

CEPHEI ALL-CHINA RELATIVE RETURN UCITS

SFDR Article 8 Disclosure

Summary

This disclosure is made by Cephei Capital Management (Hong Kong) Limited (the "Investment Manager") on behalf of CEPHEI ALL-CHINA RELATIVE RETURN UCITS (the "Fund"), a sub-fund of FundRock UCITS Platform I ICAV (the "ICAV"), pursuant to Article 8 of the Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("SFDR").

The Fund promotes environmental and social characteristics under Article 8 SFDR but does not have sustainable investment as its objective. The Fund promotes carbon intensity reduction and improves social outcomes, including enhanced employee welfare, diversity and inclusion, human rights support, and community development—by investing in accordance with the Investment Manager's ESG policy.

The Fund aims for capital appreciation by investing in Chinese equities while promoting specific environmental and social characteristics. It employs an exclusionary screen, avoiding companies that derive more than 5% of their revenues from tobacco, gambling, and pornography, and targets a carbon intensity level 20% lower than its benchmark. The Investment Manager integrates MSCI ESG ratings into investment decisions, limiting exposure to poorly rated companies. The Fund maintains transparency about data limitations and engages with companies on broader ESG issues rather than micromanaging operations.

No Sustainable Investment Objective

This Fund promotes environmental and social characteristics but does not have sustainable investment as its objective.

Environmental or Social Characteristics Promoted by the Fund

The Fund promotes carbon intensity reduction and improves social outcomes by investing in accordance with the Investment Manager's ESG policy.

Social Outcomes Include:

- Enhanced employee welfare
- Fostering diversity and inclusion
- Supporting human rights
- Contributing to community development

ESG Exclusion Framework

The Investment Manager has established an ESG Exclusion List that excludes companies deriving more than 5% of their revenues from:

- Tobacco
- Gambling
- Pornography

These sectors are deemed inconsistent with sustainable investment principles, and the Investment Manager does not invest in companies included on this exclusion list.

Carbon Footprint Management

The Investment Manager assesses and monitors the carbon footprint contribution of the Fund's investments to ensure the Fund maintains a weighted average carbon intensity 20% lower than the Scope 1 and Scope 2 emissions of the Benchmark.

Scope 1 emissions are direct emissions from an organization's own sources, including onsite fuel combustion, manufacturing and process emissions, refrigerant losses, and company vehicles.

Scope 2 emissions are indirect emissions from purchased electricity, heat, or steam that an organization uses.

Investment Strategy

Investment Objective

The Fund seeks to achieve its objective by investing in companies listed in mainland China (China A shares) and overseas-listed Chinese companies, aiming to derive maximum capital appreciation from investment opportunities offered by China's rapid economic growth and significant improvements in corporate competitiveness.

Performance Target

The Fund seeks to achieve annualized low single-digit outperformance (approximately 300 basis points, net of fees) relative to the Benchmark on a three to five-year rolling basis. The Fund may not outperform the Benchmark or may only generate relatively low net returns in excess of the Benchmark.

Investment Universe

The Investment Manager will generally invest in equity and equity-related securities consisting of common stocks, preferred stocks, rights and warrants, depositary receipts (including American depositary receipts and global depositary receipts), and private placements of public equities. The Fund may also invest up to 10% of its Net Asset Value in convertible bonds (excluding contingent convertible bonds) within the China A share and H share markets.

The Fund's exposure to the China A share convertible bond market is achieved through its QFII license (further details are set out in the supplement section entitled "QFII"), which provides access to the universe of China A share convertible bonds. The Fund can trade H share convertible bonds directly on the Hong Kong Stock Exchange.

ESG Integration

The Investment Manager utilizes MSCI's ESG rating system as a foundation for constructing its internal rating system. Corporate governance assessment is considered a critical factor in investment decision-making.

Proportion of Investments

- **Minimum 51%:** Investments aligned with the environmental or social characteristics promoted by the Fund
- **Up to 49%:** Cash and/or derivative instruments that may not be aligned with the promoted environmental and social characteristics
- **The Fund does not commit to holding sustainable investments**

Monitoring of Environmental or Social Characteristics

The Investment Manager employs multiple sustainability indicators to measure the environmental and social characteristics promoted by the Fund:

I. Cephei ESG Exclusion List

Companies deriving more than 5% of their revenues from tobacco, gambling, and pornography are excluded from the investment universe as they are inconsistent with sustainable investment principles.

II. Carbon Intensity Monitoring

The Investment Manager tracks carbon footprint contributions to ensure the Fund maintains a weighted average carbon intensity 20% lower than the Scope 1 and Scope 2 emissions of the Benchmark.

III. MSCI ESG Rating Assessment

The Investment Manager incorporates MSCI's ESG rating system into its internal rating framework. All proposed investments undergo ESG assessment, with enhanced due diligence conducted quarterly for any investment scoring CCC under the MSCI rating system from a risk prevention perspective.

The Investment Manager ensures investments in MSCI ESG-rated CCC and non-rated companies will not exceed 50% of the Fund's Net Asset Value, thereby guaranteeing investment in companies with higher ESG ratings.

Methodologies

The Investment Manager tracks and reports on the performance of the sustainability indicators outlined above. These indicators measure the attainment of each environmental and social characteristic promoted by the Fund and are included in the Fund's mandatory periodic reporting.

Data Sources and Processing

ESG data and analytical inputs are derived from:

- Proprietary in-house research
- Direct company disclosures
- Indirect company disclosures
- Specialty ESG research providers
- MSCI ESG rating system and carbon emission data

Limitations to Methodologies and Data

Several limitations may affect the Investment Manager's ability to ascertain a company's alignment with the Fund's characteristics:

Data Availability

Incomplete corporate reporting standards and misalignment with vendor-provided corporate ESG data.

Methodological Inconsistencies

Variations in vendors' methodologies for reporting ESG data and underlying data disclosure.

Coverage Gaps

Limited company coverage across certain indicators and asset classes.

Data Quality

Some third-party data is calculated based on estimates rather than actual reported figures.

Due Diligence

Portfolio Construction Rules

The Investment Manager implements portfolio construction rules based on:

- MSCI ESG ratings
- Proprietary stock ratings

Enhanced Review Process

While all proposed investments undergo ESG assessment, investments scoring CCC under the MSCI rating system receive enhanced quarterly review from a risk prevention perspective across the entire stock pool.

Governance Integration

The Investment Manager has developed an internal "ten-factor" scoring system for corporate governance assessment, which is integrated into the proprietary stock rating system.

ESG Implementation

The Investment Manager applies the ESG exclusion list to the Fund's investment universe and continuously monitors carbon footprint contributions to ensure alignment with promoted environmental and social characteristics.

Engagement Policies

Engagement Approach

The Investment Manager does not seek to interfere with specific operational and management decisions at the micro level but engages with companies on systemic sustainability issues, including:

- ESG risk and opportunity management
- Overall business strategy

Stewardship Objectives

Primary stewardship objectives include:

- Encouraging investee companies to improve ESG practices
- Maximizing overall benefits to clients

Proxy Voting

The Investment Manager votes on all proxies for actively managed portfolios, focusing on:

- Climate-related risk management
- Environmental management
- Human capital development
- Supply chain management
- Corporate governance
- Business ethics
- ESG information disclosure

The Investment Manager aims to shape positive corporate behavior and investment outcomes through active engagement and proxy voting.

Designated Reference Benchmark

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