

Product(s) LEI: 213800BQ14URRDT5UW32

A. Summary

This section provides detailed sustainability-related disclosures regarding the **Cantor Fitzgerald Ethical Fund** (hereinafter referred to as “the Fund”) now categorised as Article 8 as outlined in Article 10 of the Sustainable Finance Disclosure Regulation (“SFDR”):

Cantor Fitzgerald Asset Management Europe (CFAME), originally established in 1986, is one of Ireland’s leading performing pension and investment fund managers in the Irish market since its inception over 20 years ago. The Cantor Fitzgerald Ethical Fund is a fund that gains exposure to a range of companies through investments in underlying funds and/or direct investments in the equities of such companies, integrating sustainability and ethical criteria throughout the investment selection process. The selection of these investments range across all sectors and focuses on maximising the rate of capital appreciation whilst considering the impact made by the investee company on the environment and society. In selecting its investments, the Investment Manager uses a screen to identify companies that do not align with the characteristics promoted by the Fund. Using this criterion, the Fund promotes environmental and social characteristics and is categorised in accordance with Article 8(1) of the SFDR.

Although the Fund does not have a sustainable investment objective, it does promote environmental and social characteristics. The Fund promotes the reduction of thermal coal generation and extraction, universal human rights, prohibition of forced labour, ethical and as well good governance practices. The Fund dedicates at least 90% of its net assets in investments that are aligned with the promoted environmental and social characteristics. To ensure achievement of this capital allocation, the Fund uses a series of sustainability indicators from external ESG data providers. The sustainability indicators used are outlined in section F below.

The Fund does not use a benchmark to assess its environmental or social performance but uses the indicators mentioned to assess such performance of investee companies. In addition, the Fund uses third-party software, which the Investment Manager actively uses to engage with investee companies with very severe global norms violations where there is a reasonable chance of influencing a company’s behaviour positively.

B. No Sustainable Investment Objective

The Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

C. Environmental or Social Characteristics of the Financial Product

The Fund promotes the following environmental and social characteristics:

1. Environmental
 - a. Promotion of the reduction of thermal coal generation and extraction;
2. Social
 - a. Promotion of social responsibility;
 - b. Reduction of exposure to controversial weapons;
 - c. Promotion of political rights;
 - d. Promotion of political stability & global peace;
 - e. Promotion of universal human rights;
 - f. Prohibition of forced labour;
3. Promotion of good governance practices.

D. Investment Strategy

Fund pursues an actively managed investment strategy that gains exposures to companies and/or issuers through investments in underlying funds and/or direct investments, integrating sustainability criteria throughout the investment selection process. In selecting its underlying investments, the Investment Manager applies its proprietary Ethical Screen Policy and excludes from its investible universe certain companies and issuers which violate certain norms-based and ethical criteria it screens for (the “**Ethical Criteria**”).

The Investment Manager considers the following Ethical Criteria in applying its Ethical Screen Policy:

- The Investment Manager will **exclude** investment in companies in accordance with the following criteria:

Armaments - Any company which derives more than 3% of turnover from military sales will be excluded from investment. Companies providing products or services which constitute whole nuclear systems or produce cluster munitions are excluded from investment;

Anti-Life Products - Any company involved in the manufacture or sale of anti-life products such as contraceptives, the morning after pill or abortifacients is excluded from investment;

Pornography - Any company which derives over 3% of turnover from pornography is excluded from investment;

Damaging the Environment – Companies operating in high impact industries which are deemed have very severe, direct ongoing environmental controversies will be excluded from investment. Where the Investment Manager has determined that a company has provided an inadequate response to allegations of severe damage to eco systems, natural habitats or population species, such company will be excluded from investment.

Stem Cell Research - Any company involved in embryonic research or fetal stem cell research will be excluded from investment.

Human Rights - Any company that has what the Investment Manager believes to be an inadequate human rights policy, or which is actively engaged with oppressive regimes, will be excluded from investment.

Where the Investment Manager has determined that a company has provided an inadequate response to allegations made against it, or a company in its supply chain, of:

- (1) Breaches of human rights;
- (2) Breaches of the core ILO standards on child labor/forced labor/discrimination/working hours issues; or
- (3) Breaches of ILO standards on Health and Safety which have impacted their workforce or the wider community, such company will be excluded from investment.

- The Investment Manager will aim to exclude companies that meet the following criteria:

Gambling - Any company which derives more than 10% of turnover from operating any gambling activities;

Tobacco - Tobacco companies or cigarette manufacturers or any company which derives 10% or more of their turnover from tobacco sales;

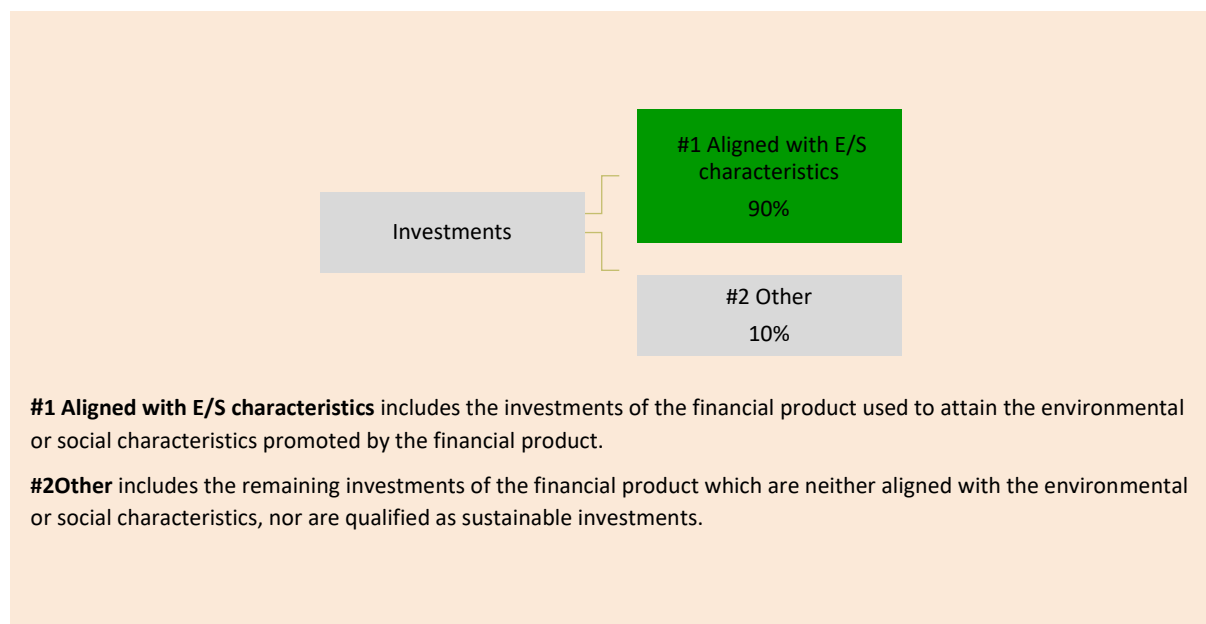
Animal Testing for cosmetics - Any company which derives over 10% of turnover from cosmetic products, where such company is engaged in the testing of cosmetic finished products and ingredients on animals.

Additionally, the Fund incorporates a good governance assessment into their stock selection process. To do this the Investment Manager uses a third-party ESG research provider to identify a company's performance in four key governance areas: management structure, employee relations, remuneration of staff, and tax compliance. The Investment Manager then uses a proprietary screen to identify companies that it considers are underperforming in these areas and makes a materiality assessment. For further details on the screen and process used, please consult the Investment Manager's [Good Governance Policy](#).

E. Proportion of Investments

The Fund invests at least 90% of its net assets in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). The asset allocation is constantly monitored by the Investment Manager and reviewed quarterly.

Up to 10% of the investments are not aligned with these characteristics (#2 Other). These assets consist of ETFs, derivatives, cash, and other cash equivalents. No minimum safeguards are applicable to these assets.



F. Monitoring of Environmental or Social Characteristics

The following sustainability indicators are used to measure the attainment of the environmental and/or social characteristics promoted by the Fund.

1. Environmental

- a) Percentage of investee funds that promote the reduction of thermal coal use

2. Social

- a) The number of investments that violate or have holdings in companies that violate the Ethical Criteria (defined below);

- b) The number of investments that directly or have holdings in companies that have ties to controversial weapons;
- c) Number of investee funds that hold investments that make up more than 5% of the portfolio which violate the UNGC, ILO or OECD Guidelines for Multinational Enterprises and are therefore part of the Investment Manager's norms-based engagement programme as outlined by the Investment Manager's [engagement policy](#);
- d) The number of investee issuers that are subject of European Union (EU) or United Nations (UN) sanctions;
- e) Percent of direct sovereign investments flagged for having lack of political rights;
- f) Weighted average direct sovereign investment stability and peace score as measured by MSCI ESG Research;

3. Good Governance

- a) The number of holdings voted
- b) Number of holdings that violate the Sovereign and Fund screen, as mentioned in the Investment Managers [Good Governance Policy](#).

The Investment Manager does not use external control mechanisms to review monitoring of the sustainability indicators.

Additionally, the Investment Manager has direct communication lines with Cantor Fitzgerald Ireland's ("the group") Sustainable & Responsible Investing Team to discuss any changes or trends in environmental or social characteristics.

G. Methodologies

The Fund uses a variety of methodologies and data sources to help measure how the environmental or social characteristics promoted by the Fund are met.

For example, the Fund uses an ESG Framework to ensure alignment with the Investment Manager's promoted environmental and social characteristics. The process begins with a negative screen, which identifies any investment not meeting the Investment Manager's criteria/promoted environmental and social characteristics. After the screen, the Investment Manager will identify the remaining securities norm-based alignment (further described below). In cases where norm-based criteria are violated, the Investment Manager will engage with a company. For further details please see the Investment Manager's engagement policy. Finally, the Investment Manager utilises an in-house principal adverse impact (PAI) scoring file that helps the Investment Manager view how a company is performing in all areas of the PAIs.

H. Data Sources and Processing

The Fund uses multiple data sources, employing a combination of research, news, information gathered through dialogue with companies and data from external research providers including but not limited to the following:

- MSCI ESG Manager
- International Shareholders Service (ISS)

- Bloomberg ESG

The Fund uses MSCI ESG Manager for screening purposes, both MSCI ESG Manager and Bloomberg ESG for assessing a company's governance performance, and ISS for norm-based screening, engagement, and proxy voting purposes. When using ESG data from the selected providers, the Investment Manager scrutinises available data in order to perform proper due diligence. This includes both checking data discrepancies/accuracy between data vendors, as well as checking the data coverage/availability of each data vendor. If conflicting data is identified between data providers, the Investment Manager will be query and seek to remedy the data issues in order to achieve a consensus on the ESG performance of a company.

Data processing takes places in different forms, with the preferred method being automation, to avoid operational risks as well as human intervention. The Investment Manager uses a combination of the data provider and automated excel spreadsheets that display relevant metrics, as well as the data availability for each metric. The Investment Manager has chosen data providers with high amounts of data availability. As it stands now, evaluating the proportion of vendor sourced data that is estimated is difficult due to insufficient metadata.

I. Limitations to Methodologies and Data

ESG data is reliant on third party data providers, which all can have different assessments of what ESG risks are financially material to a company. Additionally, in cases of insufficient data, ESG data providers may rely on estimates and approximations using internal methodologies that may be subjective and vary from other providers. Such limitations do not affect how the promoted characteristics are met, even if returns are negatively impacted. In addition, it should be noted that the consideration of non-financial data when constructing portfolios may lead to the exclusion of certain issuers and imply the foregoing of certain investment opportunities that would nevertheless be available to a fund not considering such data.

J. Due Diligence

The Investment Manager performs due diligence prior to any investment. Such due diligence includes the internal control mechanism of applying a negative Ethical screener before making an investment, as well as ensuring a company meets the Investment Manager's good governance criteria. Additionally, the Investment Manager uses an internal PAI scoring file that provides a score of a company's performance on the mandatory PAI's. The outcome of the due diligence, including any information on sustainability risks and opportunities, guides the Investment Manager's investment decision. Further details on how sustainability risks are integrated into the investment decision making process for the Fund is provided in the Investment Manager's ESG Policy. The Investment Manager does not use any external control mechanisms.

K. Engagement Policies

A key part of the Investment Manager's approach to ESG is actively engaging with companies which violate global norms. The Fund will engage with any company that breaches the United Nations Guiding Principals (UNGPs), International Labour Organizations (ILO) standards, United Nations Global Compact (UNGC) or Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. Engagement is performed using a service from the Institutional Shareholders Services (ISS), which pools together investors to engage with companies. The Investment Manager actively uses the service and

monitors ongoing engagements with companies and as well to assess whether an ongoing engagement is successful or not.

Additionally, the Investment Manager's proxy voting is carried out by ISS, who acts as the Investment Manager's proxy voting advisor. The Investment Manager therefore votes to be in line with ISS's Sustainable Proxy Voting policy and monitors the voting guideline to ensure alignment with the Investment Manager's approach to stewardship. For further information, please see the Investment Managers [Shareholder Engagement Policy](#).

L. Designated Reference Benchmark

No reference benchmark has been designated for the purposes of attaining the environmental or social characteristics promoted by the Fund.