shares are not listed on any recognised investment exchange.

Further details regarding this offering of Investor Shares can be found in the Section entitled “The Offering” below.

## Fees

<b>Investment Management Fee</b>	<p><u>Class A EUR Accumulator Shares</u></p> <p>Up to 1.5% per annum, calculated on the NAV at each Valuation Day and payable quarterly in arrears.</p> <p><u>Class B EUR Distributor Shares</u></p> <p>Up to 1.5% per annum, calculated on the NAV at each Valuation Day and payable quarterly in arrears.</p> <p><u>Class P EUR Accumulator Shares</u></p> <p>Up to 2% per annum, calculated on the NAV at each Valuation Day and payable quarterly in arrears.</p>
<b>Custody Fee</b>	0.040% p.a. for the first €100 million of NAV and 0.035% p.a. to be applied above €100 million of NAV, subject to a minimum monthly fee of €1,000.
<b>Administration Fee</b>	0.065% for the first €50 million of NAV, 0.05% for the following tranche up to €100 million of NAV and 0.04% to be applied above €100 million

of NAV of the Sub-Fund subject to an annual minimum fee of €25,000 and a maximum annual fee of €40,000, which fee is discounted to €20,000 until Sub-Fund reaches an NAV of €10 million.

**Subscription Fee**

*Class A EUR Accumulator Shares*

Up to 3.5% of the subscription proceeds.

*Class B EUR Distributor Shares*

Up to 3.5% of the subscription proceeds.

*Class P EUR Accumulator Shares*

No Subscription Fee shall apply.

**Switching Fee**

Up to a maximum charge equal to the difference between the maximum chargeable Subscription Fee applied on the New Shares and the Subscription Fee applied on the Original Shares at the time of subscription, where the Subscription Fee applied on the New Shares is higher than the Subscription Fee applied on the Original Shares. Provided that no Switching Fee shall be applied, nor any rebate shall be applicable, in case where the Subscription Fee applied on the New Shares is lower than the Subscription Fee applied on the Original Shares.

**Redemption Fee**

Nil. Provided that the Directors reserve the right to introduce a Redemption Fee in future.

Further details regarding the fees chargeable to the Sub-Fund can be found in the Section entitled "Fees Payable by the Sub-Fund" below.

**Deadlines**

**Settlement Date, Subscriptions**

*Lump Sum Investments:*

No later than 4 p.m. (CET) on the Business Day preceding the relevant Subscription Day.

*Monthly Investment Plan:*

No later than 4 p.m. (CET) two (2) Business Days following the relevant Monthly Subscription Day.

**Settlement Date, Redemptions**

Close of business fourteen (14) Business Days following the relevant Redemption Day.

**Subscription Notice Deadline**

*Lump Sum Investments:*

4 p.m. (CET) on the Business Day preceding the relevant Subscription Day.

*Monthly Investment Plan:*

4 p.m. (CET) on the Business Day preceding the relevant Monthly Subscription Day.

**Redemption Notice Deadline**

4 p.m. (CET) on the Business Day preceding the relevant Redemption Day

# The Offering

## Share Offer

This Offering Supplement is supplemental to, and must be read in conjunction with, the Prospectus issued by the Company.

The Offering Supplement constitutes an offer of Investor Shares in the Sub-Fund which is comprised of three (3) classes of Investor Shares.

The offering of Investor Shares in the Class A EUR Accumulator Shares and Class B EUR Distributor Shares at the Initial Offering Price commenced on the 28<sup>th</sup> September 2020 and ended on the Closing Date of those classes being 26<sup>th</sup> October 2020.

The offering of Investor Shares in the Class P EUR Accumulator Shares at the Initial Offering Price commences on 5<sup>th</sup> November 2024 and will end on the Closing Date.

During the Offering Period which will commence on the first Business Day after the Closing Date, the offer is for Investor Shares at the Subscription Price applicable on the relevant Subscription Day. The Offering Period shall remain open until such time as the Directors determine otherwise.

## Purchase, Transfer and Exchange of Shares

Subscriptions may be made in the form of a lump sum investment or via the monthly investment plan.

### Lump Sum Investments

Investor Shares can be purchased at the prevailing Subscription Price, by submission to the Company at the office of the Administrator of the relevant and properly completed Subscription Application prior to the cut off time for receipt of applications for the relevant Share Class.

If the Subscription Application is not received as required, the Subscription Application may be rejected or held over until the next Subscription Day at the discretion of the Company. In the event that an application is rejected, any application monies received will be returned without interest by telegraphic transfer to the remitting bank at the discretion of the Company at the risk and expense of the Subscriber. Subject to the satisfaction of the requirements set out above, Investor Shares shall be issued to successful Subscribers on the relevant Subscription Day.

No application will be capable of withdrawal after acceptance by the Administrator, unless such withdrawal is approved by the Directors acting in their absolute discretion. In such circumstances, the Company may charge the Subscriber for any expense incurred by the Company and for any loss to the Sub-Fund arising out of such withdrawal.

The Administrator will generally issue written confirmation of ownership to a Shareholder within seven (7) Business Days after the applicable Subscription Day.

Payment should be effected as described in the Subscription Application which are available from the Investment Manager and/ or the Administrator. At the Company's discretion, payments may be accepted other than in cash. All payments in cash for Investor Shares must be made in the base currency of that class of Investor Shares and be received in Cleared Funds in any event before the Settlement Date. Any applicable bank charges will be borne by the Subscriber.

If payment in full in Cleared Funds in respect of an application has not been received by the relevant Settlement Date or in the event of non-clearance, any allotment or issue of Shares made in respect of such application shall be cancelled and the Directors may charge the Subscriber for any expense incurred by the Company and for any loss to the Sub-Fund arising out of such non-receipt or non-clearance. Monies returned will be at the risk and expense of the Subscriber.

Full details of the application and subscription process appear in the Section of the Prospectus entitled "**Purchase, Exchange and Transfer of Shares**".

A Subscription Application and other related documentation will be provided upon request by the Administrator, the Investment Manager or by an Authorised Distributor.

### **Monthly Investment Plan**

A monthly investment plan can be established in respect of the Class A Accumulator Shares by completing the relevant section of the Subscription Application and is made through regular monthly subscriptions. The Investor should arrange for a standing order from his bank account in favour of the Company. The subscription amount should be received by the Company by not later than the applicable Settlement Date, as set out under 'Key Features' – 'Deadlines' above. All payments in cash for Investor Shares must be made in the base currency of that class of Investor Shares and be received in Cleared Funds in any event before the Settlement Date. Any applicable bank charges will be borne by the Subscriber. Investor Shares will be issued on the relevant Monthly Subscription Day.

If payment in full in Cleared Funds in respect of an application has not been received by the relevant Settlement Date or in the event of non-clearance, any allotment or issue of Shares made in respect of such application shall be cancelled and the Directors may charge the Subscriber for any expense incurred by the Company and for any loss to the Sub-Fund arising out of such non-receipt or non-clearance. Monies returned will be at the risk and expense of the Subscriber.

In the case of subscriptions via the monthly investment plan, written confirmation of ownership will not be issued but investors will be sent every six months, as at 30 June and 31 December, a statement giving full details of the transactions made during the previous six-month period together with a valuation of such holdings as at these dates.

### **Redemption of Shares**

Investors are directed to the Prospectus where the procedures relating to the Redemption of Investor Shares and the conditions applicable thereto are outlined.

Investor Shares can be redeemed at the prevailing Redemption Price, by submission to the Company at the office of the Administrator of the relevant and properly completed Redemption Notice before the Redemption Notice Deadline. Redemption requests received after the cut off time for receipt of redemption requests will be processed on the following Redemption Day.

In terms of the Memorandum and Articles, redemption requests and/or exchange requests are, once made, irrevocable. A Redemption Notice if accepted by the Company will be effective as at the applicable Redemption Day. Investor Shares shall be cancelled on the relevant Redemption Day and redemption requests will generally be settled within fourteen (14) Business Days from the relevant Redemption Day.

Full details of the redemption process appear in the Section of the Prospectus entitled "**Redemption of Shares**".

A Redemption Notice and other related documentation will be provided upon request by the Administrator, the Investment Manager or by an Authorised Distributor.

### **Deferral of Redemption**

The Directors may in their exclusive discretion limit the total amount of redemptions effected on any Redemption Day to 10% of the outstanding Investor Shares in the Sub-Fund on that day (in each case before processing request for the issue of the Investor Shares or requests for redemptions of such Investor Shares for such Redemption Day). In such circumstances the Company or its authorised agent may scale down pro rata the number of Investor Shares to be redeemed in response to each request for redemption to the extent necessary to ensure that the foregoing limit is not exceeded, and shall carry forward the balance for redemption as at the next Redemption Day and so on to each succeeding Redemption Day until each request has been complied with in full. Requests for redemption carried forward from an earlier Redemption Day shall have priority over later requests.

## **Risk Factors**

Investors are directed to the Prospectus where the risk factors applicable to investment in shares of the Company, including in Investor Shares, are explained. In addition to the risk factors set out in the Prospectus, investors should note the additional risk factors outlined below:

### **Regulatory Regime**

The securities of issuers may be subject to a lower level of regulation than securities issued in more developed markets and may not be subject to the same high level reporting requirements as in countries with more developed markets and regulatory schemes. Moreover, supervision of stock exchanges, securities brokers and issuers of securities may be less stringent than in countries with a more developed market.

### **Equity Risk**

Investment in equities run the risk that the market prices of investments will decline. The market prices of equities may decline for reasons that directly relate to the issuing company, such as poor management performance or reduced demand for its goods or services. They also may decline due to factors that affect a particular industry, such as a decline in demand, labour or raw material shortages, or increased production costs. In addition, market prices may decline as a result of general market conditions not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. Equities generally have significant price volatility and the market prices of equities can decline in a rapid or unpredictable manner.

### **Equity-Related Securities**

The Sub-Fund may invest in equity-related securities. These are generally traded on an exchange and are thus subject to general market conditions, such as liquidity and trading appetite in respect of the said instruments. There is also the risk that investments in these instruments may be adversely affected by changes in the inflationary, political and exchange rate conditions of the underlying assets.

### **Smaller Companies**

The companies in which the Sub-Fund may invest may include small companies, and some of the listed companies in which the Sub-Fund invests may have low market capitalisations. Investment in the securities of smaller companies can involve greater risks than is customarily associated with investment in larger, more established companies. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals. In addition, the market for stock in smaller listed companies is often less liquid than that for stock in larger listed companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock.

### **Investment in other Collective Investment Schemes**

The Sub-Fund may invest in other CIS. Such investment exposes the Sub-Fund to risks related to the investments held by the underlying CIS in its portfolio apart from risks related to the holding of the units/ shares of the CIS. The Investment Manager will seek to invest in underlying CIS which offer units/ shares that may be redeemed within a reasonable timeframe, however there can be no assurance that the liquidity of the underlying CIS will always be sufficient to meet redemption requests. Any lack of liquidity may affect the liquidity of the Shares of the Sub-Fund. Also, as an investor in the underlying CIS, the Sub-Fund will bear, along with the other investors, its portion of the expenses of such CIS, including the management, performance and/or other fees, as applicable. These fees will be in addition to the investment management fees and other expenses which the Sub-Fund bears directly with its own operations. The Sub-Fund may also be charged a subscription and/ or redemption fees on account of the Sub-Fund's investment in the underlying CIS. While the Investment Manager seeks to invest in CIS that are consistent with the objectives of the Sub-Fund, investment decisions are made independently at the level of the underlying CIS and solely subject to the investment strategy and/ or restrictions applicable to those underlying CIS. This may imply that the underlying CIS may be leveraged either by using FDIs or through borrowing. The use of leverage increases the volatility of the value of the underlying CIS' portfolio (and accordingly the value of the units/ shares of the underlying CIS) and thus the risk of losing capital. There is no guarantee that the selection of the underlying CIS will result in diversification of investment strategies (or holdings) and that the positions taken by the

underlying CIS will always be consistent.

### **Investments in High Yield Bonds**

The Sub-Fund may be investing in high yield bonds, which be more volatile than higher-rated bonds of similar maturity. These bonds may also be subject to greater levels of credit or default risk. Additionally, high yield bonds may be less liquid and more difficult to value or sell at an advantageous time or price.

### **Ethical Investments**

The Sub-Fund applies an Ethical Policy for investment which may mean that the Sub-Fund may be unable to invest in instruments issued by certain sovereigns, corporates or industries due to the ethical principles of the Ethical Policy. This may result in the Sub-Fund having a range of investments which are eligible for it to invest in that is narrower than would otherwise be the case, and this may in turn affect the Sub-Fund's performance. Where an investment is identified as no longer meeting the Ethical Policy, the Investment Manager will seek to sell the investment. The prices at which such an investment can be sold in these circumstances may be lower than the prices that might otherwise have been realised for the investment if such a sale was not required.

**IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR OWN ADVISORS ON LEGAL, TAX AND FINANCIAL ISSUES THAT ARE RELEVANT FOR THEIR SPECIFIC SITUATION, AS THE INFORMATION HEREIN SHOULD BE REGARDED AS GENERAL INFORMATION. INVESTMENT IN THE SUB-FUND SHOULD BE REGARDED AS A LONG TERM INVESTMENT. THERE CAN BE NO GUARANTEE THAT THE INVESTMENT OBJECTIVE OF THE SUB-FUND SET OUT HEREIN WILL BE ACHIEVED.**

**THERE CAN BE NO GUARANTEE THAT THE INVESTMENT OBJECTIVE OF THE SUB-FUND SET OUT HEREIN WILL BE ACHIEVED.**

**POTENTIAL INVESTORS ARE EXPECTED TO BE AWARE OF THE RISKS OF INVESTING IN THE SUB-FUND AND ANY PERSON CONSIDERING AN INVESTMENT IN THE SUB-FUND MUST HAVE THE FINANCIAL SOPHISTICATION AND EXPERTISE TO EVALUATE ITS MERITS.**

### **Pricing**

The calculation of the NAV of the Sub-Fund and of the NAV per Share shall be effected by the Administrator at each Valuation Day on every Subscription Day and Redemption Day in such manner as is stated in the Prospectus under the section entitled "**Net Asset Value Calculation**". The NAV per Share will be available from the Administrator and will be published on the website of the Company.

### **Duration of the Sub-Fund**

The Duration of the Sub-Fund is indefinite.

# Fees Payable by the Sub-Fund

## Investment Management Fee

The Company will pay the Investment Manager an Investment Management Fee as follows:

### Class A EUR Accumulator Shares

Up to 1.5% per annum, calculated on the NAV at each Valuation Day

### Class B EUR Distributor Shares

Up to 1.5% per annum, calculated on the NAV at each Valuation Day

### Class P EUR Accumulator Shares

Up to 2% per annum, calculated on the NAV at each Valuation Day

The Investment Management Fee will accrue at every Valuation Day and shall be payable quarterly in arrears.

The Investment Manager will be reimbursed for all properly incurred and approved out-of-pocket expenses.

## Administration Fees

The Company shall pay the Administrator out of the assets of each Sub-Fund an administration fee (the "Administration Fee") of 0.065% of the Sub-Fund's Net Asset Value first EUR 50 million, 0.05% up to EUR 100 million and 0.04% applied above EUR 100 million of NAV, subject to a minimum annual fee of EUR 25,000 (excluding VAT thereon if any) and a maximum fee EUR 40,000 (excluding VAT thereon if any), which fee is discounted to EUR 20,000 (excluding VAT thereon if any) until the Sub-Fund reaches a NAV of EUR 10 million. The Administration Fee is calculated by reference to the Net Asset Value at each Valuation Day and shall be payable monthly in advance.

In addition to the Administration Fee, the Administrator is also entitled to receive out of the assets of each Sub-Fund agreed upon fixed fees for the preparation of unaudited financial statements for the Sub-Fund, investor transactions and maintenance of investor accounts.

The Company shall be responsible for all disbursements and reasonable out-of-pocket expenses incurred by the Administrator in the proper performance of its duties.

## Custody Fees

The Company shall pay the Custodian out of the assets of each Sub-Fund a custody fee (the "Custody Fee") of 0.04% p.a. to be applied on the first €100 million of NAV and 0.035% will be applied above €100 million of NAV, subject to a minimum fee of €1,000 per month.

The Company shall be responsible for all disbursements and reasonable out-of-pocket expenses incurred by the Custodian in the proper performance of its duties.

## Subscription Fee

### Class A EUR Accumulator Shares

Up to 3.5% of the subscription proceeds.

### Class B EUR Distributor Shares

Up to 3.5% of the subscription proceeds.

Class P EUR Accumulator Shares

No Subscription Fee shall apply.

**Other Expenses**

The Sub-Fund will also be subject to other fees including, its pro-rata share of the Directors, Company Secretary Fees, Compliance Officer, AML Related expenses and other operating expenses relating to the Company generally as set out in the Prospectus.

# General Information

## The Rights of Shareholders

The rights of Shareholders are stated in the Memorandum and Articles and in the Companies Act, and include (inter-alia) the right to receive notice of, and to attend and to vote at, meetings of the Company as summarised below.

The Investor Shares in the Sub-Fund carry the right vote at general meetings of the Company. The Investor Shares entitle Shareholders to participate in the movements, both positive and negative, in the value of the assets of the Sub-Fund and (as applicable) the receipt of dividends as set out herein.

The Founder Shares also carry the right to vote at general meetings of the Company but do not carry a right to participate in any dividends or other distributions of the Company or in the assets of the Company on a winding up (other than to the surplus, if any, that may remain after payment of all amounts due to creditors and holders of the Investor Shares).

## Share Capital and Accounts

All amounts received by the Company on the issue of Investor Shares, initially and subsequently, will be credited as share capital of the Company and will form part of the NAV of the Sub-Fund. Separate accounts are kept for the assets of the Sub-Fund.

## Access to information

The Investment Manager may, with the consent of the Company, grant certain Shareholders, including, without limitation, those deemed to involve a significant or strategic relationship, additional information and reporting. Such information and reporting may provide the recipient greater insights into the Company and the Sub-Fund's activities than is included in standard reports to Shareholders, thereby enhancing the recipient's ability to make investment decisions with respect to the Company and the Sub-Funds and with respect to the investment of its own assets.

## Fractional Shares

Fractional Shares for this Sub-Fund will be issued rounded to three (3) decimal places.

## Shares in other Sub-Funds of the Company

The Company is constituted as a multi-fund investment company with variable share capital. As of the date of this Offering Supplement, the Company has made an offering of Investor Shares in other sub-funds.

## Dividend Policy

### General

It is intended that the Company will distribute dividends in respect of the Class B EUR Distributor Shares in such amounts and with such frequency as may be determined by the Directors in accordance with the Prospectus and this Offering Supplement. It is envisaged, but no guarantee is given, that most or all of the net income of the Sub-Fund will be declared on a six monthly basis (each being an "Interim Period") ending as follows: 31<sup>st</sup> March and 30<sup>th</sup> September (each a "Dividend Cut-Off Date") and this in the form of interim dividends. At each annual general meeting, a final dividend may, if recommended by the Directors and approved by the Shareholders, also be paid.

Only those Shareholders listed on the Company's register of members at close of business on the relevant Dividend Cut-Off Date (or on the last Business Day immediately preceding Dividend Cut-Off Date if the said date does not fall on a Business Day) shall be entitled to receive the respective dividend payments for the relevant Interim Period. Payments shall be effected in the Base Currency unless a different arrangement has been agreed to by the Custodian.

Payment of a dividend will be made in the name of the Shareholder or, in the case of joint holders in the name of the first-named joint holder. Payment to the first-named joint holder shall be as effective a discharge to the Company, the Investment Manager and the Custodian as if such first-named joint holder had been a sole holder. Without prejudice to the foregoing, joint holders may request that dividends be apportioned amongst the joint holders in which case, and if accepted by the Company, the holders shall bear all extra costs in that regard.

Payments of dividends can be made through either:

- i. the direct crediting of the Shareholder's bank account, or
- ii. the re-investment in further Class B EUR Distributor Shares

as indicated by the subscriber in the Subscription Agreement. Notwithstanding the foregoing, the Directors reserve the right to stipulate a threshold below which dividend payments will be automatically re-invested.

The Sub-Fund will pay the Custodian or any other paying agent a fee to cover the operation of distribution of dividends. Please refer to the Section entitled "Fees Payable by the Sub-Fund" above for further details.

Where the Shareholder has opted for direct crediting of dividends and the relative direct credit is rejected for any reason outside the Company's control, the Company shall: (a) re-invest the proceeds of the direct credit, less any bank charges if applicable, in further Class B EUR Distributor Shares and in the name of the Shareholder(s) on the next Subscription Day following the date that notice of the rejection was received; (b) be deemed to have been given notice from the Shareholder that any future dividends will be automatically re-invested, and the resulting Class B EUR Distributor Shares added to the Shareholder's holding in accordance with the Prospectus; and (c) send a statement to the Shareholder reflecting the re-investment of the aforesaid dividend proceeds. Nonetheless the Shareholder may, at any time inform the Company of alternative arrangements for the direct crediting of subsequent dividends.

Shareholders may also elect to have their dividends (less any withholding tax deductible upon payment thereof) reinvested in further Class B EUR Distributor Shares. Reinvestment of dividends shall be effected on the next Subscription Day following the day on which the relevant dividend will be payable to the Shareholder and shall be effected at the applicable Offering Price.

If a Shareholder wishes to alter his instructions regarding the payment or re-investment of dividends, he should provide the Company with written instructions at least seven (7) clear Business Days prior to the relevant Dividend Cut-Off Date. The Company, the Investment Manager and the Custodian shall not be responsible for any loss or delay in transmission and dividends or any amount payable to Shareholders shall not bear interest against the Company.

Any dividend payments which remain unclaimed after a period of twelve (12) years from the date of payment shall then be transferred to and become part of the Sub-Fund's assets and neither the payee, Shareholder nor their successor(s) in title shall have any right thereto other than as part of the NAV per Share.

Shareholders entitled to receive dividend payments will, on or after the payment date, be sent a Dividend Certificate which shall include details in respect of the income distributed including, if required by any applicable legislation, a statement of how much of the amount to which they are entitled represents any tax deducted in respect of that income.

All payments are subject to any pledge of the Class B EUR Distributor Shares and/ or Class D EUR Distributor Shares and/or Class G GBP Distributor Shares duly constituted and notified to the Company as well as to any applicable fiscal laws and regulations — your attention is drawn to the section in the Prospectus entitled "Taxation" and to the part hereof entitled "Taxation".

All dividend payments shall be effected in accordance with the Licence Conditions or any other applicable MFSA requirements.

### **Allocation of Income**

Pursuant to the Company's Memorandum and Articles, the income available for allocation in respect of the Class B EUR Distributor Shares shall be the sum recommended by the Directors which shall not be in excess of the income received or receivable by the Sub-Fund in respect of assets (whether in the form of dividends,

interest or otherwise) during the relevant period less appropriate expenses in accordance with the Act and the Licence Conditions, nor in excess of the amount available for distribution in accordance with applicable laws and regulations.

In terms of the Licence Conditions, the amount available for allocation is to be calculated by taking the aggregate of the income property received or receivable by the Sub-Fund in respect of the Interim Period or Accounting Period and:

- i. including therein any income amount received by the Custodian on the Class B EUR Distributor Shares created during the relevant period, including any resulting from the final valuation;
- ii. adding the Investment Manager's, or the Company's, best estimate of any relief from tax on expenses properly payable out of income of the Sub-Fund in respect of the relevant period;
- iii. deducting the aggregate of all the Investment Manager's, the Custodian's and the Administrator's remuneration in respect of the Sub-Fund properly paid or payable in respect of the relevant period;
- iv. deducting the aggregate of the payments out of income property paid or payable in respect of the relevant period;
- v. deducting such provision for taxation as the Investment Manager, or the Company, after consulting the Auditors considers appropriate;
- vi. deducting the aggregate of those parts of the Redemption Proceeds of Class B EUR Distributor Shares redeemed during the relevant period (including any redeemed by relation to the final valuation) as were attributable to the addition of income property to the calculation of the Redemption Price including any income equalisation amount paid by the Custodian on redemption;
- vii. deducting (or disregarding) and carrying forward of any potential income, if the Custodian and the Investment Manager, or the Company, agree that, because adequate information is normally not available about how that income accrues, it ought generally not to be accounted for on an accrued basis;
- viii. deducting (or disregarding) and carrying forward of any potential income, if the Custodian and the Investment Manager, or the Company, agree that that income is not likely to be received by the Custodian until twelve (12) months after the income allocation date, provided the Auditors are satisfied that the Custodian has made and intends to continue to make all proper efforts to obtain its receipt; and
- ix. adjusting for the re-allocation of the expenses from the "income account" to the "capital account". The Custodian, in consultation with the Investment Manager, or the Company, shall exercise reasonableness in effecting these re-allocations.

At the end of each relevant accounting period, the Custodian shall transfer the positive balance, if any, in the "income account" to an account to be known as the "distribution account". If however, the average payment to Shareholders of the Sub-Fund by way of income during the relevant accounting period would amount to less than fifteen Euro (EUR15) or their equivalent, the Custodian may, acting on the advice of the Investment Manager or the Company, (a) carry the balance in "income account" forward to the next relevant accounting period (and to regard it as received at the start of that period), or (b) credit the income to the "capital account" in which case it will be represented in the NAV per Share.

The Directors may decide to distribute all or part of the balance in the "distribution account" and shall either directly or through the Investment Manager instruct the Custodian accordingly. In that case the Custodian shall carry the remaining balance in the "distribution account" forward to the next relevant accounting period.

On or before the relevant income allocation date, the Custodian shall allocate the available income to the Shareholders rateably in accordance with the number of Class B EUR Distributor Shares held by them on the Dividend Cut-Off Date.

### **Income Allocation Dates**

Any income which stands to be allocated to the income account in respect of an Interim Period shall be so allocated by not later than two (2) months after the end of each Interim Period as specified in this Prospectus for the purposes of dividend distributions, and in respect of the Accounting Period, the allocation shall be

made by not later than two (2) months after the end of the Accounting period.

### **Equalisation Account**

The Offering Price of any Class B EUR Distributor Shares generally contains an element representing the accrued income earned by those Class B EUR Distributor Shares since the start of the relevant Interim Period. This means that investors buying Class B EUR Distributor Shares buy a percentage of net income, and the corresponding portion of the Offering Price (the equalisation payment) will be notionally credited by the Company to an equalisation account for the Sub-Fund.

The equalisation account will be maintained in order to ensure that equal amounts are distributed in respect of each Class B EUR Distributor Share notwithstanding different dates of issue.

When an equalisation payment has been effected, any subsequent dividends in relation to the relevant Class B EUR Distributor Shares, shall include an amount corresponding to the aforesaid equalisation payments and paid out of the equalisation account. However, the said amount shall not be included as part of the dividend in the event that the Directors exercise their discretion (as described hereunder) not to consider equalisation when determining distributions.

The Redemption Price of the Class B EUR Distributor Shares will also include an equalisation payment in respect of the net income of the Sub-Fund since the start of the relevant Interim Period up to the date of redemption, and upon the redemption of the Class B EUR Distributor Shares based on that Redemption Price, a sum equal to the Redemption Price of a Class B EUR Distributor Share which reflects net income (if any) accrued up to its date of redemption will be deemed to be an equalisation charge and debited to the equalisation account.

In the absence of significant fluctuations between the redemption and issue of Class B EUR Distributor Shares, the Directors may choose not to consider equalisation when determining distributions to Shareholders or to pay to such Shareholders any excess of equalisation credits over debits. Any fluctuations between redemption and issue of shares that could have an effect of one per cent (1%) or more on the NAV per Share shall be considered significant.

### **Sub-Fund Expenses**

The fees and expenses incurred in connection with the establishment of the Sub-Fund, the application for licensing of the Sub-Fund, the preparation and publication of the Offering Supplement and all legal costs and out of pocket expenses in relation thereto shall be borne by the Company and attributed to the Sub-Fund.

### **Documents Available for Inspection**

Copies of the following documents shall be available for inspection at the registered office of the Company or at the offices of the Administrator (see Directory at last page hereof) during normal business hours:

- (1) Memorandum & Articles of Association, and Certificate of Incorporation of the Company;
- (2) The latest Prospectus, and Offering Supplements for all Sub-Funds;
- (3) All Key Investor Information Documents;
- (4) Investment Management Agreement;
- (5) Custody Agreement;
- (6) Administration Agreement;
- (7) Investment Services Act; and
- (8) The latest Annual and Half Yearly report of the Company.

# Directory

## Directors of the Company

**Mr. David Galea Souchet**  
**Dr. Graziella Bray**  
**Dr. Etienne Borg Cardona**

## Registered Office

APS Centre  
Tower Street  
Birkirkara BKR4012  
Malta

## Investment Manager

**ReAPS Asset Management Limited**  
APS Centre  
Tower Street  
Birkirkara BKR4012  
Malta

## Custodian

**Swissquote Financial Services (Malta) Limited**  
Pender Gardens  
St Andrews Street  
St Julians STJ 1901  
Malta

## Sub-Custodian

**Swissquote Bank Limited. (Affiliate of the Custodian)**  
Ch. De La Cretaux 33  
Gland CH-1196  
Switzerland

## Administrator, Registrar, and Transfer Agent

**Apex Fund Services (Malta) Ltd.**  
Quad Central, Q3 Level 9  
Triq L-Esportaturi  
Zone 1, Central Business District  
Birkirkara CBD 1040  
Malta

## Company Secretary

**Apex Corporate & Advisory Services Ltd**  
Quad Central, Q3 Level 9  
Triq L-Esportaturi  
Zone 1, Central Business District  
Birkirkara CBD 1040  
Malta

## Auditors

**Deloitte Audit Limited**  
Deloitte Place  
Triq l-Intornjatur  
Central Business District  
Birkirkara CBD 3050  
Malta

## Legal Advisors

**Saliba Stafrace Legal**  
9/4 Britannia House  
Old Bakery Street  
Valletta VLT 1450  
Malta

## Appendix 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

1<sup>st</sup> April 2026

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective:**

\_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

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

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

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

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

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

with a social objective

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

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

The Fund promotes the environmental and social (“E/S”) characteristics through an investment strategy based on the application of a selection process.

For **direct investments**, the Investment Manager selects financial instruments issued by investee companies or governments from the eligible investment universe. This universe is determined in accordance with the Fund’s Ethical Policy, which establishes the criteria and process for selecting eligible issuers, as described below. Where the Fund invests in other funds, such funds must meet the minimum classification criteria set by the Fund.

To ensure that E/S characteristics are met throughout the lifecycle of the Fund, the screening process applied and monitored on an ongoing basis:

**1) Negative screening** – The Fund will not invest in investee companies involved in certain excluded industries or in government-issued instruments from jurisdictions that do not meet minimum civil and political rights standards.

**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.



**2) ESG Positive screening** – The Fund promotes investments that maintain a Minimum ESG Rating (for investee companies) or Minimum Overall ESG score (for governments).

The Ethical Policy is available at [www.apsbank.com/ethical-adventurous-fund/](http://www.apsbank.com/ethical-adventurous-fund/).

The Investment Manager will, after undertaking this analysis, take steps to either include or exclude governments or investee companies from the eligible investment universe which is updated at least on an annual basis. Further monitoring continues to be made on a periodic basis, to confirm that the governments and corporations in the universe continue to adhere to the above criteria.

The Fund may also invest in **other funds**. To ensure that E/S characteristics are met throughout the lifecycle of the Fund, the screening process applied and monitored on an ongoing basis by the Investment Manager is to ensure that the underlying fund falls under Article 8 or 9 of the SFDR.

The Fund is actively managed by the Investment Manager. No reference benchmark is used for the purposes of attaining the E/S characteristics.

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

**Direct Investment:**

**1) Negative screening** - In applying negative screening (or exclusions), issuers of securities in which the Fund may invest within the initial investment universe will not be considered for investment if they match one or more of the following criteria:

***Investee Companies***

- Investee companies that derive more than 10% of their revenue from coal mining; tobacco distribution; military equipment and firearms; life-termination services or products; human embryonic stem cell research; gambling operations and products; alcohol production and distribution; or pornography and adult entertainment (“**Excluded Activity**”)
- Investee companies in violations of the UN Global Compact (“**UNGC**”) principles or Organisation for Economic Cooperation and Development (“**OECD**”) Guidelines for Multinational Enterprises
- Investee companies that have any ties with controversial weapons
- Investee companies that have any involvement in the cultivation or production of tobacco.

***Governments***

- Issuers from jurisdictions that do not pass the screening assessment in terms of civil and political rights.

**2) ESG Positive Screening** – The Fund promotes investments that maintain a minimum ESG Rating for investee companies or overall ESG Score for governments. Accordingly, within the initial investment universe - and after the negative screening process described above - issuers will be analysed and ranked by the Investment Manager according to their ESG Rating for investee companies, and the overall ESG Score for government, assigned to it by the external ESG data provider.

**Investment in other funds:**

The Fund may have exposure to other funds which fall under Article 8 or 9 of the SFDR.

- ***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?***

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

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

**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.

Not applicable. The Fund does not have a sustainable investment objective and does not make 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?**

This question and related questions below are not applicable, as the Fund does not have a sustainable investment objective.

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

Not applicable.

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

Not applicable.

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

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

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



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

Yes

No

The Investment Manager does not consider the PAIs as part of its investment decisions on sustainability factors, within the meaning of Article 4(1)(a) of SFDR, for the time being. The position of the investment on this matter will be reviewed on an ongoing basis.

**What investment strategy does this financial product follow?**



The Fund aims to maximise total return while minimising volatility and maintaining liquidity through an actively managed, diversified portfolio of securities issued government and investee companies, and may also invest in other funds.

Securities may be denominated in any currency provided that the Fund is to maintain at least 50% of its total asset value in euro.

The Fund may invest directly up to 90% of its total assets in investment grade bonds and up to 70% of its assets in high yield bonds, or other bond-related securities. The Fund may also invest up to 90% of its assets in equities, equity-related securities or in other funds whose main exposure is in equities.

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

The Fund may use exchange-traded or OTC derivatives for efficient portfolio management.

The Fund is actively managed and does not follow any index or benchmark.

Further information on the Fund's investment policy can be found in the Investment Objective and Policy section of the Offering Supplement.

- ***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 binding elements to the investment strategy consists of the following elements:

#### **Direct Investment:**

##### ***Investee Companies***

- The Fund must adhere to the Ethical Policy.
- The Fund will not invest in securities issued by investee companies:
  - deriving significant revenue (>10%) from Excluded Activity
  - in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
  - that have any ties with controversial weapons
  - that have any involvement in the cultivation or production of tobacco.
- After the negative screening, only corporates with an MSCI ESG Rating of BB or higher are eligible for investment.

##### ***Governments***

- The Fund must adhere to the Ethical Policy.
- The Fund will not invest in securities issued by governments which do not pass the (negative) screening tests on its civil and political rights.
- After the negative screening, only government issues by countries having an overall ESG score of at least 50 are eligible for investment.

The eligible universe of investee companies and countries is periodically reviewed.

The Investment Manager is to implement a strategy to divest within a reasonable timeframe, from issuers that no longer meet the Fund's Ethical Policy, or from underlying funds if no longer meets the minimum SFDR classification criteria.

#### **Investment in other funds:**

The Fund may invest in other funds if these fall under Article 8 or 9 of the SFDR.

- ***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 to reduce the scope of investments prior to the application of the investment strategy.

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

For investee companies, the assessment of good governance practices is applied through the negative screening of investee companies that do not violate UNGC principles are considered to exhibit good governance.

For investments in other funds, the good governance principle is satisfied if the underlying funds fall under Article 8 or 9 of the SFDR. Article 8 of the SFDR requires that investee companies follow good governance practices, while Article 9 of the

SFDR mandates adherence to good governance as part of the definition of sustainable investment.

## What is the asset allocation planned for this financial product?

The Fund may invest directly up to 90% of its total assets in investment grade bonds. It may invest up to 70% of total assets in high yield bonds and up to 90% of total assets in equities. A moving cash balance and the use of financial derivative instruments with the purpose of hedging are also part of the planned asset allocation.

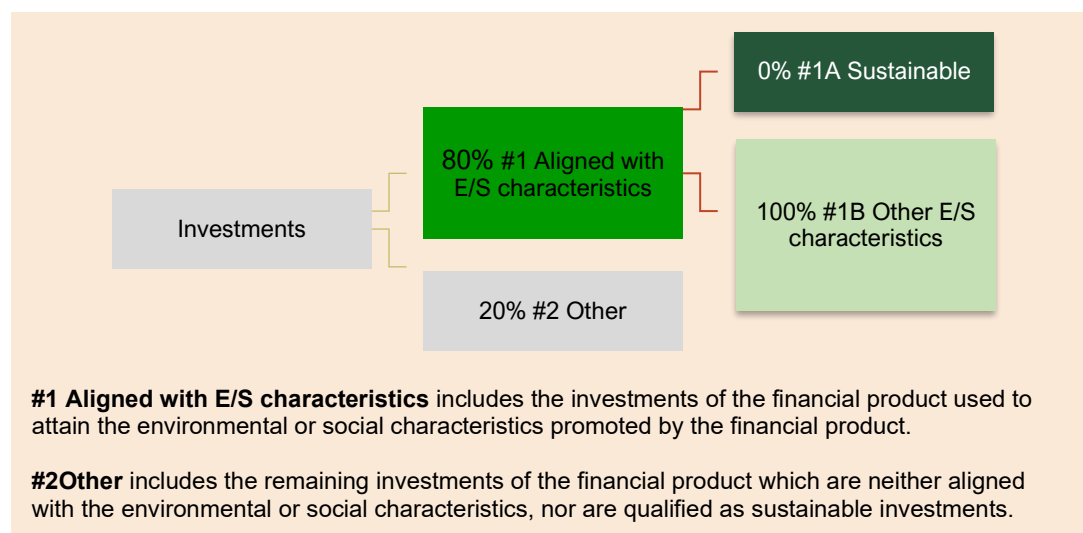
At least 80% of the investments is expected to be aligned with the E/S characteristics (#1). These include exposure to issues by corporates and governments (including supranational) related securities. The Fund may also invest in other funds. The maximum percentage of the investments aligned with other (#2) is 20%. Other (#2) includes the cash and financial derivatives. The Fund does not intend to invest in sustainable investments, resulting in 0% of sustainable investments and 100% investments in other E/S characteristics (#1B).

See the flow chart below for a graphical representation.

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

The Fund does not use derivatives for the attainment of its environmental or social characteristics rather for hedging purposes.

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



Investments in environmentally sustainable economic activities (i.e. taxonomy aligned investments) shall be 0%.

### ● **Does the financial product invest in fossil gas and/ or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas                       In nuclear energy

No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**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

**Asset Allocation** describes the share of investments in specific assets

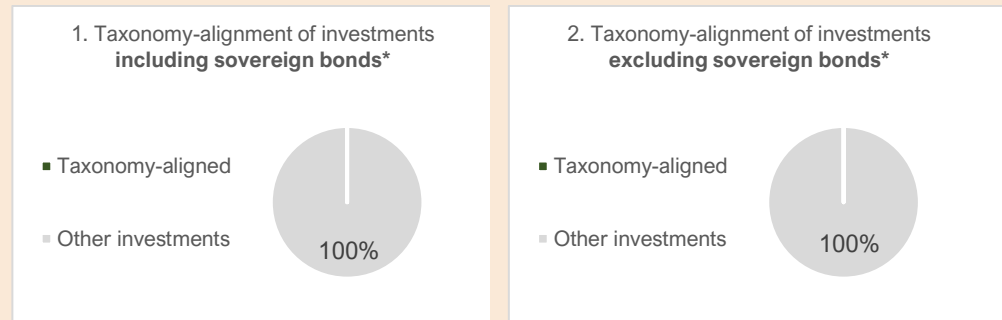


Taxonomy-aligned activities are expressed as a share of:

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



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

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

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

The minimum share of investments of the Fund in transitional activities is 0%.  
The minimum share of investments of the Fund in enabling activities is 0%.



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

The Fund has no minimum share of investments aligned with the EU Taxonomy, i.e. 0% minimum target.



**What is the minimum share of socially sustainable investments?**

The Fund has no minimum share of investments in socially sustainable investments, i.e. 0% minimum target.



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

Cash and derivatives can be held for a maximum of 20%. Due to the nature of the characteristics of the instruments, no minimum environmental or social safeguards are applicable. The derivatives are not used to achieve the E/S characteristics of the Fund but used for hedging purposes.

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



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No specific index is designated as a reference benchmark to determine whether the Fund is aligned with environmental and social characteristics promoted.

- ***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 be found?***

Not applicable.



### **Where can I find more product specific information online?**

More information can be found at [www.apsbank.com.mt/ethical-adventurous-fund/](http://www.apsbank.com.mt/ethical-adventurous-fund/).