

# CT Healthcare Trust plc

## INVESTOR DISCLOSURE DOCUMENT

### IMPORTANT INFORMATION

#### **Regulatory and Legal Status of the Company**

CT Healthcare Trust plc (the “**Company**”) is an alternative investment fund (“**AIF**”) for the purposes of the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the “**AIFM Directive**”, incorporated into UK law by the European Union (Withdrawal) Act 2018, as amended) which has appointed Columbia Threadneedle Investment Business Limited (the “**Manager**”) as its Alternative Investment Fund Manager (“**AIFM**”). The Manager has delegated responsibility for the investment management of the Company’s portfolio to its affiliate, Columbia Management Investment Advisers, LLC (the “**Investment Manager**”). The Manager is authorised and regulated by the Financial Conduct Authority (the “**FCA**”) as an AIFM for the Company.

The Company is an investment company, incorporated as a public limited company in England and Wales. The Company’s shares are listed on the Official List of the FCA and are admitted to trading on the London Stock Exchange. The operation of the Company is subject to its Articles of Association, the Companies Act 2006, the FCA UK Listing Rules, and the FCA Disclosure Guidance and Transparency Rules.

The provisions of the Company’s Articles of Association, which are binding on the Company and all of its shareholders, set out the respective rights and restrictions attaching to the Company’s shares. All shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the Company’s Articles of Association.

Various documents relating to the Company can be found on its website at the following address: <https://www.columbiathreadneedle.com/ct-healthcare-trust/>

#### **Limited Purpose of this Investor Disclosure Document**

This Investor Disclosure Document is made available to investors in the Company and is not a prospectus. It is issued for the sole purpose of making certain regulatory disclosures to investors in accordance with the requirements of the AIFM Directive. The Company, its Directors and the Manager as its AIFM will not be responsible to persons other than the Company’s shareholders for their use of this Investor Disclosure Document, nor will they be responsible to any person (including the Company’s shareholders) for any use which they may make of this Investor Disclosure Document other than to inform a decision on whether to invest in shares of the Company.

This Investor Disclosure Document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company’s shares.

This Investor Disclosure Document is based on information, law and practice at the date hereof. The Company, its Directors and the Manager as its AIFM cannot be bound by an out of date Investor Disclosure Document.

**This Investor Disclosure Document is not intended to be an invitation or inducement to any person to engage in any investment activity. It does not include all the information which investors or their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company.**

### **No Advice**

The Company, its Directors and the Manager as its AIFM are not advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this Investor Disclosure Document or any subsequent communications from the Company, the Manager or any of their affiliates, officers, directors, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in the Company's shares.

**Potential investors in the Company's shares should consult their stockbroker, solicitor, accountant or other financial adviser before investing in the Company.**

### **Overseas Investors**

The distribution of this Investor Disclosure Document in certain jurisdictions will be restricted and any persons into whose possession this Investor Disclosure Document comes are required to inform themselves about and to observe such restrictions. In particular, the shares have not been, and will not be, registered under the US Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia, South Africa or Japan. Accordingly, the shares may not (unless an exemption from such laws is available) be offered, sold or delivered, directly or indirectly, in or into the US, Canada, Australia, South Africa or Japan. The Company is not registered under the US Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of this Act.

Prospective investors must inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

This Investor Disclosure Document is dated, and is valid, as at 5 March 2026.

## THE COMPANY

### Investment Strategy and Objective

The Company's Investment Objective is to provide absolute returns by investing in an actively managed portfolio of equities and derivatives with exposure to the global healthcare market.

### Investment Policy

The Company will seek to meet its investment objective by investing in a diversified portfolio of equity or equity-linked securities of companies which operate in or otherwise provide exposure to the global healthcare market including by taking short positions in stocks or markets that the Investment Manager considers to be over-valued or impaired, or where the investment manager considers it desirable for the purposes of hedging or risk control.

In particular, the Company may invest through equities, convertible securities, rights and warrants to subscribe for or purchase equity securities, index linked securities, contracts for difference ("CFDs"), equity linked and other debt securities, cash deposits, money market instruments, equity related securities, foreign currency exchange forward transactions and other interests including derivative instruments. Forward transactions and derivatives, including futures, options, swaps and contracts for difference, may be used to enhance portfolio performance as well as for efficient portfolio management and hedging.

The Company defines the "global healthcare market" in which it will invest as businesses operating in, having revenues predominantly arising from or otherwise having significant exposure to healthcare and healthcare-related sectors including, in particular, biotechnology, healthcare information technology, healthcare providers, healthcare services, life sciences, managed care providers, medical diagnostics, medical equipment, and pharmaceuticals.

The Company will seek to invest in companies which, in the opinion of the Investment Manager, offer the best opportunities for economic gain for the Company, whilst reducing downside risk, and will maintain a diversified portfolio comprising holdings in a minimum of 40 companies (which may comprise a mixture of long and short exposures). References to "companies" in this investment policy may include operating businesses that are not in corporate form.

The Company is not subject to any geographical limits, but expects predominantly to seek investment opportunities in developed economies, with a focus on North America, Europe and Asia.

The Company will principally invest in listed and quoted securities but may invest in unlisted securities, subject to the investment restrictions set out below.

Certain risks associated with the Investment Policy are set out below.

### Investment Restrictions

The Company will invest and manage its assets with an objective of spreading risk with the following investment restrictions:

- No single or aggregate interest in any one company shall represent more than 15 per cent. of the Company's gross assets;
- No more than 15 per cent. of the Company's gross assets (which is inclusive of both equity and equity-linked securities, including the use of derivatives) may be invested in unlisted securities, of which: (a) up to 10 per cent. may comprise unlisted securities of any company which the Investment Manager reasonably considers at the time of investment will make an initial public offering of substantially all of its ordinary share capital within 12 months of such investment; and (b) up to 5 per cent. may comprise any unlisted securities; and
- The Company will not invest in other listed or unlisted closed-ended or open-ended investment funds.

## Leverage and Use of Derivatives

The Company may be geared through (a) borrowing of up to 10 per cent. of its net asset value, calculated at the time of drawdown; and/or (b) by entering into derivative positions (both long and short) which have the effect of gearing the Company's portfolio, to enhance performance.

The maximum gross and commitment leverage, calculated in accordance with the AIFM Directive, is 250% commitment limit and 600% gross limit. All borrowing agreements with lenders entered into by the Company are subject to approval by the Board.

Derivative instruments may be used to enhance portfolio performance as well as for efficient portfolio management and hedging. Derivatives usage will focus on, but will not be limited to the following investment strategies:

- As an alternative form of gearing to bank loans, for instance by the use of long CFDs;
- To enhance the investment returns by taking short positions in stocks or markets that the Investment Manager considers to be over-valued or impaired, or where the Investment Manager considers it desirable for the purposes of hedging or risk control;
- To enhance positions, manage position sizes and control risk through the use of options;
- To hedge equity market risks where suitable protection can be purchased to limit the downside of a falling market at a reasonable cost; and
- To gain or hedge currency exposure, both long and short, using foreign currency exchange forward transactions.

The Company is subject to the following limits in respect of its use of derivatives:

- Net Market Exposure will not exceed 120 per cent. of the NAV of the Company.
- Gross Asset Exposure will not exceed 165 per cent. of the NAV of the Company.

For the purposes of this investment policy:

**“Long Exposure”** means the value of the Company's direct and indirect investments in long positions (including the economic value of the exposure to the reference asset of any derivative instrument).

**“Short Exposure”** means the value of the Company's direct and indirect investments in short positions (including the economic value of the exposure to the reference asset of any derivative instrument), excluding Hedges.

**“Hedges”** means short positions that demonstrate risk-reduction qualities by offsetting long positions held by the Company which have regional congruence and a correlation of at least 80 per cent. to the Long Exposure of the Company.

**“Net Market Exposure”** means the net positive market exposure of the Company's portfolio, whether through direct or indirect investment, with short and hedge positions subtracted from long positions. It is calculated as being equal to: (Long Exposure – Hedges) – Short Exposure.

**“Gross Asset Exposure”** means the total market exposure of the Company's portfolio, whether through direct or indirect investment. It is calculated as being equal to: (Long Exposure + Short Exposure) – Hedges.

The investment restrictions and limitations described in this investment policy apply at the time of investment and the values of existing investments shall be determined on the basis of the Company's most recently published NAV at the relevant time.

The Company will not be required to dispose of investment interests and to rebalance its portfolio as a result of a change in the respective valuations of its investments.

In accordance with the UK Listing Rules, material changes to the maximum level of leverage in the Investment Policy must be notified and approved by the FCA and Shareholders by way of an ordinary resolution.

The total level of leverage employed by the Company is included in the monthly Factsheets published on the Company's website.

### **Cash Management**

Pending reinvestment or distribution of cash receipts or repayments of any outstanding indebtedness, cash received by the Company will be invested in cash, cash equivalents, near-cash instruments, money market instruments and/or money market funds and cash funds. The Company may also lend cash which it holds as part of its cash management policy.

### **Counterparties**

A list of pre-approved counterparties is maintained by the Manager. Cash and deposits must be held with approved banks with a minimum rating as set by the Company from time to time.

### **Changes to the Investment Policy**

The Company is required to obtain the prior approval of shareholders, by ordinary resolution, to any material change to its published investment policy. The Company will announce any such change through a Regulatory Information Service.

## ADMINISTRATION AND MANAGEMENT OF THE COMPANY

### The AIFM

The Company has appointed the Manager under an Investment Management and AIFM Agreement to act as the investment manager and AIFM to the Company in accordance with the requirements of the AIFM Directive.

The Manager is a Scottish incorporated company with registered number SC151198. The Manager is part of Columbia Threadneedle Investments, the global investment management business of Ameriprise Financial, Inc., a company incorporated in the United States.

The Manager's fee for its services is equal to 0.95 per cent. per annum of the NAV of the Company. In addition, the Manager will be entitled to receive from the Company an annual performance fee equal to 15 per cent. of any growth in NAV (expressed in Pounds Sterling), in any financial year in excess of a hurdle equal to the average three-month SONIA rate during such financial year, subject to a NAV high water mark. Further details of the Manager's fees will be found in the Annual Report and Accounts.

The Investment Management and AIFM Agreement may be terminated by either party giving to the other not less than six months' notice in writing at any time following the expiry of an initial period of 12 months. The agreement may be terminated on three months' notice by the Manager if the Company's NAV falls below £55 million and by either the Company or the Manager immediately in customary circumstances. The agreement may also be terminated in certain other circumstances by either the Company or Manager. This includes termination effective immediately (or on six months' notice, determinable by the terminating party) in the event of certain default events or the insolvency of the other party.

The Manager has professional indemnity insurance coverage in place.

### Remuneration Policy

The Manager has adopted a remuneration policy which is consistent with the remuneration principles applicable to AIFMs and aligned with the Columbia Threadneedle Investments (EMEA) Remuneration Policy. The size of the AIFM and the size of the AIFs it manages, the internal organisation and the nature, the scope and the complexity of their activities have been taken into consideration in this disclosure.

The purpose of the AIFM's remuneration policy is to describe the remuneration principles and practices within the AIFM and for such principles and practices:

- to be consistent with, and promote, sound and effective risk management;
- to be in line with the business strategy, objectives, values and interests of the AIFM;
- not to encourage excessive risk-taking as compared to the investment policy of the relevant AIFs of the AIFM;
- to provide a framework for remuneration to attract, motivate and retain staff (including directors) to which the policy applies in order to achieve the objectives of the AIFM; and
- to ensure that any relevant conflicts of interest can be managed appropriately at all times.

### *Decision Making and Governance*

The Board of Directors of the AIFM (the "**Board**") is responsible for the remuneration policy of the AIFM and for determining the remuneration of the directors of the AIFM and other staff who undertake professional activities for the AIFM. The Board has delegated to the EMEA Remuneration Committee (the "**Committee**") of Columbia Threadneedle Asset Management (Holdings) plc responsibility for maintaining a compliant remuneration policy. The Committee solely comprises non-executive directors of Columbia Threadneedle Asset Management (Holdings) plc. The Board has adopted the remuneration policy applicable to all members of the Columbia Threadneedle Investments (EMEA) Group for this financial year as reviewed and approved by the Committee periodically (at least annually). The Committee is responsible for, and oversees, the implementation of the remuneration policy in line with the AIFM Directive. The Board considers that the members of the Committee have appropriate expertise in risk management and remuneration to perform this review.

### *Applicability*

The remuneration policy, which incorporates compliance with the AIFM Directive, applies to staff whose professional activities have a material impact on the risk profile of the AIFM or of the AIFs it manages (“**Identified Staff**”) and so covers:

- senior management;
- risk takers;
- control functions; and
- employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profile of the AIFM.

The Identified Staff list and the selection criteria above are subject to regular review (at least annually) by the Committee as well as formally reviewed in the event of significant organisation changes and changes in remuneration regulations the AIFM is subject to.

### *Linking Remuneration with Performance*

The AIFM’s remuneration policy is part of the Columbia Threadneedle Investments (EMEA) framework for promoting sound remuneration management, with the objective of providing total compensation to its employees that is warranted by corporate, business unit/function and individual performance and is comparable to market competitors, whilst being consistent with and promoting sound and effective risk management and the achievement of fair outcomes for all customers. Its purpose is to facilitate achievement of the business objectives and corporate values of the AIFM, with the primary focus on clients, whilst ensuring that Columbia Threadneedle Investments (EMEA) is able to attract, retain and motivate the key talent required to achieve these business objectives and corporate values without incentivising excessive or inappropriate risk.

When setting remuneration levels, the following components and principles form part of the remuneration management framework:

- Fixed remuneration is determined taking into account factors including the requirements of the particular role and the staff member’s experience, expertise, contribution level and the fixed pay for comparable roles. Fixed remuneration is set, with reference to market data, at a level that is sufficient to attract high calibre staff as well as to permit the operation of a fully-flexible remuneration policy (including the possibility of a staff member receiving reduced or no variable remuneration in a particular year). The Committee keeps the balance between fixed and variable remuneration under review.
- Variable remuneration is determined annually by reference to both financial and non-financial AIFM performance considerations. External competitor practices are included in the funding review to ensure compensation opportunities in the markets within which the AIFM operates are given due consideration and retention risks are effectively managed. Incentive funding is developed in view of current and projected economics and risks, supported by Columbia Threadneedle Investments (EMEA) Risk and Compliance Committee inputs, ensuring risk-adjustments and qualitative and quantitative considerations, such as the cost and quantity of capital and liquidity are actively considered as funding adjustments. The Committee ensures that all incentive awards are not paid through vehicles or methods that facilitate the avoidance of the requirements with regard to remuneration imposed by applicable law and/or regulations.
- Variable remuneration is allocated to respective business functions by reference to:
  - contribution of the respective business function or unit to corporate performance;
  - business function performance relative to pre-determined targets and objectives, including adherence to risk management obligations; and
  - competitive market pay data.

Individual award allocations are referenced to the individual achievement during the performance year relative to pre-agreed objectives and assessment of market comparability. Performance is assessed in relation to pre-agreed objectives, which include financial and non-financial goals

(including the achievement of fair customer outcomes), compliance with the Group's policies and procedures, adherence to risk management and compliance requirements and the Group's Code of Conduct. The assessment of performance for Identified Staff reflects multi-year performance in a manner appropriate to the life-cycle of the companies that are managed by the AIFM.

- Application of the FCA Handbook (SYSC 19B: AIFMD Remuneration Code) pay-out process rules, save for disapplication at individual or AIFM level, which is determined by an annual proportionality assessment.

#### *Quantitative Remuneration Disclosure*

The total remuneration paid by AIFM to its staff is zero, as all AIFM staff are employed by other companies in the Columbia Threadneedle Investments (EMEA) Group.

The table below provides an overview of aggregate total remuneration paid to AIFM Identified Staff in respect of the proportion of their pay aligned to their AIFM responsibilities. It is not possible to apportion remuneration by individual Identified Staff working on a specific AIF, therefore figures are provided in aggregate on an AIFM basis.<sup>1</sup>

AIFM	Headcount	Fixed Remuneration	Variable Remuneration	Total Remuneration
		£m	£m	£m
Remuneration of Identified Staff of which:	43	1.44	2.76	4.20
Senior Management	10	0.15	0.09	0.24
Other Code Staff	33	1.30	2.66	3.96

#### **AIFM Activities**

The following table provides an overview of the funds managed by the AIFM, including the CT Healthcare Trust plc. It shows the total number of funds managed, AUM, and split between, AIFs and UCITS.

	Number of AIFs	AUM as at 31 Dec 2025 (GBP)	% of AUM as at 31 Dec 2025
AIFs	16	10,399,394,171	100%
UCITS	0	0	0%
Total	16	10,399,394,171	100%

#### **The Depositary**

The Company has appointed State Street Trustees Limited ("**State Street**") to provide depositary services under the AIFM Directive and certain other associated rules under the terms of a depositary agreement dated 5 March 2026, to which the Manager is a party together with the Company (the "**Depositary Agreement**"). The main services provided by State Street include:

- General oversight responsibilities over the issue and cancellation of the Company's share capital, the carrying out of NAV calculations, the application of income, and the ex-post review of investment transactions.
- Monitoring of the Company's cash flows and ensuring that all cash is booked in appropriate accounts in the name of the Company or the Manager or State Street acting on behalf of the Company.

<sup>1</sup> Notes on the quantitative remuneration disclosure: Total remuneration reported is the sum of salary, cash bonus, any deferred annual bonus, value of any long-term incentive awards granted in respect of performance in the reportable financial year, plus the value of any applicable cash allowances. "Senior Management" are defined in this table as the AIFM Directors, Executive and Non-Executive Directors and Group Management Team members of Columbia Threadneedle Investments. "Other Code Staff" includes all other identified Code staff in business areas, internal control functions and corporate functions. The Identified Staff disclosure represents total compensation of those staff who are fully or partly involved in the activities of the AIFs, apportioned to the estimated time relevant to the AIFM or to the amount attributable to the AIFM allocated on an AUM basis.

- Safekeeping of assets held within the Company's investment portfolio, including those classed as financial instruments and other assets for the purpose of the AIFM Directive.
- Ensuring that any third party to whom it has delegated the safekeeping of assets held within the Company's investment portfolio, including those classed as financial instruments and other assets for the purpose of the AIFM Directive, retains custody of the Company's financial instruments in segregated accounts so that they can be clearly identified as belonging to the Company.

State Street may transfer, exchange or deliver financial instruments held in custody in certain circumstances under the Depositary Agreement.

The fees paid to State Street will be set out in the Annual Report and Accounts.

### **The Auditor**

Ernst & Young LLP has been appointed as the independent auditor of the Company's financial statements since the Company's launch in October 2016. Its re-appointment has been approved by shareholders at the AGMs since then. The Audit Report in respect of the financial statements of the Company, and the fees for its services, will be set out in the Annual Report and Accounts.

### **The Share Registrar**

MUFG Corporate Markets is responsible for maintaining the Company's share register, including keeping up to date the names and addresses of shareholders, receiving and recording proxies at the Company's Annual General Meeting, and paying dividends to shareholders in accordance with instructions from the Company. The fees paid to the Registrar will be set out in the Annual Report and Accounts.

### **Prime Broker and Sub-Custodian**

Morgan Stanley & Co LLC ("**Morgan Stanley**"), a broker-dealer registered with the SEC and FINRA, is the prime broker for the Company. The Company has entered into an agreement with Morgan Stanley to receive prime brokerage services that include trading and settling transactions with executing brokers, as well as clearing transactions on an exchange or a clearing house.

The prime brokerage agreement provides that Morgan Stanley shall not be liable for any loss, liability or expense in connection with the execution, clearing, handling, purchasing or selling of securities, commodities or other property or assets, or other action, except in the event of gross negligence or wilful misconduct on Morgan Stanley's part.

Morgan Stanley has also entered into a sub-custodian agreement with State Street to act as a sub-custodian of certain assets of the Company.

### **The Investment Manager**

The Manager has delegated responsibility for investment management of the Company's portfolio to its affiliate, Columbia Management Investment Advisers, LLC, a limited liability company organised under the laws of the State of Minnesota, whose principal office is at 290 Congress Street, Boston, Massachusetts 02210 USA. The Investment Manager is registered with the Securities and Exchange Commission as an investment adviser.

### **Administrative Functions**

Responsibility for certain administrative functions are outsourced to State Street. Fees for these services are paid by the Manager and are not reimbursed by the Company.

### **Conflicts of Interest**

The Company and the Manager have not identified and recorded any conflicts of interest in their relationship with appointed service providers. In the event that a conflict of interest is identified, the conflict will be managed in accordance with any relevant terms set out in the agreement between the Company or Manager and the



service provider, as well as in accordance with any applicable laws or regulations.

**Liability**

The service providers appointed by the Company or Manager perform their functions solely in accordance with the terms of their respective appointments. Investors do not generally have any direct rights of action against the service providers. The liability of the service providers is limited to that expressly set out in their respective appointment agreements and under applicable law or regulation.

## SHAREHOLDER INFORMATION

### Reports and Accounts

Copies of the Company's latest Annual and Half Year Reports may be accessed on its website, or by writing to the Company Secretary at the Registered Office address, 6th Floor, Quartermile 4, 7a Nightingale Way, Edinburgh EH3 9EG, Scotland.

### Publication of NAV and Share Prices

The Company publishes its NAV per share on a weekly basis and as at each month-end, in each case in arrears. The NAV per share is calculated by the Manager as at the last business day of each week and as at the final business day of the month by dividing the NAV of the Company by the number of shares in issue as at the close of business on the relevant day.

The current share price is published on the Company's website and the London Stock Exchange.

### Dividend Policy

The Company may pay an interim dividend distribution and/or a final dividend distribution to shareholders each year. The final dividend is subject to a vote by shareholders at the Company's Annual General Meeting. Dividend payments are announced to the London Stock Exchange through a Regulatory Information Service. The Annual Report and Accounts on the Company's website will contain details of dividends proposed and paid in respect of the relevant financial year.

### Valuation Policy

#### *Investment Accounting Policy*

As an investment trust company, the Company measures its fixed asset investments at fair value through profit or loss and treats all transactions on the realisation and revaluation of investments held as fixed assets, as transactions on the Capital Account. Purchases are recognised on the relevant trade date, including expenses which are incidental to the acquisition of the investments. Sales are also recognised on the trade date, after deducting expenses incidental to the sales. Quoted investments are valued at bid value at the close of business on the relevant date on the exchange on which the investment is quoted.

Investments which are not quoted or which are not frequently traded are stated at Directors' best estimate of fair value. In arriving at their estimate, the Directors make use of recognised valuation techniques and may take account of recent arm's length transactions in the same or similar investment instruments. Where no reliable fair value can be estimated, investments are carried at cost less any provision for impairment.

#### *Derivative Instruments*

Derivative transactions which the Company is currently set up to enter into as part of the investment policy comprise forward exchange contracts, the purpose of which is to manage the currency risks arising from the Company's investing activities, and quoted options on shares held within the portfolio, the purpose of which is to provide additional capital return. The use of financial derivatives is governed by the Company's policies as approved by the Board.

A derivative instrument is considered to be used for hedging purposes when it alters the market risk profile of an existing underlying exposure of the Company. The use of financial derivatives by the Company does not qualify for hedge accounting under UK-adopted IAS. As a result, changes in the fair value of derivative instruments are recognised in the Statement of Comprehensive Income as they arise. If capital in nature, any associated change in value is presented in the capital return column of the Statement of Comprehensive Income.

### Historical Performance of the Company

Details of the Company's historical financial performance will be provided in the Company's Annual Report and Accounts and monthly factsheets, which can be accessed on the Company's website.

Investors should note that past performance of the Company is not necessarily indicative of future performance. Investors may not get back the amount invested.

### **Fees and Expenses**

A list and description of the fees and expenses that may be directly or indirectly borne by investors in the Company include:

- **Audit services** – The auditor is entitled to receive a fee for ensuring the accuracy and integrity of financial statements and other agreed services that are provided to the Company.
- **Corporate broker** – The corporate broker is entitled to receive a fee for acting as an intermediary between companies and investors, efficient and effective capital raising and financial management.
- **Custody** – The custodian is entitled to receive a fee for the safekeeping of assets and other agreed services that are provided to the Company.
- **Depository** – The depository is entitled to receive a fee for the safekeeping of assets and other agreed services that are provided to the Company.
- **Directors' and Officers' liability insurance** – The Company takes out insurance to protect the Directors of the Company from personal liability and to ensure the stability of the Company.
- **Directors' expenses** – The Directors of the Company are entitled to be compensated for the costs they incur when carrying out their professional duties for the Company, such as travel and sustenance.
- **Directors' remuneration** – The Directors of the Company are entitled to receive remuneration for the time and efforts required to guide the Company's strategic direction, ensuring compliance with legal and regulatory requirements, and acting in the best interests of the Company and its shareholders.
- **Finance costs** – The Company has the ability to use gearing through loans that incur various finance-related costs, such as interest, arrangement fees and non-utilisation fees on undrawn amounts.
- **Legal services** – Legal professionals are entitled to receive a fee when advising and working on legal matters for the Company.
- **Management and administration** – The Manager is entitled to receive a fee for the management of the assets and the administration services provided to the Company.
- **Marketing** – The Manager and other appointed marketing partners are entitled to receive a fee for promoting the success of the Company and managing any press listings.
- **Membership and registrations** – The Company is registered with the FCA and the London Stock Exchange and is a member of the Association of Investment Companies, for which it pays annual fees.
- **Prime broker** – The prime broker is entitled to receive a fee for trade execution, clearing and settlement of the investment portfolio as instructed by the Investment Manager.
- **Printing and postage** – The Company's appointed printer is entitled to receive a fee when providing printing and postage services in relation to company materials, such as Annual and Half Year Reports.
- **Registrars** – The registrar of the Company is entitled to a receive fee for maintaining an up to date record of who owns securities issued by the Company.
- **Tax consultancy** – Tax advisers are entitled to a receive fee for the calculation and submission of tax-related matters for the Company, such as the corporation tax return.

- **Other Expenses** – The Company may incur various other incidental costs including but not limited to costs relating to research reporting and Companies House.

There is no maximum level on the amount of fees and expenses which could be borne by the Company, particularly for unforeseen events. As such, investors may indirectly bear fees and expenses up to the value of their investment in the Company.

### **Purchases and Sales of Shares by Investors**

The Company's shares are admitted to the Official List of the FCA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange. The value at which shares trade on the London Stock Exchange may be below (at a "discount" to) or above (at a "premium" to) the NAV per share of the Company.

The Board has undertaken to make quarterly tender offers, under which shareholders may on a quarterly basis tender for purchase all or part of their holdings of shares for cash. A maximum of 15 per cent. in aggregate of the shares in issue at the relevant time (excluding shares held in treasury) may be purchased pursuant to each quarterly tender offer.

While the Company intends at each Annual General Meeting to obtain shareholder authority to issue and to buy back shares, shareholders do not have the right to have their shares re-purchased by the Company. The Company's shares are redeemable on such terms as the Board of Directors may determine.

### **Key Investor Document**

The Manager provides a Key Investor Document ("**KID**") in accordance with the Packaged Retail Insurance and Investment Products ("**PRIIPs**") Regulation. Investors are recommended to read the latest version of the KID prior to investing in the Company. The KID can be found on the Company's website.

### **Legal Implications of Contractual Relationship**

The rights, obligations and relationships of the members of the Company shall be governed by the law of England and Wales and subject to exclusive jurisdiction of the courts of England and Wales. The recognition and enforcement of foreign court judgments in England and Wales depends on the jurisdiction in which the judgment was obtained and is governed by English law (including, but not limited to, the Civil Jurisdiction and Judgments Act 1982, as amended, and the common law).

### **Fair Treatment of Investors**

The legal and regulatory regime to which the Company and the Directors are subject to ensures the fair treatment of investors. The FCA Listing Rules require that the Company treats all shareholders of the same class of shares equally. In addition, each Director has statutory duties under the Companies Act 2006, including a duty to act in the way that he or she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investor. Furthermore, the Manager does not give preferential treatment to any investors who open (where available) savings plan accounts for the purpose of investing in the Company, and is required to ensure that all investors in the savings plans are treated fairly. The Manager oversees the fair treatment of investors through the reporting that it prepares and reviews.

## RISK FACTORS AND RISK MANAGEMENT

### Risk Factors

Prospective investors should be aware of the risks of investing in the Company, some of which are described below. These and other related events could have a negative impact on Company's performance and the value of an investment in the Company.

<b>Risk</b>	<b>Description</b>
Currency Risk	Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.
Effect of Performance Fees	Performance fees are a function of the Company's relative performance and will rise and fall accordingly. Greater outperformance will result in the investor paying a higher fee. Investors should note that the proposed performance fee will be calculated on a basis that includes unrealised appreciation of the Company's investments, which may result in greater payments than if it was based solely on realised gains. In addition, the proposed performance fee is calculated according to the increase in the Company's NAV, which is reported in Sterling. A significant proportion of the Company's assets are expected to be denominated in overseas currencies, in particular the US dollar. Accordingly, the Company's NAV and, in turn, the performance fee (if any) received by Manager may be affected by foreign exchange rates between Sterling and any overseas currencies in which investments are denominated, particularly the US dollar, rather than by investment performance alone.
Effect of Portfolio Concentration	The Company has a concentrated portfolio (holds a limited number of investments and/or has a restricted investment universe) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the Company's value.
High Volatility Risk	The Company typically carries a risk of high volatility due to its portfolio composition or the portfolio management techniques used. This means that the Company's value is likely to fall and rise more frequently and this could be more pronounced than other Companies.
Investment in Derivatives	The Company may invest materially in derivatives (complex instruments linked to the rise and fall of the value of other assets). A relatively small change in the value of the underlying investment may have a much larger positive or negative impact on the value of the derivative.
Leverage Risk	Leverage amplifies the effect that a change in the price of an investment has on the Company's value. As such, leverage can enhance returns to investors but can also increase losses, including losses in excess of the amount invested.
Market Risk	The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. These declines may be due to factors affecting a particular issuer, or the result of, among other things, political, regulatory, market, economic or social developments affecting the relevant market(s) more generally. There can be no assurance that any appreciation in value of investments will occur. The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested in the Company. Past performance is not indicative of future performance. There is no assurance that the investment objective of the Company will actually be achieved.
Share-Price Discount Risk	A significant share-price discount or premium to the Company's NAV per share, or related volatility, could result in shareholders receiving less (or more) than the value of the underlying assets when selling their shares. It may also lead to high levels of uncertainty or speculation and the potential to reduce investor confidence. The Board of the Company have taken steps to mitigate this discount risk through the introduction of quarterly tender offers where the discount will be capped at five per cent to the prevailing NAV per share.
Short Selling Risk	Short selling intends to make a profit from falling prices. However, if the value of the underlying investment increases, the value of the short position will decrease. The potential losses are unlimited as the prices of the underlying investments can increase very significantly in a short space of time.

## **Risk Profile**

The Company's key risks and the procedures in place for the management of those risks will be set out in the Annual Report and Accounts in the section on 'Principal and Emerging Risks'. The Company reports in its Half Year Report and Accounts whether the key risks have changed since the year end.

## **Liquidity Risk Management**

The Manager regularly monitors liquidity metrics against pre-defined guideline levels. In normal market conditions, the Manager assumes for equities that it has access to 20% of recent trading volumes for each holding. It is able to assume a more stressed level of 5% of recent trading volumes for each holding and determine the impact on the number of days required to trade out of each holding.

In line with regulatory guidelines on liquidity stress testing for collective investment schemes, the Manager, on a quarterly basis, analyses and tests the assets and liabilities of the Company under various scenarios, seeking to ensure that the Company can withstand unexpected market disruptions and meet liquidity requirements. A qualitative liquidity rating is assigned to the Company based on the liquidity levels against the guidelines. Procedures are in place for escalating any liquidity issues.

The Annual Report and Accounts published on the Company's website will contain a full list of investments as well as details of the thirty largest holdings as at the financial year-end date. The Annual Report and Accounts will also, where relevant, contain the percentage of assets that are subject to special arrangements arising from their illiquid nature, any new liquidity management arrangements, and the current risk profile of the AIF and risk management systems that are employed to manage these risks.