

March 2025

# ALQUITY SICAV

Operations and Finance  
Due Diligence Questionnaire

The logo for Alquity, featuring the word "Alquity" in a stylized, cursive script. A thick, curved line, colored orange and red, sweeps under the text from left to right.

1.1 CONTACT INFORMATION

- 1.1.1 COMPANY NAME  
Alquity Investment Management Ltd.
- 1.1.2 COMPANY ADDRESS  
Audrey House,  
Ely Place,  
London,  
EC1N 6SN,  
United Kingdom
- 1.1.3 TELEPHONE NUMBER  
+44 (0) 207 557 7850
- 1.1.4 FAX NUMBER  
+44 (0) 203 0041 645
- 1.1.5 EMAIL ADDRESS  
info@alquity.com
- 1.1.6 WEBSITE  
www.alquity.com
- 1.1.7 KEY CONTACTS  
[Paul Robinson](#)  
Chairman, Founder and CEO  
paul.robinson@alquity.com  
[Suresh Mistry](#)  
Co-founder, Head of Sustainability  
suresh.mistry@alquity.com  
[Marc Rugel](#)  
Sales Director UK and Europe  
marc.rugel@alquity.com  
[Liam Kelly](#)  
COO  
liam.kelly@alquity.com

1.2 COMPANY INFORMATION

- 1.2.1 INTRODUCTION  
Founded in 2006 as part of the Alquity Group (now Alquity (UK) Limited), Alquity Investment Management Ltd is the investment manager of the Alquity SICAV.  
Alquity is an asset management business that connects investors to their investments and to social progress in order to deliver better returns for all.  
Our funds aim to deliver attractive risk-adjusted growth over the long-term via a high conviction, fundamentally driven process.  
This approach emphasises not only financial analysis but also material non-financial factors, which incorporates forward-looking Environmental, Social and Governance (ESG) analysis to assess management capability and values. This results in portfolios that play long-term themes via transparent companies, with effective management who are aligned with shareholders.  
Alquity funds are, therefore, responsible by construction, targeting consistent out-performance whilst contributing to long-term growth. This philosophy resonates across the broader business; we encourage fund manager engagement and are happy to share our analysis.  
Further, at the corporate level we reinforce that social progress should drive financial success by donating a proportion of our management fees to development projects in the regions in which we invest. In this way, our business aligns the values of investors, employees, holdings and communities.  
We believe these shared values are key to achieving enduring financial success.
- 1.2.2 TYPE OF COMPANY  
Private Limited Company.
- 1.2.3 PLACE & DATE OF INCORPORATION  
Place: United Kingdom  
Company number: 06020476  
Date: December 2006
- 1.2.4 DOMICILED  
United Kingdom.
- 1.2.5 OFFICE LOCATIONS  
London.
- 1.2.6 FUNCTIONS PERFORMED AT LONDON OFFICE  
Alquity SICAV investment management decisions, analysis, fund operations and business development.
- 1.2.7 LOCATION OF TRADING, RESEARCH & PORTFOLIO ACTIVITY  
United Kingdom and United States.

- 1.2.8 LOCATION OF ALQUITY OPERATIONS  
London.
- 1.2.9 REGULATORY AUTHORITY  
Alquity Investment Management Ltd is authorised and regulated by the Financial Conduct Authority, registered number 463991.
- 1.2.10 KEY SYSTEMS USED  
Bloomberg  
Microsoft Office  
Limina
- 1.3 MANAGER TRACK RECORD
- 1.3.1 FUNDS MANAGED  
Alquity Investment Management Limited (AIML) manages Alquity Funds:
  - Alquity Asia Fund launched 28 March 2014
  - Alquity Future World Fund launched 4 June 2014
  - Alquity Indian Subcontinent Fund launched 30 April 2014
  - Alquity Global Impact Fund launched 29 January 2021
- 1.3.2 OLDEST CONTINUALLY ACTIVE FUND  
Alquity Asia Fund.
- 1.3.3 LARGEST CURRENT FUND  
Alquity Indian Subcontinent Fund.
- 1.3.4 LENGTH OF TRACK RECORD  
Inception of Alquity Asia Fund: 28 March 2014.
- 1.3.5 AUDIT OF TRACK RECORD  
The daily NAV is published by our independent Administrator CACEIS.  
The price is also published on Bloomberg, as well as other industry-leading data providers such as Trustnet and Morningstar.

- 1.4

COMPLIANCE & RISK MANAGEMENT
- 1.4.1

OPERATIONS AND COMPLIANCE

We have entered into an agreement with EPIC Investment Partners (FCA: 217457) to outsource part of our Operations function, Compliance Oversight and Money Laundering Reporting.
- 1.4.2

RESPONSIBILITY FOR COMPLIANCE

Hiren Patel (from EPIC Investment Partners) is the principle point of contact responsible for all compliance and has been assigned the FCA controlled functions of SMF16 (Compliance Oversight) and SMF17 (Money Laundering Reporting).  
  
Hiren is supported by Liam Kelly (our Chief Operating Officer).
- 1.4.3

STAFF TRAINING

Alquity undertakes a compulsory annual training program for all team members covering compliance, conflicts of interests, personal account dealing, market abuse, money laundering and the Bribery Act. All new hires undergo an induction program covering these matters.
- 1.4.4

WITHDRAWAL OR REFUSAL OF AUTHORISATION FROM REGULATORY BODIES FOR THE COMPANY

The regulatory body has never withdrawn or refused authorisation with regards to the company.
- 1.4.5

WITHDRAWAL OR REFUSAL OF AUTHORISATION FROM REGULATORY BODIES FOR EMPLOYEES

The regulatory body has never withdrawn or refused authorisation with regards to the company's employees.
- 1.4.6

CRIMINAL, CIVIL, REGULATORY OR ADMINISTRATIVE PROCEEDINGS IN THE LAST FIVE YEARS

Over the last five years there has been no criminal, regulatory or administrative proceedings against the company, any of its principles, the investment product or any of its directors, including reparations, arbitrations and negotiated settlements.

- 1.4.7

MONITORING OUTSOURCED FUNCTIONS
- Limestone Platform AS has a dedicated outsourced functions team who are responsible for making sure that service providers carry out sub-contracted activities in an appropriate manner. CACEIS (Luxembourg) is responsible for the duties relating to the administration of the Fund as well as the transfer and registrar agent function. CACEIS has been contracted to cover TA and Custody for the Alquity SICAV.

A material proportion of Limestone Platform AS monitoring is carried out on CACEIS' activities. Specifically monitoring is carried out on:

  - KPIs provided by CACEIS.
  - Regular meetings with CACEIS management to raise and resolve persistent issues.
  - Audits are carried out by Limestone Platform AS on CACEIS processes to ensure that they are in line with stated procedures. Key areas of concern/topical issues are prioritised and reliance is placed on SAS70 type reporting for processes not covered. For example, recently AML/KYC has been identified as topical and Limestone Platform AS audits have been focused there.
  - Accounting data is provided to Limestone Platform AS by Caceis and is monitored by Limestone for outliers and inconsistencies.

Limestone Platform AS also monitors outsourced Investment Management and Distribution functions carried out by AIML. Areas covered include:

  - Due diligence on brokers used to execute trades.
  - Due diligence carried out on distribution intermediaries.
  - Post-trade portfolio compliance with UCITS rules for the SICAV (e.g., 5/10/40).
  - Compliance with investment mandate AIML carry out monitoring on a number of outsourced functions. The process includes:
    - Maintenance of a CACEIS issues log to pick up persistent issues.
    - Review of monthly KPI report from CACEIS and follow-up on material items.
    - A weekly call with Limestone Platform AS that covers:
      - A review of KPIs.
      - A review of fund costs and an update on steps taken to manage fund costs.
    - Ad-hoc requests from Limestone Platform AS relating to monitoring of outsourced functions.
    - Monitoring of weekly and monthly risk reporting is provided by Limestone.

- 1.4.8

RISK MANAGEMENT PROCESS
- The operations team does a daily portfolio compliance check on the 5/10/40 compliance of the portfolio at sub-fund level. The level of un-invested cash with any issues identified is reported to the compliance officer and the portfolio manager for that portfolio.

Alquity has also issued investment management guidelines (in terms of country, industry and sector exposure), which are monitored as part of this process.

Operational risk is defined as the risk of loss resulting from inappropriate internal processes and procedures, people and systems.

[Responsibility for Operational Risk at Alquity](#)

  - Paul Robinson – Executive Chairman and CEO
  - Liam Kelly – Chief Operating Officer

[Operational Risk Framework](#)

A key focus for the team is the identification of operational risk and careful attention is given to processes and procedures designed to mitigate those risks.

The operational risk management process is run as follows:

  - All operational processes and tasks are registered and linked to procedures and process documentation.
  - The operational processes and tasks register is updated on an ongoing basis and reviewed in depth quarterly.
  - On a quarterly basis:
    - An operational risk rating is assigned to each item on the procedures and tasks register, and is used to create a Red, Amber and Green dashboard, which is reviewed by senior management.
    - A financial impact analysis is carried out on the register and probabilities are assigned to create an expected financial impact.
    - A reputational impact score is assigned using subjective estimates.
    - Process improvements are prioritised according to the combined expected financial and reputational impact.
    - Controls to mitigate material risks are documented and implemented.
    - Process improvements are made to reduce operational risks to an acceptable level.
  - An error log is maintained and reviewed monthly to identify trends and issues and is used to assist in the operational risk assignment process.
  - Included on the register of procedures and processes is the key man risk for each and rotation of duties is planned and carried out to ensure that any process can be covered adequately.

[Implementation of Operational Risk Framework](#)

Training on controls and procedures to mitigate operational risk is provided to new employees as part of the induction process. Ongoing training on processes and procedures is provided on a regular basis to reinforce knowledge and update employees with regard to changes.

[Operational Risk Monitoring Process](#)

A monthly operational risk meeting is held to review error logs, the process improvement priority list and the operational risk dashboard.

An annual operational risk meeting is held at senior management level to:

- Review the operational risk framework.
- Monitor progress made on high priority items
- Assess the level of awareness of operational risk throughout the organisation and training requirements for the team.



2.1 INVESTMENT MANAGER INFORMATION

2.1.1 INVESTMENT MANAGER

AIML is the appointed investment manager for the Alquity SICAV.

2.2 EXTERNAL SERVICE PROVIDERS

2.2.1. ADMINISTRATOR, SUB-REGISTRAR, CUSTODIAN, PAYING AND TRANSFER AGENT

CACEIS (Luxembourg Branch)  
5 All. Scheffer, L-2520 Limpertsberg Luxembourg Luxembourg

Appointed: 1<sup>st</sup> November 2024

2.2.2 AUDITOR

BDO  
1, rue Jean Piret, L-2350 Luxembourg  
Appointed: 1<sup>st</sup> July 2024

2.2.3 LEGAL ADVISORS

ELVINGER HOSS PRUSSEN  
2, place Winston Churchill, L-1340 Luxembourg  
Appointed: 1<sup>st</sup> July 2021

2.2.4 DOMICILIARY AGENT

LIMESTONE PLATFORM AS  
Liivalaia, 45, Tallinn 10145, Estonia  
Appointed: 1<sup>st</sup> July 2024

2.2.4 OPERATIONS AND COMPLIANCE

EPIC INVESTMENT PARTNERS UK LTD  
Audrey House, 16-20 Ely Place, London EC1N 6SN, United Kingdom  
Appointed: 1<sup>st</sup> May 2024

2.3 FUND INFORMATION

2.3.1 INVESTMENT PROPOSITION

Alquity is an asset management business that connects investors to their investments and social progress in order to deliver better financial outcomes for all.

Our Emerging Markets (EM) funds target attractive returns, defined as performance in the upper second quartile of our peer group over the long-term (3-5 years), via a high-conviction, fundamentally driven process.

This approach emphasises not only macro analysis and financial valuation but also Environmental, Social and Governance (ESG) factors to assess management quality, operational excellence and firm values. This

results in “quality growth” focused portfolios that monetise long-term themes via transparent companies, with effective management who are aligned with all stakeholders.

Our Global Impact Fund, which follows a quantitative approach, aims to deliver sustainable long-term returns by prioritising companies that are ESG Leaders and those that provide products and services that are consistent with achieving the UN Sustainable Development Goals.

Further, we recognise that responsible investment alone is insufficient to engender social progress. Therefore, at the corporate level we donate a minimum of 10% of our management fees to development projects in the regions in which we invest. By contributing to long-term sustainable economic development, we create more opportunities for our companies to succeed, closing the Alquity virtuous circle. In this way, our business aligns the incentives and values of investors, employees, holdings and communities.

We believe these shared investment values are key to achieving enduring financial success and sustainable social progress.

2.3.2 FUND FACTS

2.3.2.1 TYPE OF COMPANY ENTITY

Open-ended umbrella structure SICAV operated under the Undertakings for Collective Investments in Transferable Securities (UCITS V) directive.

2.3.2.2 PLACE & DATE OF INCORPORATION

Place: Luxembourg  
Date: 13 April 2010

2.3.2.3 REGISTERED NUMBER OF SICAV

The Company is entered in the Registre de Commerce et des Sociétés in Luxembourg under the number B152520.

2.3.2.4 DOMICILED

Luxembourg

2.3.2.5 BANKS USED BY FUND

CACEIS (Luxembourg Branch)  
5 All. Scheffer, L-2520 Limpertsberg Luxembourg, Luxembourg

2.3.2.6 APPLICATION FORM

The application form is available to download from our website.

2.3.2.7 COUNTRIES REGISTERED FOR SALE

The Alquity SICAV is registered for sale in:

- Luxembourg
- United Kingdom
- Switzerland (qualified investors)
- Sweden
- The Netherlands
- France
- Singapore
- Germany

2.3.2.8 COSTS CHARGED TO THE FUND

The fees payable to the service providers will be within a range of 0.35-0.50% with a minimum fee of up to EUR 70,000 applicable per sub-fund per annum. The fees are payable monthly and accrued on each Valuation Day. The actual amount paid by the Company will be disclosed in the periodic reports of the Company.

All marketing and distribution related costs are borne by AIML and are not charged to the fund.

2.3.2.9 SUBSCRIPTION FREQUENCY

Daily

2.3.2.10 REDEMPTION FREQUENCY

Daily

2.3.2.11 SUBSCRIPTION CASH SETTLEMENT TIME PERIOD

For the Alquity Global Impact Fund and the Alquity Indian Subcontinent Fund, received on the second business day after a confirmed subscription deal.

For the Alquity Asia Fund and the Alquity Future World Fund, received on the third business day after a confirmed subscription deal.

2.3.2.12 REDEMPTION CASH PROCEEDS TIME PERIOD

For all investors of Alquity funds and share classes redemptions are paid out on T+2.

2.3.2.13 FUND HOLIDAY CALENDAR

The funds holiday calendar for all administration including dealing is Luxembourg and the UK. Also, India holidays apply for the Indian SC Fund.

2.3.3 LIQUIDITY

2.3.3.1 REDEMPTION NOTICE PERIOD

There is no redemption notice period.

2.3.3.2 TRANSFERRING UNITS BETWEEN NOMINEES

It is possible to transfer units between nominees.

2.3.3.3 LIQUIDITY PERIODS

Based on one-third of three month trailing average daily volume, the exposures of each fund can be liquidated according to a minimum of:

- 33% of the portfolio within five working days
- Full redemptions for the top five fund investors within five working days
- 90% of the portfolio within 90 working days

2.4 INVESTMENT RULES AND GUIDELINES

Please note that the rules stated in the Prospectus for the Alquity SICAV and those within UCITS documentation are the definitive investment rules for all funds. The following investment rules and guidelines are purely for indicative purposes and should not be seen as exhaustive.

2.4.1 INVESTMENT INSTRUMENTS

Asset Allocation

The Alquity funds are equity focused and will almost always be invested exclusively in the equity asset class.

The funds are generally expected be fully invested but up to 10% of the portfolio can be held in cash. In extreme circumstances, funds can hold cash balances over 10% for up to 30 days with Board approval required to extend the period.

Universe

The funds may invest in eligible assets listed on regional stock exchanges and stocks listed on non-regional stock exchanges if > 50% revenue/profit is generated in the region or is expected to do so in near future.

2.4.2 PORTFOLIO COMPOSITION

2.4.2.1 ISSUER CONCENTRATION

A maximum of 10% in a single issuer.

The sum of all holdings greater than 5% must be less than 40%.

The sum of related companies, i.e. a holding company and its subsidiary, may not exceed 20%.

2.4.2.2 NUMBER OF POSITIONS

Indian Subcontinent: 30-50 companies  
Asia: Approximately 60 holdings  
Future World: Approximately 75 positions  
Global Impact: 125-150 companies

2.4.2.3 OVERDRAFT FACILITY

Allowed to be overdrawn up to 10% of AUM temporarily

2.4.2.4 COUNTRY EXPOSURE

Asia/: +/- 20% vs Asia Pac ex Japan index  
Indian Subcontinent: Unconstrained  
Future World: +/- 10% vs EM index  
Global Impact Fund: +/- 15% vs ACWI index

2.4.2.5 SECTOR/INDUSTRY EXPOSURE (BASED ON GICS)

+/- 20% vs. index exposure to any single industry.

2.4.2.6 UNLISTED SECURITIES AND INVESTMENTS WITH LEVERAGE

No physical commodities, physical real estate, underwriting, warrants, loans, guarantees, uncovered sales, private equity.

Up to 10% allowed in transferable unlisted securities.

2.4.2.7 SECURITIES LENDING

Over time, we may use stock lending to enhance investor returns. However, this has not been currently undertaken and investors would be advised in advance.

|   |  |   |   |
|---|--|---|---|
| <p><b>2.4.3 CAPACITY</b></p> <p>Given our expectations for the markets in which we invest, we anticipate the capacity of our fund range to be a minimum of:</p> <ul style="list-style-type: none"> <li>• Asia: USD 1,000m</li> <li>• Future World: USD 2,000m</li> <li>• Indian Subcontinent: USD 800m</li> <li>• Global Impact: USD 5,000m</li> </ul> <p>Capacity is reviewed by assessing maximum potential AUM of our current universe according to:</p> <ul style="list-style-type: none"> <li>• Our internal liquidity limits and estimates for market growth.</li> <li>• Market size such that no holding would represent greater than 10% of the outstanding shares of that company, combined across all the funds with that holding in their portfolio.</li> </ul>  | <p><b>2.4.7 COMPANY VISITS</b></p> <p>Company visits form an integral part of our EM investment process and active engagement both for investment analysis purposes and for ESG advocacy. Our engagement on specific issues can often continue over a number of months as we pursue improvement or greater transparency. It is anticipated that each company invested in by the funds will be seen twice per annum.</p> <p><b>2.4.8 STOP LOSS LIMITS</b></p> <p>We do not use automatic stop loss limits for our funds.</p> <p><b>2.4.9 AVERAGE HOLDING PERIOD OF INVESTMENTS</b></p> <p>The expected average holding period is expected to be in excess of three years for our EM funds. For our Global Impact Fund, the holding period might be shorter, as it's quantitatively managed.</p>   | <p>Once uploaded into CACEIS' Online Portal, the CACEIS Custody Team instructs their sub-agent to settle the trade with the underlying broker. Any queries or issues regarding settlements are directed to Alquity Operations/CF Global and any amendments made via the CACEIS' Online Portal. Once the trades are matched between the sub-agent and the underlying broker, CACEIS in its role as Depository, settles in the security currency and then spot FX non-USD exposures to USD in line with a standing instruction. Alquity operations capture the trades in the internal portfolio management system and reconcile to settled cash to ensure that they match expected net settlement. Alquity also has manual procedures in place to ensure urgent trade execution when all other options are unavailable.</p> | <p><b>2.5.9 USE OF P-NOTES</b></p> <p>We invest locally wherever we can, as we believe in acting responsibly in everything we do, including in terms of paying tax. P-Notes may be required where local custody issues are insurmountable.</p> <p><b>2.5.10 FORECASTING FX RATES</b></p> <p>We do not explicitly forecast FX rates. Exchange rate movements are partly down to economic fundamentals, but in the short-term are heavily influenced by sentiment and government intervention. Relying too heavily on FX assumptions that will react to un-forecastable factors will lead to incorrect investment decisions. Our macroeconomic analysis does incorporate a broad view on currencies but is not based on explicit forecasts. All sub-funds' share classes are un-hedged.</p> |
| <p><b>2.4.4 BEST EXECUTION</b></p> <p>Each execution is reviewed by the investment team. Trading executions overall are reviewed on a semi-annual basis by the Operations team.</p>   | <p><b>2.4.10 NEW CAPITAL</b></p> <p>For large flows into our funds, new capital is generally invested in line with the existing portfolios, although the fund managers may adjust this for market movements. For smaller flows, new capital will generally be invested in a minimal number of existing stocks to keep transaction costs low.</p>   | <p><b>2.5.2 INTERACTION WITH BROKERS</b></p> <p>Over 99% of the work undertaken by the EM investment team is internally generated, thus interaction with brokers for research ideas and stock modelling is minimal. Where it does occur, it is primarily so that we can understand 'consensus' or 'market' views on the stocks or economies. No broker research is sourced for the Global Impact Fund.</p>  | <p><b>2.5.11 TRADING/IPO/PLACING ALLOCATION</b></p> <p>Where a purchase is made for more than one fund, allocation must be on a pro-rata basis at average prices (wherever allowed by local market practice).</p>   |
| <p><b>2.4.5 ENGAGEMENT WITH COMPANIES</b></p> <p>Our forward-looking ESG analysis highlights material non-financial factors to shape our view of management. The aim of our ongoing engagement process is threefold:</p> <ul style="list-style-type: none"> <li>• To help us understand the intentions and authenticity of management in delivering positive future improvements to these factors.</li> <li>• To actively drive improvement, and ultimately produce better financial returns, by highlighting areas where companies can enhance their practices. We also transmit our knowledge and experience through sharing best practice or introducing them to other portfolio companies where we think there can be learning opportunities.</li> <li>• We also take investors to visit our holdings to learn more about how their money is being invested. This also provides us with another channel to engage our companies beyond the investor relations teams.</li> </ul> | <p><b>2.4.11 CAPITAL FLOWS</b></p> <p>Our strategy and trading processes have not changed over time due to capital flows.</p> <p><b>2.4.12 CASH MANAGEMENT POLICY</b></p> <p>The investment policy is to be fully invested in all normal market environments. In exceptional cases, we may raise cash up to 10% as a protective tool.</p>  | <p><b>2.5.3 RECONCILIATION OF BROKER CONFIRMATIONS</b></p> <p>Trades are reconciled to broker confirmations whenever a trade is placed.</p> <p><b>2.5.4 RECONCILIATION OF CASH POSITIONS</b></p> <p>Cash position are reconciled on a daily basis.</p> <p><b>2.5.5 RESTRICTED STOCK BUYING LIST</b></p> <p>There is a restricted stock buying list for the purposes of insider information.</p>   |   |
| <p><b>2.4.6 OUTSIDE SOURCES</b></p> <p>Over 99% of our research effort for our EM funds done in-house. This allows a consistency of approach and a degree of rigour we do not believe we could achieve elsewhere. Moreover, ESG analysis is an integral part of our investment strategy (as opposed to a screening or secondary consideration) and therefore occurs alongside traditional financial analysis. For our Global Impact Fund, we build our proprietary data models based on sustainability data sourced from Sustainalytics and another sustainability data provider.</p>   | <p><b>2.5 TRADING AND OPERATIONS</b></p> <p><b>2.5.1 TRADE CONFIRMATION PROCESS</b></p> <p>The Alquity portfolio managers perform pre-trade compliance checks by inputting trades in to the Limina trading system. Once cleared, the instruction is sent via FIX connection from Limina directly to our master broker CF Global, who then pass the orders to the executing brokers, in line with the semi-annual commission schedule supplied by the relevant investment team and subject to best execution. CF Global then executes the trades and receives confirmations and these are transmitted back into the Limina system. Alquity operations also receives a trade file from CF Global by close of business on the trade date. Alquity operations performs a series of checks, and cross references this with the broker confirmations. Alquity operations then uploads them into CACEIS' Online Portal.</p> | <p><b>2.5.6 USE OF 'SOFT DOLLARS'</b></p> <p>The company does not make use of soft dollars.</p> <p><b>2.5.7 LEVERAGE EXPOSURE &amp; MANAGEMENT OVER MARKET CYCLES</b></p> <p>The funds operate with no leverage, although the funds are able to utilise an overdraft for efficient management of the portfolio.</p> <p><b>2.5.8 PORTFOLIO HEDGING</b></p> <p>We are long-term investors, not traders. Hedging may be used infrequently in periods of exceptional change or turmoil. Credit may be used opportunistically where equity type returns are available and this enhances the risk-adjusted profile of our investments. Listed index futures may be used for efficient portfolio management, and in extreme case for protection and hedging.</p>   |   |



2.6 INVESTOR SERVICING AND REPORTING

2.6.1 NAV CALCULATION

The administrator, CACEIS, calculates the NAV.

2.6.2 FREQUENCY OF NAV CALCULATION

The NAV is calculated on a daily basis.

2.6.3 COMMUNICATION OF FUND PERFORMANCE

The NAV for each sub-fund is published daily on the website and on many data services such as Bloomberg, Morningstar and Financial Express.

2.6.4 REPORTS AND CORRESPONDENCE SENT TO CLIENTS

Monthly factsheets are sent to clients which are also displayed on the website. Clients are also updated regularly on key facts and figures that support the investment case for the regions that the sub-funds invest in.

2.6.5 HISTORICAL REPORTS

Historical reports can be provided on request.

2.7 ANTI MONEY LAUNDERING

2.7.1 AML AT ALQUITY

Alquity's AML function is outsourced to the Fund Administrator, CACEIS. Alquity visits CACEIS on a regular basis to ensure that AML procedures are followed. In addition to this, Alquity incorporates an AML procedure as part of its compliance monitoring programme. The Management Company, Limestone Platform A/S, undertakes MLRO on behalf of the fund activities.

2.7.2 PROCEDURES TO ENSURE COMPLIANCE WITH AML POLICIES

The Fund Administrator, CACEIS, carries out the AML checks.

CACEIS has an enterprise-wide compliance programme to deter, detect and report suspected money laundering and terrorist financing activities. The programme applies appropriate risk-based scrutiny and monitoring measures to clients, particularly those whose business activities are known to be susceptible to criminal activity or who have been designated as high-risk for money laundering or terrorist activity financing.

CACEIS's Global Anti-Money Laundering Compliance Group is dedicated to the continuous development and maintenance of robust policies, guidelines, training and risk-assessment tools and models, consistent with national requirements and international best practices. This helps their employees deal with ever-evolving money laundering and terrorism financing risks. To enhance their anti-money laundering and terrorist activity financing detection capabilities, the company has implemented a combination of automated systems and analytical processes to detect, track and assess transactions for suspicious activities as well as to identify transactions that meet prescribed thresholds for reporting to regulators.

As part of CACEIS's enterprise-wide compliance program, in addition to Anti-Money Laundering and Anti-Terrorist Financing, CACEIS has also implemented policies in respect of Client Due Diligence and Economic Sanctions that establish minimum enterprise standards. These standards are designed to guide CACEIS's various businesses in developing their own policies, guidelines and processes, to be consistent with CACEIS policies and standards, as well as compliance with various other such laws and regulations to which CACEIS operations are subject in other jurisdictions in which they operate. Where local laws set higher standards than those contained in the global policies, units must comply with the higher local standards.

Business units are also required to assess their operations to identify potential money laundering risks and establish policies, procedures, guidelines and risk mitigation strategies to address these risks. Annual anti-money laundering training is mandatory for all employees, including senior executives, and reinforces these key obligations.

CACEIS defines money laundering as any act or attempt to disguise the source of money or assets derived from criminal activity. CACEIS is committed to preventing the use of its financial services for money laundering purposes by establishing policies and processes to ensure that:

- CACEIS does business only with those whose identities, activities and funds can reasonably be established to be legitimate and who have been screened against applicable government and regulators' lists of designated people, entities or countries.
- CACEIS's directors, officers and employees do not knowingly enter into transactions with or provide or assist in providing, directly or indirectly, financial services to, or for the benefit of, states, entities, and individuals targeted by applicable Economic Sanctions and other anti-terrorism measures.
- Staff and others required by legislation are trained to recognise and react appropriately to unusual or potential money-laundering activity, unusual or potential terrorist financing activity or activity that is potentially in violation of applicable Economic Sanctions and understand their legal obligations to block or report activity and transactions/ attempted transactions as applicable and required by law.
- Required regulatory reporting is completed.
- CACEIS has effective oversight and controls to reasonably ensure ongoing compliance with regulatory requirements.
- Appropriate records are retained for at least five years after the account in question is closed or after a transaction is completed, as required.

CACEIS's policies require that their businesses establish processes to identify unusual activities and transactions in each jurisdiction in which they operate, to ensure timely reporting of activities deemed to be reasonably suspicious of money laundering or terrorist activity financing is completed as required in accordance with applicable legislation. CACEIS's compliance has established anti-money laundering/ anti-terrorist financing Financial Intelligence Units that review and investigate reports submitted by staff as well as transactions and activity identified as unusual through monitoring and analytical processes, with the objective of ensuring that reports are filed with relevant authorities and client relationships that represent an unacceptable risk to CACEIS are exited.

Audit

CACEIS's Internal Audit Service (IAS) conducts regular, independent testing of the effectiveness of CACEIS's AML Program, including testing of execution activities using a risk-based approach. IAS reviews business units' Anti-Money Laundering, Anti-Terrorism, Economic Sanctions and Client Due Diligence Programs for compliance with the relevant policies, procedures and regulations as a component of regular audits it conducts across the enterprise, and also by conducting audits focused just on the AML/ATF Program.

Technological Tools

In order to meet all relevant requirements, regulations and internal policies, CACEIS has implemented a number of automated systems and other processes for ongoing scanning of client names and payment information against applicable terrorist, sanctions and other control lists. CACEIS has similarly developed and implemented various solutions and mechanisms to assist in complying with the transaction monitoring and reporting obligations.

Oversight

CACEIS is committed to preventing the use of our financial services for money laundering, terrorist activity financing, or in violation of applicable economic sanctions. CACEIS's Board of Directors has ultimate responsibility for ensuring that CACEIS maintains an AML program that meets both regulatory expectations and effectively manages CACEIS's AML risk. The Board fulfils this responsibility by ensuring sufficient and appropriately qualified resources to enable CACEIS to implement and maintain robust and effective AML regulatory risk management and compliance controls, and through effective monitoring and oversight.

To this end, CACEIS has established a senior-level management position and a Global AML Compliance team dedicated to the task of overseeing its global policies, practices and procedures with regard to anti-money laundering and anti-terrorist financing enterprise-wide. Senior Management is accountable to implement unit-level AML programs across CACEIS businesses, while the Global AML Compliance team supports and oversees the development of appropriate AML controls and compliance procedures within the various businesses. Global AML Compliance provides regular reporting to Senior Management and the CACEIS Board with respect to the effectiveness of the AML Program.

2.8 INSURANCE

2.8.1 POLICIES HELD

Insurance policies are held for the following:

- Directors' and officers' liability up to £10m
- Fund liability up to £10m
- Management liability up to US\$5m
- Professional indemnity or errors/omission up to US\$5m

2.9 INTERNAL POLICIES

2.9.1 CONFLICTS OF INTEREST

- AIML has a conflicts of interest policy which records the services and activities in which a conflict of interest may arise:
- Wherever a conflict of interest is identified, a senior manager will be allocated the responsibility of managing the firm's arrangements.
  - All staff are required to identify actual or potential conflicts of interest as they arise and record them on the conflict of interest record sheet and report them to the compliance officer.
  - The compliance officer will maintain a conflicts of interest register.
  - All senior staff have to confirm completeness of the register of interests annually.
  - The Board approves the conflicts of interest policy annually.

2.9.2 PERSONAL DEALING

The Company holds a Personal Dealing Policy. Employees must obtain written approval from Compliance before entering into a personal securities transaction. Full details of this policy can be found in the Alquity Employee Handbook.

2.9.3 WHISTLE BLOWING

Alquity Investment Management Limited encourages its staff with concerns to blow the whistle internally about matters that are relevant to the functions of the FCA. The Company has adopted procedures for dealing with disclosures, which are notified to staff through the Alquity Employee Handbook.

2.9.4 BUSINESS CONTINUITY PLAN

CACEIS is the fund administrator and custodian. CACEIS has full BCP and DR capability via IT system backup and alternate office facilities in Luxembourg. CACEIS tests its BCP and report outcomes via Limestone to the Fund Board annually. Business resumption is four hours. AIML in London has a separate BCP plan which was updated in November 2024. These IT systems are fully backed up via an outsourced IT provider on an hourly basis.

Core operations are defined as (1) portfolio monitoring, (2) trade execution and settlement and (3) email communication to clients/brokers. The business essential software is deemed to be:

- Email – is hosted on the cloud on Microsoft 365 platform. Microsoft offer >99% uptime and have fail over to alternate data centres
- CACEIS online portal – access to all portfolio reporting, trade instruction upload and compliance checking can all be made via CACEIS's respective online portals which are available from any web-based browser
- Limina – trade management system and portfolio management system is cloud based and can be accessed from any web-based browser

Business continuity can be maintained by AIML from any PC with an internet enabled web browser with items (1) and (2) above. The BCP is tested annually.

For more information on Alquity, please contact:

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This Document is qualified in its entirety by the information contained in the Fund's prospectus and other operative documents (collectively, the "Offering Documents"). Any offer or solicitation may be made only by the delivery of the Offering Documents. Before making an investment decision with respect to the Fund, prospective investors are advised to read the Offering Documents carefully, which contains important information, including a description of the Fund's risks, conflicts of interest, investment programme, fees, expenses, redemption/withdrawal limitations, standard of care and exculpation, etc. Prospective investors should also consult with their tax and financial advisors as well as legal counsel. This Document does not take into account the particular investment objectives, restrictions, or financial, legal or tax situation of any specific prospective investor, and an investment in the Fund may not be suitable for many prospective investors.

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The Fund's investment approach is long-term, investors must expect to be committed to the Fund for an extended period of time (3-5 years) in order for it to have an optimal chance of achieving its investment objectives.

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