

This document is a Supplement to the Prospectus dated 27 March 2024 issued by ARK Invest UCITS ICAV (the “ICAV”). This Supplement forms part of, and should be read in conjunction with, the Prospectus.

The value of Shares may go up or down and you may not get back the amount you invested. Investors’ attention is drawn to the risk warnings contained in the section headed Risk Factors in the Prospectus and, in particular, to the risk warnings contained in the section of this Supplement entitled “Risk Factors”.

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

ARK INVEST UCITS ICAV

(an open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with variable capital and segregated liability between its sub-funds and registered in Ireland with registration number C193010 and authorised by the Central Bank of Ireland as a UCITS)

SUPPLEMENT

Dated 6 October 2025

in respect of

ARK SPACE & DEFENCE INNOVATION UCITS ETF

(a sub-fund of the ICAV, the “Fund”)

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

Investment Objective

The investment objective of the Fund is to generate long term capital growth (5 years or more).

Investment Policy

The Fund uses an active investment management strategy to achieve the Fund's investment objective.

The Fund will invest, under normal circumstances, primarily in global equity securities of companies that are engaged in the Fund's investment theme of Space and Defence Innovation.

The Investment Manager defines "Space and Defence Innovation" as companies that lead, enable, or benefit from disruptive, technology-enabled products and/or services spanning both the space and defence industries. The Investment Manager defines Innovation, including the investment theme of "disruptive innovation," as the introduction of a technologically enabled new product or service that the Investment Manager expects to change an industry landscape. The Investment Manager's internal research and analysis leverages insights from diverse sources, including external research, to develop and refine its investment themes and identify and take advantage of trends that have ramifications for individual companies or entire industries. In selecting companies that the Investment Manager believes are engaged in the theme of Space and Defence Innovation, the Investment Manager seeks to identify, using its own internal research and analysis, companies capitalising on disruptive innovation.

The Investment Manager believes that companies involved in Space and Defence Innovation can be grouped into several overarching categories, each of which contains relevant sub-elements.

Orbital Aerospace Companies are companies that launch, manufacture, service, or operate platforms in the orbital space, including satellites and launch vehicles. Such platforms are critical not only for commercial space applications—like communications, navigation, and Earth observation—but also for defence purposes, including early missile-warning systems and space-based intelligence, surveillance, reconnaissance (ISR) and precision-guided weapons.

Suborbital Aerospace Companies are companies that launch, manufacture, service, or operate platforms in the suborbital space, but which do not reach a velocity needed to remain in orbit around a planet. This category encompasses firms developing suborbital systems that serve both commercial and defence objectives.

Next Generation Defence Companies are companies at the forefront of modern defence technology, developing precision-guided munitions, hypersonic vehicles, stealth technologies, directed energy weapons, artificial intelligence and machine learning, unmanned aerial vehicles (UAVs), aerial and ground-based drones and other robotics and autonomous systems, cybersecurity solutions, space-based capabilities, electronic warfare and network-centric warfare solutions. This category includes established defence contractors — companies with expertise in developing and manufacturing products and services for government military and intelligence departments such as military aircraft, naval vessels, weaponry, electronic systems and integrated defence platforms — that are actively embracing and advancing technological innovation within the defence sector and which the Investment Manager considers are well positioned to benefit from future defence spending and/or reallocations within existing defence budgets toward next-generation defence solutions in the United States and NATO member countries as well as countries with Major Non-NATO Ally Status.

Enabling Technologies Companies are companies that develop technologies used by aerospace and defence companies (including beneficiary companies, see below) for successful valued-add aerospace and defence operations. This group includes innovators in artificial intelligence, robotics, advanced sensors, data analytics, secure communications tools, 3D printing, advanced materials, and energy storage. For example, 3D printing companies create value-add for both aerospace and defence companies by accelerating innovation thanks to low-costs and rapid prototyping, and by lowering the weight of low volume, highly complex parts — advantages that are crucial for both space missions and the development of modern weaponry and integrated defence systems.

Aerospace Beneficiary Companies are companies whose operations stand to benefit from advancements in aerospace and defence innovation including companies involved in agriculture, internet access, global positioning systems (GPS), logistics, construction, imaging, drones, air taxis and electric aviation vehicles. For example, agriculture companies utilise technologies advanced by space innovation, such as satellite imagery.

The Investment Manager will only invest in companies that are headquartered in and incorporated and/or domiciled within the United States and NATO member countries as well as countries with Major Non-NATO Ally Status¹.

Space and defence innovation is possible due to the convergence of a number of themes (such as artificial intelligence and robotics) and the technologies underlying those themes (including reusable rockets, advanced battery technologies and neural networks). Technological “convergence” is the process where advancements in one field propel developments in others, leading to a cascade of combined effects that amplify overall progress. This synergy is particularly potent today as artificial intelligence is acting as a catalyst, enhancing and accelerating developments across a range of sectors, including Space and Defence.

Many of the companies the Fund invests in may only have an indirect and not a substantial involvement in the aerospace or defence industry. A company may not currently derive any revenue from innovative aerospace or defence technologies, and there is no assurance that such company will derive any revenue from innovative technologies in the future.

The Investment Manager will select investments for the Fund that represent the Investment Manager’s highest-conviction investment ideas within the theme of Space and Defence Innovation, i.e., investment decisions regarded with confidence, in constructing the Fund’s portfolio. The Investment Manager will analyse potential investments by using both “**top down**” information (e.g., economy-wide analysis of facts such as rate of growth, cost declines, unit economics, sizing of markets, and price levels as well as business and technology cycle trends) and “**bottom up**” criteria (e.g., fundamental and quantitative metrics for individual companies such as their revenue growth, profitability and return on invested capital).

In its “bottom up” approach to company selection, the Investment Manager makes its investment decisions primarily based on its analysis of the potential of individual companies, while integrating ESG considerations into that process, as described below. The Investment Manager’s highest-conviction investment ideas are those that it believes present the best risk-reward opportunities.

- **Business involvement** – The Investment Manager will not invest in companies involved in certain business activities above certain involvement thresholds as defined in the annex to this Supplement regarding the Fund’s environmental and/or social characteristics which include companies involved in the production and/or distribution of controversial weapons, thermal coal, oil & gas, tobacco, gambling, adult entertainment and alcohol. Where the Fund already holds a position in a company that the Investment Manager subsequently identifies as being involved in such activities, the Investment Manager will take steps to remove the company from the Fund’s portfolio. In order to make a final determination as to business involvement, it may be necessary for the Investment Manager to perform additional research to investigate the matter and evaluate, or engage with the company to seek clarity with respect to the level of involvement.
- **Violations of international norms and standards** – The Investment Manager will not invest in companies that are in breach of the principles of the United Nations Global Compact (the “**UN Global Compact**”), the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises (the “**OECD Guidelines**”), and the United Nations Guiding Principles on Business and Human Rights (the “**UN Guiding Principles**”). The UN Global Compact, OECD Guidelines and UN Guiding Principles are significant international frameworks and initiatives (commonly referred to in ESG parlance as “international norms and/or standards”) comprised of guidelines and principles that aim to promote responsible business practices and corporate

¹ Major Non-NATO Ally (MNNA) status is a designation under U.S. law that provides foreign partners with certain benefits in the areas of defence trade and security cooperation. Please refer here for more information: <https://www.state.gov/major-non-nato-ally-status/>

sustainability. While they have distinct objectives and focus areas, they share a common goal of encouraging businesses to operate ethically, sustainably, and in a manner that respects human rights. Where the Fund already holds a position in a company that the Investment Manager subsequently identifies as being in breach of any of the foregoing, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research to investigate the matter and evaluate, or engage with the company to seek clarity with respect to, any identified or suspected violations whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

- **Controversy, environmental and social risk** - The Investment Manager's bottom-up stock selection process includes two assessment pillars entitled "Company, People and Culture" and "Thesis Risk" respectively which are designed to capture, and ensure that consideration is given to, any material controversies or environmental or social risks identified in relation to any portfolio companies or prospective portfolio companies. The Investment Manager seeks to avoid investing in companies in respect of which it considers the controversy risk or the environmental or social risks are likely to impair a company's ability to invest in and continue to produce innovative products and services. Companies that score well on "People, Management and Culture" espouse an open ethos, seek feedback from sustainability-focused shareholders, and elucidate a clear and concise mission statement. Companies that score well on "Thesis Risk" make sustainability-focused supply chain decisions, are good partners to customers, suppliers and funders, and have low political and regulatory risks. Where the Fund already holds a position in a company in respect of which the Investment Manager subsequently determines the controversy risk or the environmental or social risks to be high, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research to investigate and evaluate, and/or engage with the company to seek clarity with respect to, the relevant controversies or environmental or social matters and/or compel action or improvements at the company with respect to the resolution of such controversies or environmental or social matters and the management of controversy risk or environmental or social risks more generally whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.
- **Governance assessment** – The Investment Manager's bottom-up stock selection process includes a specific assessment pillar entitled "Company, People and Culture" which includes a corporate governance assessment. The Investment Manager seeks to avoid investing in companies which it considers to be poorly governed. A poorly governed company would be one whose board and senior managers fail to deliver transparent, ethical and accountable oversight—allowing weak internal controls, mis-aligned incentives and deceptive or fraudulent practices that ultimately expose shareholders and other stakeholders to heightened financial, legal and reputational risk. Where the Fund already holds a position in a company in respect of which the Investment Manager subsequently determines the governance risk to be high, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research, and/or engage with the company to seek clarity with respect to any identified governance challenges and/or compel action or improvements at the company with respect to the management of such governance challenges whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

The Investment Manager has regard to third party data when assessing whether a company has exceeded relevant business involvement thresholds or presents unacceptable controversy, environmental or social risk or governance risk, however such third party data is merely informative for the Investment Manager and the Investment Manager is solely responsible for determining whether a company has exceeded relevant business involvement thresholds or presents unacceptable controversy, environmental or social risk or governance risk pursuant to its own bottom-up research and investment process as described above.

Portfolio description

Under normal circumstances, substantially all of the Fund's assets will be invested in equity securities which comply with Schedule II of the Prospectus ('Investment Restrictions'), including common stocks, partnership interests, business trust shares and other equity investments or ownership interests in business enterprises. The Fund's investments will include micro-, small-, medium-, large-, and mega-capitalisation companies. The Fund's investments in equity securities may be in both developed and emerging markets.

The Fund may take a temporary defensive position (investments in cash or cash equivalents) in response to adverse market, economic, political or other conditions. Cash equivalents include short-term high quality debt securities and money market instruments such as commercial paper, certificates of deposit, bankers' acceptances, U.S. Government securities, and shares of short-term fixed income or money market funds.

The Fund may also invest in the following additional assets subject to the conditions and within the limits laid down by the Central Bank: American Depositary Receipts (ADRs), European Depositary Receipts (EDRs) and Global Depositary Receipts (GDRs), rights, warrants, preferred securities and debt securities which may be converted to equity at the option of the holder of the securities (excluding contingent convertible securities). In connection with Hedged Classes, the Fund may also enter into transactions in FDI – specifically, FX forwards, FX non-deliverable forwards and FX futures - in order to hedge against movements of the Class Currency relative to the currencies in which the Fund's assets are denominated or to hedge against movements of the Class Currency relative to the Base Currency. Any such Class hedging transactions will be undertaken in accordance with the ICAV's currency hedging policy as set out in the section entitled **"Currency Hedging Policy - Hedging at Class Level"** in the Prospectus and in accordance with Schedule III of the Prospectus. The Fund will only use FDIs as provided for in the risk management process prepared by the Manager in respect of the Fund and filed with the Central Bank.

The equity securities invested in by the Fund will be listed, traded and dealt with on one or more of the Regulated Markets set out in Schedule 1 to the Prospectus.

The Fund may, in addition, employ other techniques relating to transferable securities, including investing in money market instruments and money market collective investment schemes. A money market instrument for these purposes means an instrument that is normally dealt in on the money market, which is liquid and has a value which can be accurately determined at any time. A money market collective investment scheme is an Eligible Collective Investment Scheme that invests in money market instruments and is authorised under the EU Money Market Fund Regulation. The techniques and instruments which may be used are investments in futures (which may be used to manage cash flows on a short term basis by holding the future to gain exposure to an asset class pending direct investment), options (which may be used to achieve cost efficiencies or to manage currency risk or interest rate risk), swaps and forward currency exchange contracts (both of which may be used to manage currency risk, interest rate risk or to achieve cost efficiencies). In circumstances where a Fund may use further techniques and instruments, these will be disclosed in the relevant Fund Supplement. Any financial derivative instruments not included in the risk management process will not be used until such time as a revised risk management process has been provided to the Central Bank. Where such techniques and instruments are used, they will be utilised in accordance with the requirements of the Central Bank, the UCITS Directive and the eligible Assets Directive 2007/16/EC.

The amount which may be invested in other collective investment schemes shall not exceed 10% of the Net Asset Value of the Fund.

The maximum proportion of the Net Asset Value of the Fund that can be subject to securities lending is 49%. The proportion of the Net Asset Value of the Fund that will be subject to securities lending is expected to range from 0% to 49%.

As at the date of this Fund Supplement, to the extent the Fund undertakes securities lending, the Fund will receive 62.5% of the associated revenue generated from securities lending activities (the **"Securities Lending Revenue"**) and the remaining 37.5% will be retained by the Manager (representing the attendant direct and indirect operational costs and fees of the securities lending). In circumstances where the portion of the Securities Lending Revenue which is retained by the Manager (37.5% of the Securities Lending Revenue) is greater than the attendant direct and indirect operational costs and fees of the securities lending, any excess will be returned to the Fund.

Should the weightings of any particular Investment held by the Fund exceed the investment restrictions permitted by the Central Bank, the Investment Manager will adopt as a priority objective the remedying of the situation, taking due account of the Shareholders.

There is no guarantee that the Fund will achieve its investment objective.

It is recommended that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Base Currency

The Base Currency of the Fund is USD.

The Manager and the Investment Manager

The Manager of the ICAV is IQEQ Fund Management (Ireland) Limited.

Pursuant to an investment management agreement dated 27 March 2024 (the “**Investment Management Agreement**”), the Manager has appointed ARK Investment Management LLC, an investment advisor registered with the U.S. Securities and Exchange Commission, (the “**Investment Manager**”) as investment manager of the Fund with discretion for asset allocation and management of the portfolio of the Fund in line with the Fund’s investment objective and investment policy. Accordingly, the Investment Manager is responsible for the day-to-day management of the Fund’s portfolio, including all transactions relating to the purchase and sale of Investments in line with the discretionary asset management strategy and any corporate actions or dividends relating to the companies comprised within the Fund’s portfolio, in line with the Fund’s investment objective and active investment management strategy and in line with Schedules I, II and III of the Prospectus.

The Manager, however, will retain responsibility for managing any portfolio transactions that are required intra day due to any subscription or redemption activity. These will be done in accordance with the portfolio selected by the Investment Manager.

SUSTAINABILITY

The Fund is an Article 8 Fund within the meaning of SFDR and promotes responsible business practices and compliance with international norms through the allocation of capital to companies that are not involved in (or whose involvement is limited to prescribed minimal thresholds within) certain industries considered to be negative for the environment or society (e.g. thermal coal and gambling) and which are deemed to be well governed companies without involvement in material controversies (including environmental or social controversies) or breaches of international norms, based on the Investment Manager’s own proprietary analysis and third-party data.

The means by which the Fund promotes environmental and social characteristics are more fully described in the annex to this Supplement.

Integration of Sustainability Risks

The Manager has adopted the Investment Manager’s approach in relation to the integration of Sustainability Risks into investment decisions for the Fund. The Investment Manager seeks to integrate Sustainability Risks into its investment decisions, meaning the Investment Manager assesses the Sustainability Risks associated with asset allocation by following processes pursuant to which it first endeavours to identify such risks (if any) and, where relevant, monitors and manages any such risks identified in a manner considered appropriate to the investment strategy of the Fund.

In both the Investment Manager’s “top down” and “bottom up” approaches (as described in the section entitled “Investment Policy”), the Investment Manager integrates sustainability risks in its investment process through the evaluation of ESG considerations.

The Investment Manager’s consideration of Sustainability Risks and opportunities may have a material impact on long-term returns for investors, as outlined in the risk factor in the Prospectus entitled “Impact of the Integration of Sustainability Risk”. However, the Investment Manager aims to mitigate the medium to long term impact of Sustainability Risks on the performance of the Fund through its integration of Sustainability Risks in its investment process, as set out above. Given the investment strategy of the Fund and its risk profile, the likely impact of Sustainability Risks on the Fund’s returns is expected to be low.

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

Prospective investors should refer to the annex to this Supplement regarding the Fund's environmental and/or social characteristics.

PROFILE OF A TYPICAL INVESTOR

A typical Investor would be one who is a private or institutional investor and is seeking capital appreciation over the long term. Such an Investor is also one that is able to assess the merits and risks of an investment in the Shares of the relevant Class of the Fund.

SHARE CLASSES

Only ETF Shares will be issued in respect of the Fund.

Details of the Classes available in the Fund, are set out below.

| Classes | TER | Dividend Policy/Frequency | Unlaunched Classes of ETF Shares are indicated below | Hedged share Class | Class Currency |
|-----------------------------|------------|----------------------------------|---|---------------------------|-----------------------|
| USD Accumulating ETF | 0.75% | Accumulating | Unlaunched | No | USD |
| USD Distributing ETF | 0.75% | Distributing/Semi-Annual | Unlaunched | No | USD |
| GBP Hedged Accumulating ETF | 0.75% | Accumulating | Unlaunched | Yes | GBP |
| EUR Hedged Accumulating ETF | 0.75% | Accumulating | Unlaunched | Yes | EUR |
| CHF Hedged Accumulating ETF | 0.75% | Accumulating | Unlaunched | Yes | CHF |
| JPY Hedged Accumulating ETF | 0.75% | Accumulating | Unlaunched | Yes | JPY |
| SGD Hedged Accumulating ETF | 0.75% | Accumulating | Unlaunched | Yes | SGD |

The Directors reserve the right to differentiate between persons who are subscribing for or redeeming Shares and to waive or reduce the Minimum Subscription Amount and Minimum Redemption Amount for any such person or to refuse an application for the subscription of Shares in their absolute discretion.

Additional Classes may be created in accordance with the requirements of the Central Bank.

DIVIDENDS

Where the ICAV intends to declare dividends with respect to one or more Classes of the Fund, the proposed frequency of such dividend declarations shall be as set out in the table in the section entitled "Share Classes".

It is not the current intention of the Directors to declare dividends in respect of the Classes identified as "accumulating" classes in this Supplement. The income and earnings and gains of the Funds will be accumulated and reinvested. Any change to this dividend policy shall be set out in an updated version of the Supplement and notified to the Shareholders of the relevant Class in advance.

It is intended to declare dividends in respect of the Classes identified as "distributing" classes in this Supplement. Distributions in respect of these Classes will be declared on each Distribution Date in each year provided that if such dates are not Business Days, the declaration date will be the Business Day

immediately following such date respectively. The distribution may comprise net income (if any) of the Fund.

The Distribution Date for this Fund will be the first Business Day in January and July each year.

Dividend Payments through Clearstream

As at the date of this Supplement, only ETF Shares have been issued in respect of this Fund. The ICAV, or its authorised agent, will pay any dividends declared to Clearstream (as the registered holder of Shares). Investors, where they are Clearstream Participants, must look solely to Clearstream for their share of each dividend payment paid by the ICAV or, where they are not Clearstream Participants, they must look to their respective nominee, broker or CSD (as appropriate, which may be a Clearstream Participant or have an arrangement with a Clearstream Participant) for any share of each dividend payment paid by the ICAV that relates to their investment.

DEALING IN SHARES OF THE FUND

Only the ETF Shares issued in respect of this Fund will be listed and/or traded on the Relevant Stock Exchanges. It is envisaged that ETF Shares will be bought and sold by private and institutional investors in the secondary market.

Only Authorised Participants may subscribe for and redeem ETF Shares in the Fund directly with the ICAV in accordance with the section of the Prospectus entitled “**Procedures for Subscriptions and Redemptions**” having regard to the information set out below:

| | |
|------------------------------------|---|
| Business Day | A day on which banks, markets and exchanges are open for business in the USA, UK and Ireland and such other days as the Directors shall determine. |
| Class Currency | The dealing currency and the currency of denomination of the relevant Class. |
| Dealing Day | A day on which no Significant Markets are closed for business or such Business Day(s) as the Directors may from time to time determine (and notify in advance to Shareholders) for dealings in the Fund provided always that there shall be at least one Dealing Day each fortnight. The Marketing Agent maintains an online “Dealing Day Calendar” at: https://arkeurope.com/ , where advance notice of all expected Dealing Days for each Fund is published on an ongoing basis. The Dealing Day Calendar is also available on request from the Manager. |
| Initial Offer Period | The Initial Offer Period shall commence at 9:00 a.m. (Dublin time) on 7 October 2025 and shall end at 3:00 p.m. (Dublin time) on 6 April 2026 or such other time as the Directors may determine. |
| Initial Offer Price | The price per Share is expected to be approximately USD 5, or its equivalent in the Class Currency. However, the actual initial price per ETF Share will depend on the actual cost to the ICAV of purchasing the relevant Investments (please see the definition of “ Duties and Charges ” in the Prospectus). Details of the Initial Offer Price will be available from the Administrator and on https://arkeurope.com/ . |
| Minimum Redemption Amount | USD 1,000,000 or its equivalent in the Class Currency. |
| Minimum Subscription Amount | USD 1,000,000 or its equivalent in the Class Currency. |
| Settlement Time | <p>Settlement of subscriptions shall generally occur within one Business Day after the relevant Dealing Day (unless otherwise stipulated by the Manager or its delegate) and in any event will occur within a maximum of ten Business Days.</p> <p>Settlement of redemptions shall generally occur within two Business Days after the relevant Dealing Day (unless otherwise agreed with the Manager or its delegate).</p> |

| | |
|---------------------------|--|
| Subscription Fee | None |
| Trade Cut-Off Time | 3:00 p.m. Dublin time on the relevant Dealing Day or such earlier or later time as may be determined by the Manager or the Investment Manager at their discretion with prior notice to Authorised Participants, which is the cut-off time in respect of any Dealing Day for receipt of applications for subscriptions and redemptions in the Fund. |
| Valuation Point | 4:00 p.m. New York Time (US) on the relevant Dealing Day. |

FEES AND EXPENSES

A TER will be paid out of the assets of each Class to the Manager. The TER for each for each Class is set out under the heading "TER" in the table included under the heading "**Share Classes**".

This section should be read in conjunction with the section headed "**Fees, Costs and Expenses**" in the Prospectus.

RISK FACTORS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "**Risk Factors**" section of the Prospectus. The Fund may also be subject to the following Fund-specific risks:

Disruptive Innovation Risk

Companies that the Investment Manager believes are capitalising on disruptive innovation and developing technologies to displace older technologies or create new markets may not in fact do so. Companies that initially develop a novel technology may not be able to capitalise on the technology. Companies that develop disruptive technologies may face political or legal attacks from competitors, industry groups or local and national governments. These companies may also be exposed to risks applicable to sectors other than the disruptive innovation theme for which they are chosen, and the securities issued by these companies may underperform the securities of other companies that are primarily focused on a particular theme. The Fund may invest in a company that does not currently derive any revenue from disruptive innovations or technologies, and there is no assurance that a company will derive any revenue from disruptive innovations or technologies in the future. A disruptive innovation or technology may constitute a small portion of a company's overall business. As a result, the success of a disruptive innovation or technology may not affect the value of the equity securities issued by the company.

Fund-specific Risks

Particular risks associated with the Space and Defence theme:

- **Geopolitical and Regulatory Risk**

Investments in defence companies are inherently sensitive to geopolitical tensions and shifts in national security policies. Defence companies may experience abrupt changes in revenue or contract awards due to factors such as:

Escalation or de-escalation of international conflicts and shifts in defence spending priorities in the United States and NATO member countries as well as countries with Major Non-NATO Ally Status.

Changes in export controls, sanctions, or regulatory requirements imposed by national governments, which may limit access to key markets or technology.

Uncertainty surrounding arms control agreements and evolving military doctrines, which could materially impact defence procurement and strategic planning.

- **Technology Obsolescence and Innovation Adoption Risk**

The defence sector is subject to rapid technological change. Companies operating in this space must continuously innovate to remain competitive. Key risks include:

The potential for existing defence technologies, including advanced weaponry, sensor systems, and communications platforms, to become obsolete as new solutions are developed.

Delays in the adoption of emerging technologies due to lengthy government procurement cycles or resistance from military institutions, which may hinder anticipated revenue growth.

The possibility that investments in research and development may not yield commercially viable or operationally superior products, thereby affecting long-term competitiveness.

- **Supply Chain and Operational Risk**

Defence companies typically operate within complex and often global supply chains that are vulnerable to disruption. Specific risks include:

Exposure to geopolitical events or trade disputes that may disrupt the supply of critical components, increase costs, or delay production schedules.

Dependency on specialised suppliers and subcontractors whose operational issues or financial instability could adversely affect the company's ability to deliver on contracts.

Operational risks associated with the integration of new defence technologies into legacy systems, which may result in increased costs or execution delays.

- **Dependency on Government Contracts and Spending**

A significant portion of the revenues for many defence companies is derived from government contracts. This reliance introduces several risks:

Concentration risk arising from the dependence on a limited number of government customers, where changes in defence budgets, procurement policies, or political priorities could materially impact earnings.

Contractual risks including delays, cancellations, or modifications of government contracts, which may disrupt cash flow and reduce profitability.

The cyclical nature of defence spending, which may be affected by political cycles, economic downturns, or shifts in public policy, thereby influencing market valuations.

- **Reputational and Ethical Risk**

Defence investments can attract heightened public scrutiny due to the nature of the products and services involved. Specific concerns include:

Reputational risks associated with investing in companies involved in the development and manufacture of advanced weaponry and combat systems, which may lead to public or stakeholder opposition.

Ethical considerations that could affect investor sentiment and impact the market valuation of companies if they are perceived to be engaged in controversial activities.

The potential for increased regulatory or activist pressure as global and domestic debates around military spending and responsible business practices evolve.

- **Market Liquidity and Valuation Risk**

Due to the specialised nature of the defence sector, stocks in this area can exhibit significant volatility. Key factors include:

The potential for rapid fluctuations in stock prices driven by announcements of new defence contracts, changes in government policy, or unforeseen geopolitical events.

Periods of limited liquidity in the market for defence-related securities, which could exacerbate price volatility and complicate the process of executing large transactions without impacting market prices.

Please also refer to the following Fund-specific risks set out in the “Risk Factors” section of the Prospectus under the heading “**2. Risks relating to particular sectors**”:

- Communications Sector Risk
- Concentration Risk
- Consumer Discretionary Risk
- Industrials Sector Risk
 - *Aerospace and Defence Company Risk*
 - *Professional Services Company Risk*
- Information Technology Sector Risk
 - *Internet Company Risk*
 - *Semiconductor Company Risk*
 - *Software Industry Risk*

RISK MANAGEMENT

Global Exposure

The Fund’s global exposure, being the incremental exposure and leverage generated by the Fund through its use of FDI, shall be calculated on at least a daily basis using the commitment approach and, in accordance with the requirements of the Central Bank, may at no time exceed 100% of the Fund’s Net Asset Value. Regardless of whether exposure to the underlying securities or reference assets is obtained by direct investment in the relevant securities or reference assets, or by gaining exposure to those securities or reference assets through the use of FDI, the same notional value shall be committed to the investment by the Fund. Accordingly, it is not expected that the Fund will be leveraged.

BENCHMARK

This Fund is actively managed and refers to the MSCI World Total Return Net Index (the “**Benchmark Index**”) for performance comparison purposes only. The Fund’s investment strategy is not constrained

by the constituents of the Benchmark Index, and, accordingly, the portfolio of the Fund may bear no resemblance to the Benchmark Index.

TAXATION

German Investment Tax Act

The ICAV seeks to maintain "equity fund" status for the Fund pursuant to Section 2 para. 6 and 7 of the German Investment Tax Act 2018.

Investors should consult their own professional advisers as to the implications of the Fund maintaining "equity fund" status pursuant to the German Investment Tax Act 2018.

As at the date of this Fund Supplement, at least 51% of the Fund's assets will be continuously invested in equity assets as defined in Section 2. para. 8 of the German Investment Tax Act 2018.

DISCLAIMERS

Admission to trading on any trading venue operated by an entity of the London Stock Exchange Group Plc ("LSEG"), does not constitute a warranty or representation by any entity of LSEG as to the competence of the service providers or the suitability of the Shares for investment or for any other purpose.

LISTINGS

Frankfurt Stock Exchange Listing

Application has been made to Frankfurt Stock Exchange for the Shares of the Fund issued and available for issue to be admitted to the Official List and to trading on the Main Securities Market of Frankfurt Stock Exchange. Admission to listing is expected to become effective on or about the date of this Fund Supplement or later date as the Directors may determine subject to the prior notification to Frankfurt Stock Exchange. This document, together with the Prospectus shall constitute listing particulars for the purpose of listing the Shares on Frankfurt Stock Exchange and includes all information required to be disclosed by the code of listing requirements and procedures of Frankfurt Stock Exchange.

As of the date of this document the Fund does not have any loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges, debentures or other borrowings under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

At the date of this document, other than as disclosed below, no Director or any persons closely associated with any Director, has any interest, beneficial or non-beneficial, in the share capital of the ICAV, together with any options in respect of such shares, or any material interest in the ICAV or in any agreement or arrangement with the ICAV except that one or more of the Directors may hold Subscriber Shares as a nominee. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

Template 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

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.

Product name: ARK Space & Defence Innovation UCITS ETF

Legal entity identifier: 635400U4KPAB1WDFLX19

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☒ ☐ Yes

☒ ☐ ☒ No

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

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

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

☐ It will make a minimum of **sustainable investments with a social objective:** ____%

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

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

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

☐ with a social objective

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



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

The Fund promotes environmentally and socially responsible business practices and compliance with international norms through the allocation of capital to companies that are not involved in (or whose involvement is limited to prescribed minimal thresholds within) certain industries considered to be negative for the environment or society (e.g. thermal coal and gambling) and which are deemed to be well governed companies without involvement in material controversies (including environmental or

social controversies) or breaches of international norms, based on the Investment Manager's own proprietary analysis and third-party data.

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 Fund uses the following sustainability indicators in order to measure the attainment of the environmental or social characteristics that it promotes:

- % portfolio-level compliance with business involvement-related screening criteria, as described more fully below under *"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?"*;
- % portfolio-level compliance with international norms-related screening criteria, as described more fully below under *"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?"*; and
- % portfolio-level adherence to controversy, environmental and social risk measure as described more fully below under *"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?"*.

Given the application of the business involvement-related screens, it is expected that the % of portfolio-level compliance (i.e. at the Fund level) is anticipated to be close to 100% with the relevant thresholds. However, from time to time, individual portfolio companies may be determined by the Investment Manager to be in excess of applicable business involvement thresholds as the blend of such companies' reported revenues and business lines evolve over time (in which case the Investment Manager will take steps to review and divest from such companies as described in the section entitled *"What investment strategy does this financial product follow?"*). Where the situation arises that a portfolio company exceeds one or more business involvement thresholds, the % of portfolio-level compliance (i.e. at the Fund level) with the business involvement screens will be reduced below 100%.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The Fund does not invest in sustainable investments as defined under Article 2 (17) of the SFDR.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to

■ ***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

environmental, social and employee matters, respect for human rights, anticorruption and anti-bribery matters.

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

N/A

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

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

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



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

☒ Yes. ____

☐ No

Yes, on an ongoing basis, the Investment Manager considers the principal adverse impacts on sustainability factors that it believes to be material to the investment objective of the Fund. The Investment Manager considers the principal adverse impacts on sustainability factors through a combination of its business involvement screening and international norms violations screening (as described more fully below under “*What investment strategy does this financial product follow?*”) which it applies to its broader universe of companies from which it makes its stock selection from time to time as well as through the bottom-up analysis of portfolio companies and prospective portfolio companies whereby it considers any material controversy risks and environmental or social risks arising in relation to a company and the governance of a company within the “Thesis Risk” and “Company, People and Culture” pillars and whether any such matters will negatively impact a company’s objective of investing in innovation or the continued development of innovative products or services.

The Investment Manager may, where it has identified additional adverse impacts on sustainability factors that are material to the Fund’s investment objective, take steps to

engage with the company to seek clarity with respect to any identified matters and/or compel action or improvements at the company with respect to the resolution of such matters whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

Information relating to the principal adverse impacts considered by the Investment Manager for this Fund will be made available in the Fund's annual report. The principal adverse impacts currently considered by the Investment Manager are (1) Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and (2) Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).



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

What investment strategy does this financial product follow?

The Fund uses an active investment management strategy to achieve the Fund's investment objective.

The Fund will invest, under normal circumstances, primarily in global equity securities of companies that are engaged in the Fund's investment theme of Space and Defence Innovation.

The Investment Manager defines "Space and Defence Innovation" as companies that lead, enable, or benefit from disruptive, technology-enabled products and/or services spanning both the space and defence industries. The Investment Manager defines Innovation, including the investment theme of "disruptive innovation," as the introduction of a technologically enabled new product or service that the Investment Manager expects to change an industry landscape. The Investment Manager's internal research and analysis leverages insights from diverse sources, including external research, to develop and refine its investment themes and identify and take advantage of trends that have ramifications for individual companies or entire industries. In selecting companies that the Investment Manager believes are engaged in the theme of Space and Defence Innovation, the Investment Manager seeks to identify, using its own internal research and analysis, companies capitalising on disruptive innovation.

The Investment Manager believes that companies involved in Space and Defence Innovation can be grouped into several overarching categories, each of which contains relevant sub-elements.

Orbital Aerospace Companies are companies that launch, manufacture, service, or operate platforms in the orbital space, including satellites and launch vehicles. Such platforms are critical not only for commercial space applications—like communications, navigation, and Earth observation—but also for defence purposes, including early missile-warning systems and space-based intelligence, surveillance, reconnaissance (ISR) and precision-guided weapons.

Suborbital Aerospace Companies are companies that launch, manufacture, service, or operate platforms in the suborbital space, but which do not reach a velocity needed to remain in orbit around a planet. This category encompasses firms developing suborbital systems that serve both commercial and defence objectives.

Next Generation Defence Companies are companies at the forefront of modern defence technology, developing precision-guided munitions, hypersonic vehicles, stealth technologies, directed energy weapons, artificial intelligence and machine learning, unmanned aerial vehicles (UAVs), aerial and ground-based drones and other robotics and autonomous systems, cybersecurity solutions, space-based capabilities, electronic warfare and network-centric warfare solutions. This category includes established defence contractors — companies with expertise in developing and manufacturing products and services for government military and intelligence departments such as military aircraft, naval vessels, weaponry, electronic systems and integrated defence platforms — that are actively embracing and advancing technological innovation within the defence sector and which the Investment Manager considers are well positioned to benefit from future defence spending and/or reallocations within existing defence budgets toward next-generation defence solutions in the United States and NATO member countries as well as countries with Major Non-NATO Ally Status.

Enabling Technologies Companies are companies that develop technologies used by aerospace and defence companies (including beneficiary companies, see below) for successful valued-add aerospace and defence operations. This group includes innovators in artificial intelligence, robotics, advanced sensors, data analytics, secure communications tools, 3D printing, advanced materials, and energy storage. For example, 3D printing companies create value-add for both aerospace and defence companies by accelerating innovation thanks to low-costs and rapid prototyping, and by lowering the weight of low volume, highly complex parts — advantages that are crucial for both space missions and the development of modern weaponry and integrated defence systems.

Aerospace Beneficiary Companies are companies whose operations stand to benefit from advancements in aerospace and defence innovation including companies involved in agriculture, internet access, global positioning systems (GPS), logistics, construction, imaging, drones, air taxis and electric aviation vehicles. For example, agriculture companies utilise technologies advanced by space innovation, such as satellite imagery.

The Investment Manager will only invest in companies that are headquartered in and incorporated and/or domiciled within the United States and NATO member countries as well as countries with Major Non-NATO Ally Status¹.

Space and defence innovation is possible due to the convergence of a number of themes. Many of the companies the Fund invests in may only have an indirect and not a substantial involvement in the aerospace or defence industry. A company may not currently derive any revenue from innovative aerospace or defence technologies, and there is no assurance that such company will derive any revenue from innovative technologies in the future.

The Investment Manager will select investments for the Fund that represent the Investment Manager's highest-conviction investment ideas within the theme of Space Exploration, i.e., investment decisions regarded with confidence, in constructing the Fund's portfolio. The Investment Manager will analyse potential investments by using

¹ Major Non-NATO Ally (MNNA) status is a designation under U.S. law that provides foreign partners with certain benefits in the areas of defence trade and security cooperation. Please refer here for more information: <https://www.state.gov/major-non-nato-ally-status/>

both “**top down**” information (e.g., economy-wide analysis of facts such as rate of growth, cost declines, unit economics, sizing of markets, and price levels as well as business and technology cycle trends) and “**bottom up**” criteria (e.g., fundamental and quantitative metrics for individual companies such as their revenue growth, profitability and return on invested capital).

In its “bottom up” approach to company selection, the Investment Manager makes its investment decisions primarily based on its analysis of the potential of individual companies, while integrating ESG considerations into that process, as described below. The Investment Manager’s highest-conviction investment ideas are those that it believes present the best risk-reward opportunities.

- **Business involvement** – The Investment Manager will not invest in companies involved in certain business activities above certain involvement thresholds, as set out in full below under “*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?*”. Where the Fund already holds a position in a company that the Investment Manager subsequently identifies as being involved in such activities, the Investment Manager will take steps to remove the company from the Fund’s portfolio. In order to make a final determination as to business involvement, it may be necessary for the Investment Manager to perform additional research to investigate the matter and evaluate, or engage with the company to seek clarity with respect to the level of involvement.
- **Violations of international norms and standards** – The Investment Manager will not invest in companies that are in breach of the principles of the United Nations Global Compact (the “**UN Global Compact**”), the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises (the “**OECD Guidelines**”), and/or the United Nations Guiding Principles on Business and Human Rights (the “**UN Guiding Principles**”). The UN Global Compact, OECD Guidelines and UN Guiding Principles are significant international frameworks and initiatives (commonly referred to in ESG parlance as “international norms and/or standards”) comprised of guidelines and principles that aim to promote responsible business practices and corporate sustainability. These global frameworks collectively target key social issues arising from business activities, primarily focusing on respecting human rights, upholding fair labour standards (including freedom of association, eliminating forced/child labour and discrimination), combating corruption and bribery, and ensuring overall responsible impacts on society and the environment. While they have distinct objectives and focus areas, they share a common goal of encouraging businesses to operate ethically, sustainably, and in a manner that respects human rights. Where the Fund already holds a position in a company that the Investment Manager subsequently identifies as being in breach of any of the foregoing, the Investment Manager will take steps to remove the company from the Fund’s portfolio, perform additional research to investigate the matter and evaluate, or engage with the company to seek clarity with respect to, any identified or suspected violations whilst reserving the ability to remove the company from the Fund’s portfolio at any point following such engagement.
- **Controversy, environmental and social risk** - The Investment Manager’s bottom-up stock selection process includes two assessment pillars entitled “Company, People and Culture” and “Thesis Risk” respectively which are designed to capture, and

ensure that any material controversies or environmental or social risks identified in relation to any portfolio companies or prospective portfolio companies are considered and mitigated as necessary. The Investment Manager seeks to avoid investing in companies in respect of which it considers the controversy risk or the environmental or social risks are likely to impair a company's ability to invest in and continue to produce innovative products and services. Companies that score well on "People, Management and Culture" espouse an open ethos, seek feedback from sustainability-focused shareholders, and elucidate a clear and concise mission statement. Companies that score well on "Thesis Risk" make sustainability-focused supply chain decisions, are good partners to customers, suppliers and funders, and have low political and regulatory risks. Where the Fund already holds a position in a company in respect of which the Investment Manager subsequently determines the controversy risk or the environmental or social risks to be high, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research to investigate and evaluate, and/or engage with the company to seek clarity with respect to, the relevant controversies or environmental or social matters and/or compel action or improvements at the company with respect to the resolution of such controversies or environmental or social matters and the management of controversy risk or environmental or social risks more generally whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

- **Governance assessment** – The Investment Manager's bottom-up stock selection process includes a specific assessment pillar entitled "Company, People and Culture" which includes a corporate governance assessment. The Investment Manager seeks to avoid investing in companies which it considers to be poorly governed. Where the Fund already holds a position in a company in respect of which the Investment Manager subsequently determines the governance risk to be high, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research, and/or engage with the company to seek clarity with respect to any identified governance challenges and/or compel action or improvements at the company with respect to the management of such governance challenges whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

The Investment Manager has regard to third party data when assessing whether a company has exceeded relevant business involvement thresholds or presents unacceptable controversy, environmental or social risk or governance risk, however such third party data is merely informative for the Investment Manager and the Investment Manager is solely responsible for determining whether a company has exceeded relevant business involvement thresholds or presents unacceptable controversy, environmental or social risk or governance risk pursuant to its own bottom-up research and investment process as described above.

- ***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 Investment Manager's bottom-up investment approach explicitly integrates ESG considerations into its investment selection process, as follows:

- **Business involvement** – The Investment Manager will not invest in companies involved in certain business activities above the following thresholds:
 - Coal: 5% aggregate revenue threshold for thermal coal power generation, thermal coal mining, metallurgical coal mining.
 - Oil & Gas (Conventional & Unconventional): 5% aggregate revenue threshold for power generation (from oil and gas), extraction and production, distribution/retail, equipment and services, petrochemicals, pipelines and transportation, refining and trading.
 - Tobacco: 5% aggregate revenue threshold for tobacco production, distribution/retail, licensing and supply to companies involved in the foregoing activities.
 - Gambling: 5% aggregate revenue threshold for gambling operations, related licensing and support activities.
 - Adult Entertainment: 5% aggregate revenue threshold for production and distribution/retail.
 - Alcohol: 5% aggregate revenue threshold for production, distribution/retail, licensing and supply to companies involved in the foregoing activities.
 - Controversial weapons: 0% aggregate revenue threshold for production and/or distribution of controversial weapons.
- **Violations of international norms** – The Investment Manager will not invest in companies that are in breach of the principles of the UN Global Compact, the OECD Guidelines, and/or the UN Guiding Principles.
- **Controversy, environmental and social risk** - The Investment Manager’s bottom-up stock selection process includes two assessment pillars entitled “Company, People and Culture” and “Thesis Risk” respectively (as described more fully above under “*What investment strategy does this financial product follow?*”) which are designed to capture, and ensure that any material controversy risk or environmental or social risks identified is considered and mitigated as necessary.
- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Fund does not commit to reduce the scope of investments by a minimum rate prior to the application of the investment strategy.

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

The Investment Manager’s bottom-up stock selection approach includes a specific pillar entitled “Company, People and Culture” which includes a corporate governance assessment of companies. The Investment Manager will not invest in companies which it considers to be poorly governed. A poorly governed company would be one whose board and senior managers fail to deliver transparent, ethical and accountable oversight—

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

allowing weak internal controls, mis-aligned incentives and deceptive or fraudulent practices that ultimately expose shareholders and other stakeholders to heightened financial, legal and reputational risk. Where the Fund already holds a position in a company which the Investment Manager subsequently determines to be poorly governed, the Investment Manager will take steps to remove the company from the Fund's portfolio, perform additional research, and/or engage with the company to seek clarity with respect to any identified governance deficiencies and/or compel action or improvements at the company with respect to the management of such governance deficiencies whilst reserving the ability to remove the company from the Fund's portfolio at any point following such engagement.

What is the asset allocation planned for this financial product?

The Fund will invest, under normal circumstances, primarily in global equity securities of companies that are relevant to the Fund's investment theme of Space and Defence Innovation which the Investment Manager defines as companies that lead, enable, or benefit from disruptive, technology-enabled products and/or services spanning both the space and defence industries.

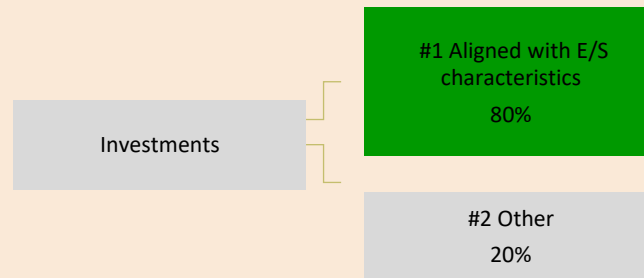
A minimum of 80% of the Fund's assets will be invested in securities of companies that the Investment Manager has assessed in line with the Fund's promoted environmental and social characteristics (represented by the box entitled "#1 Aligned with E/S characteristics"). The remaining portion of the portfolio, which may include cash or cash equivalents held by the Fund for liquidity management purposes (represented by the box entitled "#2 Other"), will not be aligned with the environmental and social characteristic promoted by the Fund.

Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

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



#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.

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

The Fund's investment policy does not permit the use of derivatives to attain the environmental and social characteristics promoted by the Fund.



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

0%

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?²**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

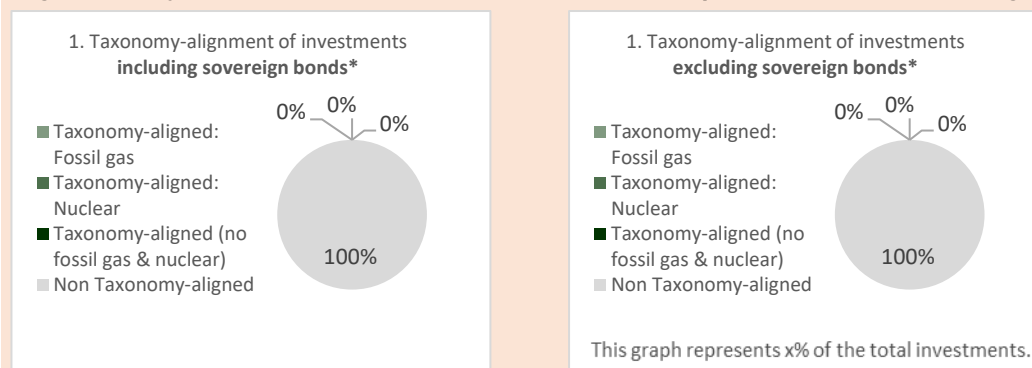
☒ No

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

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

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

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*

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



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



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

Not applicable.



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

Not applicable.



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

Not applicable.

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

Investments included under “#2 Other” are used for cash management and/or efficient portfolio management purposes. These investments only include cash and cash equivalents such as short-term high quality debt securities and money market instruments such as commercial paper, certificates of deposit, bankers’ acceptances, U.S. Government securities, and shares of short-term fixed income or money market funds. Such investments are not subject to specific minimum environmental or social safeguards.



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

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

The Fund has not designated a specific index as a reference benchmark for determining its alignment with the promoted environmental and social characteristics.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://arkeurope.com/>

