



HANetf ICAV

Supplement dated 17 February 2023

for

**Sprott Energy Transition Materials UCITS ETF**

This Supplement contains specific information in relation to the **Sprott Energy Transition Materials UCITS ETF** (the **Sub-Fund**), a sub-fund of HANetf ICAV (the **ICAV**), an Irish collective asset-management vehicle umbrella fund with segregated liability between sub-funds which is registered in Ireland by the Central Bank of Ireland (the **Central Bank**) and authorised under the UCITS Regulations.

**This Supplement forms part of the Prospectus of the ICAV dated 27 May 2022 (the Prospectus) and should be read in the context of and together with the Prospectus. Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.**

The Directors of the ICAV whose names appear in the section entitled Directors of the ICAV in the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**Shares purchased on the secondary market cannot usually be sold directly back to the Sub-Fund. Investors must buy and sell Shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value when buying Shares and may receive less than the current Net Asset Value per Share when selling them. The value of Shares may go down as well as up and investors may not get back any of the amount invested.**

Prospective investors should review this Supplement and the Prospectus carefully in their entirety and consider the **Risk Factors** set out in the Prospectus and in this Supplement before investing in this Sub-Fund.



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## 1 **IMPORTANT INFORMATION**

### 1.1 **Profile of a typical investor**

Investment in the Sub-Fund is suitable for investors seeking capital growth over the long term.

The Sub-Fund is available to a wide range of investors seeking access to a portfolio managed in accordance with the investment objective and policy set out below. An investment should only be made by those persons who are able to sustain a loss on their investment. Typical investors in the Sub-Fund are expected to be investors who want to take exposure to the markets covered by the Index and are prepared to accept the risks associated with an investment of this type, including the volatility of such market.

### 1.2 **General**

This Supplement sets out information in relation to the Shares and the Sub-Fund. You must also refer to the Prospectus which is separate to this document and describes the ICAV and provides general information about offers of shares in the ICAV. You should not take any action in respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

The Shares in the ETF Classes (as defined below) of the Sub-Fund issued and available for issue are admitted to listing on the Official List and traded on the regulated market of Euronext Dublin.

### 1.3 **Suitability of Investment**

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

The Shares are not principal protected. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section entitled **Risk Factors** of the Prospectus and the section entitled **Risk Factors** of this Supplement for a discussion of certain risks that should be considered by investors.

An investment in the Shares is only suitable for you if you are a sophisticated investor and (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

### 1.4 **Distribution of this Supplement and Selling Restrictions**

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus and is not authorised in any jurisdiction after publication of the audited annual report of the ICAV unless a copy of the then latest annual report and, if distributed after the semi-annual report has been produced, a copy of the then latest published semi-annual report and unaudited accounts is made available in conjunction with the Prospectus and this Supplement. The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to you without compliance with any registration or other legal requirement other than those

with which the ICAV has already complied. If you wish to apply for the opportunity to purchase any Shares it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile.

## 2 INVESTMENT MANAGER

1.1 The Manager has appointed Toroso Investments, LLC as investment manager for the Sub-Fund (the **Investment Manager**) with a discretionary mandate pursuant to an investment management agreement dated 27 October 2021 (as amended) between the Manager and the Investment Manager (the **Investment Management Agreement**) described under the heading **Material Contracts** below.

1.2 Under the terms of the Investment Management Agreement, the Investment Manager provides, subject to the overall supervision and control of the Manager, investment management services to the Manager in respect of the Sub-Fund's portfolio of assets. It may delegate all or part of the investment management responsibilities to one or more sub-investment managers, may obtain the services of investment advisers on a non-discretionary basis and may obtain third party research advice with the fees in respect of any such delegation being paid by the Investment Manager out of its own fee.

## 3 INVESTMENT OBJECTIVE AND POLICIES

### 3.1 Investment objective

The investment objective of the Sub-Fund is to track the price and the performance, before fees and expenses, of an index that provides exposure to the performance of companies in the energy transition materials industry.

### 3.2 Investment policy

In order to seek to achieve its investment objective, the Sub-Fund will adopt a "passive management" investment strategy and will seek to employ a replication methodology, meaning as far as possible and practicable, it will invest in the equity securities of companies in proportion to the weightings comprising the Nasdaq Sprott Energy Transition Materials Ex Uranium Index (the Index).

In order to replicate the Index, the Sub-Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (for example where the weighting of the issuer in the Index is increased as a result of the issuer's dominant market position or as a result of a merger). These increased limits will only apply where the Sub-Fund is replicating the Index.

The Sub-Fund may, from time to time, use a sampling methodology under various circumstances, including when it may not be possible or practicable to purchase all of the securities in the Index, for example, due to lot size issues or local market restrictions which may apply in certain emerging or frontier markets.

The Sub-Fund may concentrate its investments (i.e. invest more than 25% of its net assets) in a particular sub-sector to approximately the same extent that the Index concentrates in a sub-sector of the energy transition materials industry. Further details in relation to the Index are set out in the section entitled **Information on the Index** below.

The Sub-Fund may invest more than 20% of its assets in companies listed or traded in countries considered to be emerging markets by the Investment Manager. Given the exposure of the Sub-Fund to emerging markets, **an investment in the Sub-Fund should not constitute a substantial portion of an investment portfolio and will not be appropriate for all investors.** Please refer to paragraph 15.63 of the Prospectus (**Emerging Market Risk**).

The Investment Manager will regularly monitor the Sub-Fund's tracking accuracy. Information relating to the anticipated tracking error is set out in the section entitled **Tracking of Index** below.

The Sub-Fund may invest in ancillary liquid assets and money market instruments which may include bank deposits, certificates of deposit, commercial paper, floating rate notes and freely transferable promissory notes.

Investors should also note that the Sub-Fund may invest in ETFs established as collective investment schemes and authorised as UCITS in pursuit of its investment objective, subject to the investment restrictions outlined in the Prospectus.

The equity securities, ancillary liquid assets, money market instruments and FDI (other than permitted unlisted investments) held by the Sub-Fund will be listed or traded on the Regulated Markets referred to in Appendix 1 of the Prospectus.

### 3.3 **Sustainability Risks**

The Sub-Fund promotes, among other characteristics, environmental and social characteristics by seeking to track, before fees and expenses, the return performance of the Index, and qualifies as a financial product subject to Article 8(1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (as may be amended from time to time) (**SFDR**). Information on how the Index is consistent with environmental and social characteristics is set out in the section entitled Information on the Index. Please also refer to Environmental, Social and Governance Standards under the section entitled Risk Factors of the Prospectus. Further disclosures in relation to the application of the SFDR are set out in the Annex to this Supplement. The “do no significant harm” principle applies only to those investments underlying the fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this fund do not take into account the EU criteria for environmentally sustainable economic activities.

A sustainability risk in this context means an environmental, social or governance (**ESG**) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment (**Sustainability Risk**). Sustainability factors means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters (**Sustainability Factors**).

The investment objective of the Sub-Fund is to track, before fees and expenses, the return performance of the Index. The Index and the eligibility criteria for inclusion as a constituent of the Index take account of ESG considerations in that the Index seeks to give exposure to companies within the investment universe of the Index that demonstrate comparatively higher ESG characteristics relative to their peers in the initial index universe. In seeking to track, before fees and expenses, the return performance of the Index when making investment decisions on behalf of the Sub-Fund, the Manager, in conjunction with the Investment Manager, have deemed it not relevant that further consideration should be given by the Investment Manager to Sustainability Risks or the adverse impacts of its investment decisions taken on behalf of the Sub-Fund on Sustainability Factors as part of its implementation of the investment policy, as to do so would risk increasing tracking error between the returns of the Sub-Fund and the returns of the Index.

The Manager, in conjunction with the Investment Manager, has assessed the likely impacts of Sustainability Risks on the returns of the Sub-Fund, and considers it likely that Sustainability Risks will not have a material impact on the returns of the Sub-Fund.

### 3.4 **Use of financial derivative instruments and efficient portfolio management**

Investors should note that the Sub-Fund may also invest in FDIs for efficient portfolio management and/or hedging purposes. The Sub-Fund may use futures, currency swaps and currency forwards for the purpose

of reducing risk associated with currency exposures within the Sub-Fund. This may on occasions lead to an increase in the risk profile of the Sub-Fund or result in a fluctuation in the expected level of volatility. Please see the section entitled **Risk Factors** in the Prospectus in relation to such risks.

The Sub-Fund will employ the commitment approach to assess the Sub-Fund's global exposure and to ensure that the Sub-Fund's use of derivative instruments is within the limits specified by the Central Bank. Global exposure will be calculated daily. While the Sub-Fund may be leveraged through the use of the FDIs, any such leverage would not be expected to be in excess of 100% of the Sub-Fund's Net Asset Value. Including FDI's, the total exposure associated with the investments of the Sub-Fund, may not exceed 200% of the Net Asset Value of the Sub-Fund.

Investment in FDIs is subject to the conditions and limits contained in the Central Bank UCITS Regulations issued by the Central Bank. Subject to these limits, the Sub-Fund may invest in FDIs dealt on any of the regulated markets set out in the list of Regulated Markets in Appendix 1 to the Prospectus (and/or over the counter FDIs (**OTCs**)) which will be used for investment, efficient portfolio management and/or for hedging purposes.

The ICAV employs a risk management process which enables it to accurately measure, monitor and manage at any time the various risks associated with FDIs and their contribution to the overall risk profile of the portfolio of assets of the Sub-Fund. The ICAV will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. The Sub-Fund will only invest in FDIs in accordance with the risk management policy filed with the Central Bank.

The Sub-Fund may invest in FDIs dealt over the counter provided that the counterparties to over-the-counter transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

Position exposure to the underlying assets of FDIs, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations.

Please see the section entitled **Use of Financial Derivative Instruments and Efficient Portfolio Management** in the Prospectus in relation to FDI.

### 3.5 **Securities financing transactions**

The Sub-Fund may enter into repurchase/reverse repurchase agreements and securities lending arrangements solely for the purposes of efficient portfolio management, subject to the conditions and within the limits set out in the Prospectus. The maximum proportion of the Net Asset Value of the Sub-Fund that can be subject to repurchase/reverse repurchase agreements and securities lending arrangements is 50%. Any type of assets that may be held by the Sub-Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The expected proportion of the Net Asset Value of the Sub-Fund that will be subject to repurchase/reverse repurchase agreements and securities lending arrangements is between 0 – 15%.

## 4 **PORTFOLIO TRANSPARENCY**

Information about the Investments of the Sub-Fund shall be made available on a daily basis. The Sub-Fund will disclose on [www.HANetf.com](http://www.HANetf.com) at the start of each Business Day the identities and quantities of the securities and other assets held by it. The portfolio holdings will be based on information as of the close of business on the prior Business Day and/or trades that have been completed prior to the opening of business on that Business Day and that are expected to settle on that Business Day.

## 5 TRACKING OF INDEX

The anticipated tracking error of the Sub-Fund is not a guide to its future performance. The annualised tracking error envisaged is not anticipated to exceed 1% under normal market conditions.

Further information on the anticipated tracking error is set out in the section entitled **Tracking of Index** in the Prospectus.

## 6 INFORMATION ON THE INDEX AND INDEX PROVIDER

This section is a brief overview of the Index. It contains a summary of the principal features of the Index and is not a complete description of the Index. In case of inconsistency between the summary of the Index in this section and the complete description of the Index, the complete description of the Index prevails. Information on the Index appears on the website identified below in **Further Information**. Such information may change from time to time and details of the changes will appear on that website.

### 6.1 General Description of the Index

The Index is governed by a published, rules-based methodology and is designed to measure the performance of a global investable universe of securities (predominantly publicly listed companies) that are active in the energy transition materials industry. Energy transition materials are metals and raw materials that are critical for the energy transition from fossil fuels to cleaner energy sources and technologies, and for the purpose of the Index include copper, lithium, nickel, cobalt, graphite, manganese, rare earth metals and silver, but exclude uranium (**Energy Transition Materials**).

The Index is sponsored, calculated and administered by Nasdaq, Inc. (the **Index Provider**).

Additional information on the Index can be found at:

<https://indexes.nasdaqomx.com/Index/Overview/NSETMU>

### 6.2 Index Universe and Selection

To be eligible for inclusion in the Index, firstly, a company must be classified by the Index Provider as an Energy Transition Materials Producer, Developer, Explorer, Refiner, Smelter, Recycler or Royalty Company.

Classification is based on the definitions below. All references to “revenue” are references to gross revenue as reported in a company’s most recent available audited financial statements.

1. **Producers:** companies that extract Energy Transition Materials and that have a significant percentage of their revenue tied to the sale of these materials.
2. **Developers:** companies that have the majority of their operations related to preparing mines for Energy Transition Materials extraction.
3. **Explorers:** companies that have the majority of their operations related to searching for Energy Transition Materials, which may involve mapping, surveying, testing water and soil samples, drilling, etc.
4. **Refiners:** companies that mine and purify Energy Transition Materials and that have a significant percentage of their revenue tied to the sale of these materials.
5. **Smelters:** companies that mine Energy Transition Materials and apply heat to ore in order to extract Energy Transition Materials and that have a significant percentage of their revenue tied to the sale of these materials.
6. **Recyclers:** companies that recover and process scrap Energy Transition Materials so that it can be introduced as a raw material for new goods and that have a significant percentage of their revenue tied to the sale of these materials.
7. **Royalty Companies:** companies that make investments in Energy Transition Materials interests, including royalties, streams, debt and equity in Energy Transition Materials companies.

Following classification, to be eligible for inclusion in the Index, a security must meet the below requirements:

- (i) have a primary listing on a stock exchange or regulated market as described in Appendix 1 of the Prospectus;
- (ii) have a free float market capitalisation of at least USD\$100,000,000 at the time of inclusion in the Index and, once included in the Index, have a free float market capitalisation of at least USD\$50,000,000 at the time of each subsequent rebalance of the Index;
- (iii) have a minimum three month average daily value traded of at least USD\$500,000 prior to inclusion in the Index and, once included in the Index, have a minimum three month average daily value traded of at least USD\$250,000 at the time of each subsequent rebalance of the Index.
- (iv) be evaluated based on ESG screens, with any companies violating any of the ESG screens excluded from the index universe (in addition to those companies for which an evaluation cannot be made due to insufficient and/or missing information or data ). The ESG screening is based on research and analysis provided by Sustainalytics, and excludes companies from the index universe which:
  - (a) violate the UN Global Compact principles; and/or
  - (b) are involved in, linked and/or derive a specified proportion of their revenues from:
    - (i) Controversial weapons;
    - (ii) Oil and gas;
    - (iii) Oil sands;
    - (iv) Thermal coal; and/or
    - (v) Pesticides.
  - (c) Have a Sustainalytics Controversy Rating of five (5).

Sustainalytics specialises in providing ESG data. For more information, please visit: <https://www.sustainalytics.com/>.



### 6.3 Weighting

The Index is a modified free float market capitalization-weighted index.

The free float market capitalisation of each security is adjusted by multiplying the free float market capitalisation by its theme intensity score, which is determined by reference to the percentage of revenue generated from Energy Transition Materials (**Theme-Adjusted Free Float Market Capitalisation**). Constituent weights are then determined by dividing each constituent's Theme-Adjusted Free Float Market Capitalisation by the aggregate Theme-Adjusted Free Float Market Capitalisation of all constituents. The weights are then adjusted such that no constituent's weight exceeds 4.75% and the aggregate weight of constituents classified as any specific Energy Transition Material may not exceed 25%.

### 6.4 Rebalance

The Index is rebalanced semi-annually in June and December.

## 7 INVESTMENT RESTRICTIONS

The general investment restrictions as set out in the Prospectus shall apply.

The Sub-Fund may not invest more than 10% of its Net Asset Value in open-ended collective investment schemes.

There may be instances where the weighting of any constituent security of the Index could cause the Sub-Fund to breach the investment restrictions set out in the Prospectus. If such an event occurs, it is intended that the Sub-Fund will purchase other assets, the effect of which will seek to maintain, so far as is possible, the same economic exposure to and the same weighting of the security of that issuer in the Index without breaching its investment restrictions.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders.

## 8 BORROWING

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

The Sub-Fund may acquire currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the UCITS Regulations provided that the offsetting deposit is denominated in the Base Currency of the Sub-Fund and equals or exceeds the value of the foreign currency loan outstanding.

## 9 RISK FACTORS

While the general risk factors set out in the section entitled **Risk Factors** in the Prospectus apply to the Sub-Fund, the following risk factors described in the Prospectus under the headings; **Absence of prior active market, Capital Controls and Sanctions Risk, Concentration Risk, Emerging Market Risk, Specialisation Risk, Sector Concentration Risk, Information Technology Company Risk, Currency Risk, Liquidity of Investments, Small- and Mid-Capitalisation Risk, Political and/or Legal/Regulatory Risk, Regulatory Restrictions, Index Rebalancing and Costs, Issuer-specific Risk, ETF Class and Non-ETF Class Risk, Environmental, Social and Governance (ESG) Standards, SFDR Sub-Fund Classification Risk, Screening Risk and Pandemic Risk** are particularly relevant for the Sub-Fund.

The following risks relate specifically to the Sub-Fund:

## 9.1 Commodity Risk

The Sub-Fund may invest in companies that are susceptible to fluctuations in certain commodity markets and to price changes due to trade relations. Any negative changes in commodity markets that may be due to changes in supply and demand for commodities, market events, regulatory developments, other catastrophic events, or other factors that the Sub-Fund cannot control could have an adverse impact on those companies.

## 9.2 Metals and Mining Industry Risk

Companies in the metals and mining industry are susceptible to fluctuations in worldwide metal prices and extraction and production costs. In addition, metals and mining companies may have significant operations in areas at risk for social and political unrest, security concerns and environmental damage. These companies may also be at risk for increased government regulation and intervention. Such risks may adversely affect the companies to which the Sub-Fund has exposure.

## 9.3 Rare Earth and Critical Materials Companies Risk

The Sub-Fund will be sensitive to, and its performance will depend to a greater extent on, the overall condition of rare earth and critical materials companies. Rare earth and critical materials are industrial metals that are typically mined as by-products or secondary metals in operations focused on precious metals and base metals. Compared to base metals, they have more specialized uses. Rare earth metals (or rare earth elements) are a collection of chemical elements that are crucial to many of the world's most advanced technologies. Consequently, the demand for rare earth and critical materials has strained supply, which has the potential to result in a shortage of such materials which could adversely affect the companies in the Sub-Fund's portfolio. Companies involved in the various activities that are related to the mining, production, recycling, mineral sands, processing and/or refining of rare earth and critical materials tend to be small-, medium- and micro-capitalization companies with volatile share prices, are highly dependent on the price of rare earth and critical materials, which may fluctuate substantially over short periods of time. The value of such companies may be significantly affected by events relating to international, national and local political and economic developments, energy conservation efforts, the success of exploration projects, commodity prices, tax and other government regulations, depletion of resources, and mandated expenditures for safety and pollution control devices. The mining, production, recycling, processing and/or refining of rare earth and critical metals can be capital intensive and, if companies involved in such activities are not managed well, the share prices of such companies could decline even as prices for the underlying rare earth and critical metals are rising. In addition, companies involved in the various activities that are related to the mining, production, recycling, processing and/or refining of rare earth and critical metals may be at risk for environmental damage claims.

## 9.4 Sector Focus Risk

The Sub-Fund will invest a significant portion of its assets in one or more sectors and thus will be more susceptible to the risks affecting those sectors. While the Sub-Fund's sector exposure is expected to vary over time based on the composition of the Index, the Sub-Fund anticipates that it may be subject to the sector specific risk described below.

*Mining Sector Risk:* The exploration and development of mineral deposits involve significant financial risks over a significant period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to establish reserves by drilling and to construct mining and processing facilities at a site. In addition, mineral exploration companies typically operate at a loss and are dependent on securing equity and/or debt financing, which might be more difficult to secure for an exploration company than for a more established counterpart.

10 **DIVIDEND POLICY**

The Sub-Fund may issue Distributing Shares and Accumulating Shares. Where any Distributing Shares are issued, the Directors may declare dividends annually on or about December in each year to the Shareholders of such Shares out of the net income of the Sub-Fund attributable to the Distributing Shares, in accordance with the terms of the Prospectus. The profits attributable to the Accumulating Shares in the Sub-Fund shall be retained within the Sub-Fund and will be reflected in the Net Asset Value of the Accumulating Shares.

11 **KEY INFORMATION FOR SHARE DEALING**

	ETF Classes	Non-ETF Classes
<b>Base Currency</b>	US Dollar	
<b>Minimum Sub-Fund Size</b>	The minimum size of the Sub-Fund will be \$30,000,000 or foreign currency equivalent thereof or such other amount as may be determined by the Directors at their discretion. When the size of the Sub-Fund is below \$30,000,000 or foreign currency equivalent, the Directors of the ICAV may compulsorily redeem all of the Shares of the Sub-Fund in accordance with the <b>Mandatory Redemptions</b> section of the Prospectus.	
<b>Minimum Initial Investment Amount</b>	N/A	US\$50,000
<b>Business Day</b>	means a day on which markets are open for business in London (or such other day(s) as the Directors may from time to time determine and notify in advance to Shareholders).	
<b>Creation Unit</b>	130,000 Shares or such other amount as may be determined by the Directors at their discretion.	N/A
<b>Dealing Day</b>	In general, each Business Day will be a Dealing Day. However, certain Business Days will not be Dealing Days where, in the sole determination of the Directors: (i) markets on which the Sub-Fund's investments are listed or traded, or (ii) a significant (30% or more) proportion of markets on which Index Constituents are listed or traded are closed; provided there is at least one Dealing Day per fortnight. In general, each Business Day will be a Dealing Day. The Dealing Days for the Sub-Fund are available from the Administrator and can be found at <a href="http://www.HANetf.com">www.HANetf.com</a> .	
<b>Dealing Deadline</b>	4.30 pm (Irish time) on the Business Day prior to the relevant Dealing Day.	
<b>Initial Offer Period</b>	The Initial Offer Period shall commence at 9.00 am (Irish time) on 20 February 2023 and close on the earlier of the receipt of an initial subscription and 5.00pm (Irish time) on 18 August 2023 as may be shortened	The Initial Offer Period shall commence at 9.00 am (Irish time) on 20 February 2023 and close on the earlier of the receipt of an initial subscription and 5.00pm (Irish time) on 18 August 2023 as may be shortened or extended by the

	<p>or extended by the Directors and notified to the Central Bank.</p> <p>Shares will be initially offered at a price of approximately US\$7.77 per Share (or its foreign currency equivalent) in a Creation Unit (together with the applicable Cash Component, Duties and Charges and Cash Transaction Charge (where relevant)).</p> <p>However, the actual initial price per Share may vary from this estimated price depending on movements in the value of the securities which comprise the Sub-Fund's investments between the date of this Supplement and the date that the Initial Offer Period closes.</p> <p>Settlement of orders for Creation Units during the Initial Offer Period must be received by the second Business Day after the end of the Initial Offer Period.</p>	<p>Directors and notified to the Central Bank.</p> <p>Shares will be initially offered at a price of approximately US\$7.77 per Share (or its foreign currency equivalent).</p>
<b>Settlement Date for Subscriptions</b>	<p>In respect of cash subscriptions, on the second Business Day after the relevant Dealing Day; provided that if such day is not a day on which foreign exchange markets are open for settlement of payments in the relevant Share Class Currency (a <b>Currency Day</b>), settlement will be postponed to the immediately following Currency Day;</p> <p>In respect of in-kind subscriptions, on the third Business Day after the relevant Dealing Day or within such other period as the Directors may determine (not exceeding 10 Business Days following the relevant Dealing Deadline).</p>	<p>In respect of cash subscriptions, on the second Business Day after the relevant Dealing Day; provided that if such day is not a day on which foreign exchange markets are open for settlement of payments in the relevant Currency Day settlement will be postponed to the immediately following Currency Day.</p>
<b>Redemptions</b>  <b>Settlement Date for Redemptions</b>	<p>Creation Units may be redeemed on a Dealing Day at a price based on the Net Asset Value per Share multiplied by the number of Shares in a Creation Unit. A redeeming Shareholder will have deducted from redemption proceeds an appropriate amount of Duties and Charges, if applicable.</p> <p>The Shares in the ETF Classes which are the subject of the redemption must be received by the Sub-Fund by the fifth Business Day after the relevant Dealing Day.</p> <p>Redemption proceeds will be typically transferred within 3 Business Days of the relevant Dealing Day and, in any</p>	<p>Shares in Non-ETF Classes may be redeemed on a Dealing Day at a price based on the Net Asset Value per Share. A redeeming Shareholder will have deducted from redemption proceeds an appropriate amount of Duties and Charges, if applicable.</p> <p>The Shares which are the subject of the redemption must be received by the Sub-Fund by the fifth Business Day after the relevant Dealing Day.</p> <p>Redemption proceeds will be typically transferred within 3 Business Days of the relevant Dealing Day and, in any event, within such other period as the Directors may determine (not</p>

	event, within such other period as the Directors may determine (not exceeding 10 Business Days following the relevant Dealing Deadline), provided that all required documentation has been furnished to the Administrator and the relevant Shareholder has delivered, in the relevant Securities Settlement System, the Shares to be redeemed.	exceeding 10 Business Days following the relevant Dealing Deadline), provided that all required documentation has been furnished to the Administrator.
<b>Valuation Methodology</b>	<p>Assets and liabilities of the Sub-Fund which are listed or traded on one Regulated Market for which quotations are readily available at the valuation point for the relevant dealing day shall be valued at the <b>last traded price</b> on such Regulated Market. Where an investment is quoted, listed or traded on or under the rules of more than one Regulated Market, the Regulated Market which in the Manager's opinion constitutes the main Regulated Market for such investment or the Regulated Market which provides the fairest criteria for valuing the relevant Investment shall be used. Where for specific assets the last traded price does not in the opinion of the Manager or its duly authorised delegate, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Manager or by a competent person appointed by the Manager and approved for purpose by the Depositary or any other means provided the value is approved by the Depositary.</p> <p>This section entitled <b>Valuation Methodology</b> should be read in conjunction with the section entitled <b>Calculation of Net Assets/ Valuation of Assets</b> in the Prospectus.</p>	
<b>Publication Time</b>	8.00 am (Irish time) on the relevant Dealing Day.	
<b>Valuation Point</b>	4.00pm (US EST) on the relevant Dealing Day.	
<b>Website</b>	<a href="http://www.HANetf.com">www.HANetf.com</a>	

## 12 DESCRIPTION OF AVAILABLE SHARES

### 12.1 ETF Classes and Non-ETF Classes

The Sub-Fund may comprise both listed Classes (being **ETF Classes**) and unlisted Classes (being **Non-ETF Classes**) in accordance with the requirements of the Central Bank. ETF Classes will be identified as such by the denominated "ETF". Classes without the "ETF" denominator are Non-ETF Classes.

Share Class Type	ETF Classes	Non-ETF Classes
Share Class Name	Distributing ETF Share Class	Distributing Share Class
ISIN	IE0009D9G2G2	IE000Z8UBXT9
Initial Issue Price	US\$7.77	US\$7.77
Dividend Policy	Distributing	Distributing
Share Class Name	Accumulating ETF Share Class	Accumulating Share Class
ISIN	IE000K6PPGX7	IE0006E7F757

Initial Issue Price	US\$7.77	US\$7.77
Dividend Policy	Accumulating	Accumulating

**13 CHARGES AND EXPENSES**

13.1 This section entitled **Charges and Expenses** should be read in conjunction with the sections entitled **General Charges and Expenses** and **Management Charges and Expenses** in the Prospectus.

13.2 The following fees may be charged, at the discretion of the Manager, on the Net Asset Value per Share in the Creation Unit subscribed for by Shareholders in respect of the ETF Classes, and on the Net Asset Value per Share in respect of the Non-ETF Classes, (and will not be incurred by the ICAV on behalf of the Sub-Fund, and accordingly will not affect the Net Asset Value of the relevant Class of Share of the Sub-Fund).

Share Class	ETF and Non-ETF Class
<b>Preliminary Charge</b>	of up to 5% at the Manager's discretion
<b>Exchange Charge</b>	of up to 3% at the Manager's discretion
<b>Redemption Charge</b>	of up to 3% at the Manager's discretion

13.3 The Preliminary Charge is in addition to the investment amount received from an investor for subscription for Shares. Such Preliminary Charge is payable to the Manager.

13.4 The following fees and expenses will be incurred by the ICAV on behalf of the Sub-Fund and will affect the Net Asset Value of the relevant Class of Share of the Sub-Fund:

Share Class	ETF Class	Non-ETF Class
<b>Total Expense Ratio or TER</b>	Up to 0.75 % per annum	Up to 0.75 % per annum

13.5 The Total Expense Ratio or TER, a percentage of the Net Asset Value of the relevant Class of Shares (plus VAT, if any), is payable by the ICAV out of the Sub-Fund Assets to the Manager. The TER will accrue on each day and will be calculated on each Dealing Day and paid monthly in arrears. The TER will cover all of the ordinary fees, operating costs and expenses payable by the Sub-Fund including fees and expenses paid to the Manager, all ordinary costs and expenses connected with the management and operating activities of the Sub-Fund, including investment management and advisory fees, Director's fees, registration, transfer agency, administration and custody fees, registrar fees, regulators and auditors and certain legal expenses of the ICAV.

13.6 The TER does not include extraordinary/other costs and expenses (including but not limited to transaction charges, stamp duty or other taxes on the investments of the ICAV including duty charges for portfolio rebalancing, withholding taxes, commissions and brokerage fees incurred with respect to the ICAV's investments, interest on any non-overdraft credit facility and charges incurred in negotiating, effecting or varying the terms of such facility, any commissions charged by intermediaries in relation to an investment in the Sub-Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to

time, such as material litigation in relation to the ICAV all of which will be paid separately out of the assets of the Sub-Fund).

13.7 The cost of establishing the Sub-Fund will be borne by the Marketing Agent.

13.8 This section entitled **Charges and Expenses** should be read in conjunction with the sections entitled **General Charges and Expenses** and **Management Charges and Expenses** in the Prospectus.

#### 14 **MATERIAL CONTRACTS**

The Investment Management Agreement provides that the appointment of the Investment Manager as investment manager will continue in force unless and until terminated by the Manager immediately on written notice to the Investment Manager or by the Investment Manager giving not less than one hundred and eighty (180) days' notice in writing to the Manager although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Investment Manager shall not be liable to the Manager or any Shareholders or otherwise for any error of judgement or loss suffered by the Manager or any such Shareholder in connection with the Investment Management Agreement unless such loss arises from the negligence, fraud or wilful default in the performance or non-performance by the Investment Manager or persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Investment Manager or any of its agents or delegates or their agents.

#### 15 **REGISTRATION FOR PUBLIC DISTRIBUTION AND LISTING**

Application is expected to be made to register the Sub-Fund for public distribution in various European countries.

Application will be made to list the Shares in the ETF Classes on Euronext Dublin. Through the operation of such a secondary market, persons who are not Authorised Participants or not able or willing to subscribe for and redeem Creation Units will be able to buy or sell Shares in the ETF Classes from or to other retail investors or market makers, broker/dealers, or other Authorised Participants at prices which should approximate, after currency conversion, the Net Asset Value of the Shares in the ETF Classes.

#### 16 **HOW TO BUY AND SELL SHARES**

Applicants should note that investors in a Non-ETF Class can subscribe and redeem their Shares directly from the ICAV, whereas investors who have purchased Shares in an ETF Class on the secondary market should be aware that such shares cannot usually be sold directly back to the ICAV. Additionally, if exchanges are closed but it is a Dealing Day for the Sub-Fund, then Non-ETF Class investors may be able to subscribe and redeem with the Sub-Fund, while other investors will likely have to wait for the Exchanges to open again to buy and sell Shares.

Investors in an ETF Class can purchase or sell Shares on a stock exchange through an intermediary at any time during the trading day whereas investors in a Non-ETF Class may only purchase and sell shares directly with the ICAV prior to the Dealing Deadline for that Dealing Day.

##### 16.1 **ETF Classes**

Investors can buy and sell Shares in the ETF Classes on the secondary market with the assistance of an intermediary (e.g., a broker-dealer) as described above in accordance with the procedures set out in the section entitled **Secondary Market** in the Prospectus and may incur fees charged by their intermediary or broker. In addition, investors in ETF Classes may pay more than the current Net Asset Value when buying Shares and may receive less than the current Net Asset Value when selling them.

Investors can otherwise subscribe for or redeem Creation Units in accordance with the procedures set out in the section entitled **Primary Market** in the Prospectus.

## 16.2 **Non-ETF Classes**

Investors can buy and sell Shares in the Non-ETF Classes in accordance with the procedures set out in the section entitled **Share Dealing – Non-ETF Sub-Funds** in the Prospectus. Investors in Non-ETF Classes may pay the Preliminary Charge and the Redemption Charge in the section entitled **Charges and Expenses** to cover transactions costs of purchasing and selling Shares of the Sub-Fund.

## 17 **CLASSIFICATION AS AN EQUITY FUND FOR GERMAN TAX PURPOSES**

The Sub-Fund will be managed in such a way to ensure that it qualifies as an "Equity Fund", as such term is defined in the German Investment Tax Act 2018 (as amended), please see sections headed **Classification as an Equity Fund or as a Mixed Fund for German Tax Purposes** and **Additional Information for German Tax Purposes** within the Prospectus for further details.

## 18 **OTHER INFORMATION**

New Sub-Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Sub-Funds will be issued by the ICAV.

The names of the Sub-Funds currently approved by the Central Bank are listed in the Global Supplement.



## SCHEDULE 1

### INDEX DISCLAIMER

The Sub-Fund is not sponsored, endorsed, sold or promoted by the Index Provider, Inc. or its affiliates (Nasdaq along with its affiliates, are referred to as the **Corporations**). The Corporations have not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Sub-Fund. The Corporations make no representation or warranty, express or implied to the owners of the Sub-Fund or any member of the public regarding the advisability of investing in securities generally or in the Sub-Fund particularly, or the ability of the Index to track general stock market performance. The Corporations' only relationship to the ICAV (**Licensee**) is in the licensing of the Nasdaq®, and certain trade names of the Corporations and the use of the Index which is determined, composed and calculated by Nasdaq without regard to Licensee or the Sub-Fund. Nasdaq has no obligation to take the needs of the Licensee or the owners of the Sub-Fund into consideration in determining, composing or calculating the Index. The Corporations are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Sub-Fund to be issued or in the determination or calculation of the equation by which the Sub-Fund is to be converted into cash. The Corporations have no liability in connection with the administration, marketing or trading of the Sub-Fund.

THE CORPORATIONS DO NOT GUARANTEE THE ACCURACY AND/OR UNINTERRUPTED CALCULATION OF THE INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE SUB-FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. THE CORPORATIONS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE CORPORATIONS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

ANNEX

**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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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

**Product name : Sprott Energy Transition Materials UCITS ETF (the Sub-Fund)**  
**Legal entity identifier:**

## Environmental and/or social characteristics

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

**Yes**    **No**

<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b>: _____%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b>: _____%</p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
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**What environmental and/or social characteristics are promoted by this financial product?**

The Sub-Fund promotes environmental and social characteristics by seeking to track the Nasdaq Sprott Energy Transition Materials Ex Uranium Index (the **Index**). The Sub-Fund will adopt a “passive management” investment strategy and will seek to employ a replication methodology, meaning as far as possible and practicable, it will invest in all of the securities in proportion to the weightings comprising the Index, which is comprised of a global investable universe of securities (predominantly publicly listed companies) that are active in the energy transition material industry. The Index methodology excludes companies which do not comply with UN Global Compact principles and/or have any operational business involvement in the fields of controversial weapons, oil and gas, oil sands, thermal coal, or pesticides from the Index.

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

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

The Index methodology requires that companies initially selected for inclusion in the Index universe are screened for compliance with UN Global Compact principles in addition to any operational business involvement in the fields of controversial weapons, oil and gas, oil sands, thermal coal, or pesticides. Companies that fail the screening process will be excluded from the selection. Eligible companies must also have a Sustainalytics Controversy Rating of five (5).

- **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?**

N/A – the Sub-Fund does not make any sustainable investments.

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

N/A – the Sub-Fund does not make any sustainable investments.

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

N/A - the Sub-Fund does not take into account the indicators for adverse impacts on sustainability factors.

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

N/A – the Sub-Fund does not make any sustainable investments.

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

*The 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 this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

Yes

No

The Sub-Fund does not consider principal adverse impacts on sustainability factors.



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

In order to seek to achieve its investment objective, the Sub-Fund will adopt a “passive management” investment strategy and will seek to employ a replication methodology, meaning as far as possible and practicable, it will invest in all of the securities in proportion to the weightings comprising the Index.

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

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

The Index methodology excludes companies that do not comply with the UN Global Compact principles in addition to companies that have an operational business involvement in the fields of controversial weapons, oil and gas, oil sands, thermal coal, or pesticides.

If any company fails the screening process above, it will be excluded from the selection.

Whilst the Sub-Fund and the Index seek to ensure compliance with such criteria at each rebalance or review date, between these reviews or rebalances, securities which no longer meet these criteria may remain included in the Index until they are removed at the subsequent rebalance or review or the portfolio of the Sub-Fund until it is possible and practicable to sell down such positions.

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

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy.

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

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

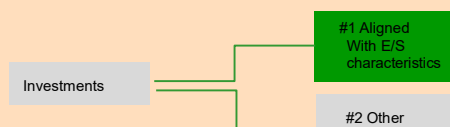
The Index methodology screens companies for compliance with UN Global Compact principles. Companies that fail the screening process will be excluded from the selection.



Asset allocation describes the share of investments in specific assets.

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

At least 90 % of the Sub-Fund’s assets are aligned with the environmental and social characteristics promoted by the Sub-Fund (#Aligned with E/S characteristics), which do not qualify as sustainable investments. Up to 10% of the investments of the Sub-Fund are not aligned with these characteristics (#2 Other).



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


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

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.

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

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

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



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

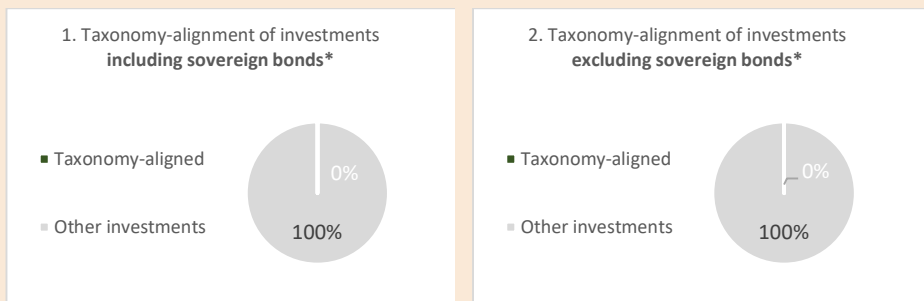
The Sub-Fund may use FDIs for efficient portfolio management and hedging purposes. These FDIs are not used to attain the environmental and social characteristics promoted by the Sub-Fund.



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

0%. The Sub-Fund does not commit to a minimum extent of EU Taxonomy alignment for its investments.

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



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

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

N/A – the Sub-Fund has no minimum proportion of investment in transitional or enabling activities.



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

N/A – the Sub-Fund has no minimum share of investments with an environmental objective that are not aligned with the EU Taxonomy Regulation.



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

N/A – the Sub-Fund has no minimum share of socially sustainable investments.



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

The Sub-Fund predominantly makes investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics).



Those investments included under “#2 Other”, may include ancillary liquid assets, money market instruments, investments in ETFs authorised as UCITS, futures, currency swaps and currency forwards. It may also include securities which no longer meet the environmental and/or social criteria described above but will not be removed from the Index until the next Index rebalance. There are no minimum environmental or social safeguards.

**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?**

Yes, the Sub-Fund has designated the Nasdaq Sprott Energy Transition Materials Ex Uranium Index as the reference index.

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

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

The Index promotes environmental and social characteristics by excluding companies that fail the screening process for compliance with UN Global Compact principles, in addition to any operational business involvement in the fields of controversial weapons, oil and gas, oil sands, thermal coal, or pesticides from selection for the Index.

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

The Sub-Fund will adopt a “passive management” investment strategy and will seek to employ a replication methodology, meaning as far as possible and practicable, it will invest in all of the securities in proportion to the weightings comprising the Index, which is comprised of a global investable universe of securities (predominantly publicly listed companies) that are active in the energy transition materials industry. The Sub-Fund may, from time to time, use a sampling methodology under various circumstances.

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

The Index differs from a broad market index as it seeks to measure the performance of a global investable universe of securities that are active in the energy transition materials industry. The Index includes companies classified by the Index Provider as Energy Transition Materials Producers, Developers, Explorers, Refiners, Smelters, Recyclers or Royalty Companies and which meet the minimum market capitalisation and liquidity requirements and have a primary listing on a stock exchange or regulated market as described in Appendix 1 of the Prospectus. The Index excludes companies for violations of the UN Global Compact principles and any operational business involvement in the fields of controversial weapons, oil and gas, oil sands, thermal coal, or pesticides.

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

Additional information on the Index can be found at <https://indexes.nasdaqomx.com/Index/Overview/NSETMU>



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

Additional information on the Sub-Fund can be found at <https://www.hanetf.com/product-list>