



RIZE Future First Policy

INVEST ON THE RIGHT SIDE OF CHANGE

The RIZE Future First Policy is a Sustainability Policy (“**Policy**”) that has been created and is maintained by ARK Invest International Ltd (“**ARK Invest Europe**”). This Policy applies to the UCITS ETFs comprised within the RIZE by ARK Invest (“**RIZE**”) suite of the sustainable thematic ETFs. The purpose of this document is to outline how sustainable investing practices are integrated into the suite of RIZE sustainable thematic ETFs, set out the exclusion criteria, and explain how those exclusions are applied and governed across index construction, stewardship, and reporting.

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I. Introduction

The RIZE Future First Policy is a Sustainability Policy (the “Policy”) that has been created and is maintained by ARK Invest International Ltd (“ARK Invest Europe”). This Policy applies to the RIZE by ARK Invest (“RIZE”) suite of sustainable thematic UCITS ETFs issued by ARK Invest UCITS ICAV (the “Sustainable ETFs”). The purpose of this document is to outline how sustainable investing practices are integrated into the suite of RIZE sustainable thematic ETFs, set out the exclusion criteria, and explain how those exclusions are applied and governed.

II. Our Approach To Sustainable Investing

Sustainability is central to our approach and to the thematic investment exposures that we seek to build. Within the Rize suite of sustainable and impact thematic ETFs, we go beyond standard ESG screening because we leverage deep thematic expertise, bottom-up company level analysis, impact measurement and proactive stewardship to integrate sustainability considerations within our investment process in a way that is authentically aligned with our vision of genuine and measurable positive impact.

Our approach begins with the design of the thematic indices that underpin our ETFs. Unlike the majority of ETF providers that rely on external index providers, we design each underlying thematic index in house, which our ETFs then replicate. We develop each index with thematic research partners to capture the thematic objective. As part of that process, we establish a unique thematic classification for each theme, which produces a curated universe of global publicly traded companies identified, researched and scored against the theme and its subsectors by the thematic research partner, who also maintains the classification and stock universe over time. Therefore, each thematic index differs from a broad market index because, rather than seeking exposure to all industries and sectors, it targets a defined subset of companies that represent a specific theme or objective that is inherently positive and sustainable.

However, thematic investing is no longer solely about gaining exposure to an emerging sector or trend. We seek to understand environmental, social and governance risk factors that could affect the outcome of our sustainable thematic investment strategies or negatively impact the environment or society. Accordingly, for each new thematic index that we develop, we incorporate a suite of exclusion criteria to ensure that companies which present material ESG risks and/or contravene our prescribed socially, responsible investment criteria are excluded from the index selection ([please refer to the Exclusions section below](#)). We also consider any necessary theme-specific sustainability criteria relevant to Do No Significant Harm and the Principal Adverse Impacts, for example the exclusion of livestock production in the context of the Sustainable Future of Food theme.

Exclusions are complemented by proxy voting and engagement activities to support our sustainable investment strategies. Accordingly, we actively exercise our shareholder rights, using both proxy voting at shareholder meetings and direct engagement with companies. We believe that voting and active engagement are tools that, when combined, can strengthen one another, and help support transparency and accountability at the company level.

However, we recognise that engagement and voting do not always lead to desired changes in a portfolio company's behaviour or product involvement. Where this is the case, we retain the discretion to place relevant companies on the Exclusion List which would then lead to a divestment of the company by the relevant ETF at the next occurring semi-annual rebalance of the applicable index.

How We Build Our Sustainable Thematic ETFs

1. Define

First, we define both: (1) a sustainable investment theme / objective (e.g. “the transition to a sustainable food system”); and (2) the risk and return characteristics that we want to achieve with the resulting fund.*

*Often, we develop this in partnership with large clients who seek to utilise our integrated sustainable investment, thematic product development and sustainable regulatory expertise and experience as pioneers in the ETF market in Europe.

2. Establish (Top Down)

Second, we develop a unique “Theory of Change” and corresponding Thematic Sector Classification System for the sustainable investment theme / objective setting out:

1. the environmental and / or social challenges that need to be solved;
2. the “enabling” solutions (economic activities) and / or contributory corporate transitional behaviours that may contribute to solving those challenges; and
3. the transparent assessment (scoring) criteria that we use to assess each individual companies’ contribution to the sustainable investment theme / objective.

- This enables companies to be researched, classified & scored by reference to their contribution to the sustainable thematic objective.
- We consider and integrate any necessary theme-specific sustainability criteria (positive and negative) relevant to DNSH and the PAIs (e.g., exclusion of livestock production).

3. Research (Bottom Up)

Third, we then use bottom-up research to build and maintain an extensive global Stock Database which identifies all companies with material economic relevance to the sustainable theme / objective. Within that we assess / score each company’s contribution to the sustainable investment theme / objective as follows:

1. economic exposure to the sustainable theme / objective (Revenue, OpEx or CapEx);
2. prospective impact / contribution to the sustainable investment theme / objective relative to competitors (accounting for competitive positioning / moat);
3. financial strength and economic moats relative to peers; and
4. application of desired factor tilts to enhance portfolio construction, considering key elements such as momentum, quality or low volatility.

Our process recognises the critical importance of a robust triple materiality framework. It is not enough to blindly rely on external ESG data inputs or product / service impact metrics alone, as even great technologies can falter without strong execution. That’s why we place significant emphasis on a company’s financial strength, ensuring that we build the most resilient portfolio while staying true to the chosen sustainable theme.

4. Screen

Fourth, we integrate the following from the Rize Future First Programme / Policy into the company selection process:

1. our standard SRI criteria that satisfy:
 - all the SRI criteria prescribed by the ESMA Guidelines on funds’ names using ESG or Sustainability-related terms;
 - the SRI criteria of European investment Eco-labels; and
 - the SRI criteria of wholesale clients and institutions.

Fossil Fuels (Coal, Oil & Gas) | Nuclear | Weaponry | Gambling, Alcohol, Tobacco and Adult Entertainment | Norms violators (e.g. UNGC & OECD Guidelines) | Controversies | Poor Governance Practices, *and more.*

2. our Engagement And Voting programs (our stewardship program is reflected in stock selection and reported back to investors annually)

5. Develop

Finally, we leverage the Thematic Classification and resulting Stock Database - along with financial strength metrics and, where appropriate, the application of specific factor tilts - to design a bespoke systematic index strategy. This approach ensures that we achieve the desired risk and return profile for the fund.

Index

The Index rebalances semi-annually (typically) using an updated Stock Database reflecting updated bottom-up company research and assessment scoring from Step 3.

Rebalance

Each of our Article 9 ETFs has sustainable investment as its objective and shares the same sustainable objective as the corresponding index. Accordingly, the sustainable objective of the ETF and the corresponding index are aligned, and the methodology of each index describes how the attainment of the sustainable objective is incorporated into the selection and weighting of securities in the index.

Our Article 9 ETFs have a sustainable investment objective in addition to the incorporation of various ESG characteristics. The sustainable investment objective is achieved using a two-step process. The first step is to identify an investment theme or objective (which could be a particular industry or sector or combination of industries or sectors) that is inherently positive and sustainable, together with the risk and return characteristics that we want to achieve with the resulting fund.

We then establish a Theory of Change and a corresponding Thematic Sector Classification System that set out the environmental or social challenges to be solved, the enabling solutions and contributory transitional behaviours, and the assessment criteria we use to evaluate each company's contribution to the objective. Together with our thematic research partners, we develop this classification into a taxonomy that maps the sectors and subsectors within the theme and enables publicly traded companies to be identified, researched and classified consistently. In this step we also set transparent scoring criteria that we apply consistently across the universe.

Thereafter, our bottom-up research then assesses each company's contribution to the theme, either through revenue contribution to the theme and/or an impact score. For some of our strategies, such as the RIZE Environmental Impact 100 UCITS ETF, we assess the contribution to the theme across several dimensions: economic exposure to the objective, prospective impact relative to peers, economic moats, and the application of desired factor tilts that support portfolio construction. We consider financial materiality, environmental and social impact and broader systemic effects. We place significant emphasis on execution quality and financial strength so that the resulting index is resilient while staying true to the chosen theme. However, even inherently positive themes can include companies that, although broadly aligned to the theme at first glance, are involved in activities that contradict the ETF's objective.

Accordingly, the next step is to identify any ESG exclusion criteria relevant to the particular investment theme or objective to ensure that no significant harm is caused by any individual companies that are, in the first instance, aligned to the theme or objective. For example, a company producing strictly plant based foods would, on the face of it, be an enabler of the transition to a sustainable food system where one of the primary aims is to reduce the impact of greenhouse gas emissions attributable to the production and consumption of meat, yet the same company might be a large user of palm oil or soybean without adequate controls in its supply chain to ensure the sustainability of those inputs. Therefore, the company could in fact be engaged in activities that are harmful to the sustainable objective set for the fund.

At the screening stage we also integrate the RIZE Future First Policy. Companies must meet our standard SRI criteria which reflect the ESMA guidelines on funds' names using ESG or sustainability-related terms in fund names, the SRI criteria of European Eco Labels and the SRI criteria of wholesale clients and institutions. We then apply core exclusions that cover fossil fuels, nuclear, weaponry, gambling, alcohol, tobacco and adult entertainment, together with norms-based criteria aligned to the UN Global Compact and OECD Guidelines for Multinational Enterprises, controversies and poor governance practices.

Finally, we leverage the thematic classification and the resulting stock database together with financial metrics and, where appropriate, specific factor tilts to design a bespoke systematic index strategy. Each index typically rebalances on a semi-annual schedule using the updated stock database and the latest bottom-up research and assessment.

III. Integration Of Sustainability Risks

The below is an extract/summary of the approach set out in the SFDR supplement and ETF-specific supplements to the prospectus which are available on the “*Documents*” section of our website.

ETFs that track/replicate an index will invest in the same companies (and in the same proportions) as such companies are represented in the corresponding index. As the strategy of each of our ETFs is to track or replicate an index, changes to the portfolios of the ETFs will be driven by changes to the corresponding indices in accordance with the published index methodologies. Accordingly, the consideration and integration of sustainability risks happens:

- at the point at which the thematic classification system is developed for a new theme in partnership with the relevant thematic research partner, where *sustainability features and/or objectives* might be incorporated into the thematic classification for the theme (typically, this is applicable to our Article 9 ETFs);
- at the point at which the index itself is developed in partnership with the index provider (benchmark administrator), where *ESG characteristics* might be incorporated into the index selection process by way of the Exclusion List; and
- on an ongoing basis as part of the ongoing curation and maintenance of the Exclusion List, which is heavily informed by the stewardship activities outlined at [Section 3](#).

Accordingly, the approach to the integration of sustainability risks into the investment decision making process varies depending on the nature of the theme/strategy of each ETF.

From the perspective of the Manager (IQ EQ Fund Management (Ireland) Limited), the integration of sustainability risk primarily takes place in its consideration of the index proposed to be used by a new ETF and the application of the stewardship policy. The Manager does not exercise any active discretion in the investment decision process for the ETFs, outside of seeking to passively-manage the ETF through the replication and tracking of the relevant index and its involvement in stewardship activities such as voting on portfolio company shareholder resolutions.

→ Please refer to the [Exclusions section](#) for further information regarding the ESG exclusion criteria incorporated into each thematic index.

Impact Of The Integration Of Sustainability Risk

The integration of sustainability risks may have a material impact on an ETF's value and returns. An ETF which invests in securities of companies based on their ESG characteristics may forego certain investment opportunities and, as a result, may perform differently to other ETFs/funds, which do not seek to promote ESG characteristics or do not have sustainable investment as their objective. This may include underperforming those other ETFs/funds. In addition, investor sentiment towards ESG and sustainability may change over time, thereby potentially affecting the value of the companies invested in by ETFs/funds which integrate sustainability risks, promote ESG characteristics or have sustainable investment objectives and thus also affecting the performance of such ETFs/funds.

The consideration of ESG factors involves the incorporation of longer-term risk factors including a company's relationship with its stakeholders as well as its impact, through both its operations and the products and services it offers, on the environment and wider society. The values of companies in which our ETFs may invest may be adversely affected by ESG conditions and events, further potentially affecting the value and performance of our ETFs. Inadequate sustainability practices and policies can lead to, among other things, inefficiencies, operational disruption, litigation and reputational damage. While this is true for all ETFs/funds, ETFs/funds that do not include sustainability risk in their security selection process, do not seek to promote ESG characteristics or do not have a sustainable investment objective may have greater exposure to this risk.

Compliance With Regulation

Regulatory frameworks such as the Sustainable Finance Disclosure Regulation (SFDR) and the Sustainability Disclosure Requirements (SDR) have introduced and continue to evolve standards for sustainability within financial markets. We recognise the opportunities that these frameworks provide and the responsibility they place on financial market participants to consider the impacts of their investments and how sustainability risks are integrated into investment decision making.

Under the SFDR, the EU established standardised environmental and social indicators known as the “Principal Adverse Impact” indicators (PAIs). These indicators enable fund issuers to evaluate the environmental and social performance of their investment portfolios. We use these PAIs within our investment and indexing processes, systematically assessing the mandatory 14 indicators alongside selected additional indicators from the optional list (Annex 1, Regulation (EU) 2019/2088). By doing so, we thoroughly consider and transparently disclose the sustainability variables affecting our investments.

Furthermore, our sustainable and impact thematic ETFs fully satisfy the European Securities and Markets Authority’s (ESMA) Guidelines on funds’ names using ESG or sustainability-related terms, without requiring changes to our established investment methodology. Specifically, our Article 9 ETFs incorporate comprehensive SRI screening criteria aligned with the exclusions outlined by the Paris Aligned Benchmark (PAB) under ESMA guidelines. With regards to requirements for funds to invest “meaningfully” in sustainable investments, our sustainability program is principally embedded in the approach to company selection, which is based on the assessed contribution (i.e., economic exposure) that companies have to enabling products and solutions (such as recycling solutions or precision farming technologies).

We are equally prepared for the UK SDR. Our SFDR pre contractual documents and periodic reports already provide the transparency and level of detail anticipated under SDR disclosure standards. The introduction of detailed, measurable Key Performance Indicators (KPIs) – such as emissions reductions, renewable energy generation, and resource conservation – will further support and clearly showcase the tangible impact of our investments.

In contrast to many other ETF issuers who downgraded their funds following increased regulatory scrutiny, particularly during the introduction of SFDR Level II in December 2022, we have consistently maintained and **strengthened** our sustainability credentials. We were among the few providers not to downgrade any Article 9 sustainable or impact ETFs, reinforcing our unwavering commitment to genuine sustainability integration.

We systematically embed sustainability principles directly into our investment process, so that our sustainable investment products remain credible, measurable and transparent for clients.

IV. Exclusion Criteria - Mitigating Residual ESG Risks

For each of our sustainable investment themes/ETFs, we have established a suite of core exclusion criteria which are designed to mitigate ESG-related risks, including the risk of significant harm being caused by any individual companies. We typically apply a core suite of exclusion criteria (see below) across all of our sustainable investment themes/ETFs.

Every sector is unique and accordingly, we do incorporate theme-specific exclusion criteria (including additional criteria) where relevant. The additional and theme-specific exclusion criteria that are applied for each theme are set out in the RIZE Future First Policy specific to each theme/ETF which are available on the corresponding ETF-specific page on europe.ark-funds.com.

For each theme/ETF, any companies in the corresponding thematic stock universe which are determined to contravene one or more of the applicable exclusion criteria set out in the RIZE Future First Policy specific to the theme shall be placed on the Exclusion List for that theme which will be available on the relevant ETF-specific page on our website. The exclusions are incorporated by reference into the corresponding thematic index which the relevant ETF is designed to track/replicate.

The final determination as to whether any company shall be placed on (or subsequently removed from) the Exclusion List will be made by the Sustainability Committee.

Standard Exclusion Criteria

Below is a summary of the standard exclusion criteria typically applied across our sustainable investment themes/ETFs.

For each theme/ETF, please refer to the relevant ETF-specific page on our website for:

- the RIZE Future First Policy specific to the theme/ETF which sets out the precise list of exclusion criteria applied, including any theme-specific exclusion criteria; and
- the resulting Exclusion List specific to the theme/ETF which sets out the precise list of companies currently excluded pursuant to the RIZE Future First Policy above.

Before outlining our Standard Exclusion Criteria, it is important to clarify how we define and interpret company “exposure” when applying our screening thresholds. We rely on MSCI Business Involvement Screening Research to distinguish three key levels of involvement:

- “Direct” involvement typically relates to producers and operators.
- “Semi-direct” involvement typically relates to retailers, distributors, suppliers, support service providers and Licensors.
- “Indirect” involvement typically refers to the ownership of, or the ownership by, other companies with Direct or Semi-direct involvement.

There are several categories within Business Involvement that can provide revenue not only for direct involvement (Producer, Manufacturer, Operator) but also for semi-direct, like Distributor, Supplier, Retailer, Support Services, or Licensor.

Within the RIZE Future First Policy, we define “Indirect” to correspond with what MSCI refers to as “Semi-direct”. That is, companies not directly engaged in production or operation/power generation – such as distributors, suppliers, retailers, etc. – are classified as indirect. For example, in sectors like oil and gas, we exclude companies that derive more than 5% of their revenues from these types of business activities.

MSCI’s “Indirect” involvement is considered within our screening criteria, however, **MSCI does not have a dedicated revenue factor for indirect involvement**. Instead, it is assigned a true/false value, indicating whether a company is owned by or owns a business with Direct or Semi-direct involvement in a flagged business activity (e.g. alcohol or tobacco). However, any revenues generated from business activities subject to exclusion are captured through the revenue factors MSCI developed for Direct and Semi-direct exposure. For example, if Company A is owned by Company B, which is engaged in alcohol production, we would assess Company A’s exposure using alcohol-related revenue factors (e.g., production, distribution, etc.) This would help determine whether Company A itself is involved in alcohol-related business activities and whether the revenues derived from these activities exceed our exclusion thresholds.

These definitions and thresholds help ensure consistent application of our ESG guidelines, enabling us to identify and exclude companies whose activities – whether direct, semi-direct, or indirect – conflict with the goals of our Article 8 and 9 thematic ETFs.

We have also set out how our standard exclusionary criteria comply with current sustainability guidance and regulatory frameworks, including the Paris Aligned Benchmark (PAB) exclusions as referenced in the ESMA Guidelines on funds’ names using ESG or sustainability related terms. In relation to the exclusions required by prominent European eco labels for funds, our criteria already comply with the specific requirements of the following eco labels:

- UZ49 Ecolabel
- Nordic Swan
- FNG Siegel Label
- Towards Sustainability Ecolabel
- LuxFLAG ESG Label
- Greenfin Ecolabel

Consequently, should we pursue any such label certifications, we are confident that our existing exclusions are already designed to meet the relevant standards.

| Business Involvement Criteria | Description | Type Of Involvement (Direct, Semi-direct or Indirect) | Revenue Tolerance Threshold |
|---------------------------------------|---|---|------------------------------------|
| Controversial Weapons | Companies that have any ties to cluster munitions, landmines, biological / chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons and/or, non-detectable fragments. | | |
| | This screen covers involvement of all levels from the targeted involvement of producers and operators (i.e. direct involvement) to “any tie”, which includes retailers, distributors, suppliers, support services, licensors (semi-direct involvement) and owners and subsidiaries of involved companies (indirect involvement). The broadest involvement category is the “Any Tie” factor, which for most screens results in the largest list of restricted companies. | Direct; Semi-direct and Indirect | 0% |
| | For further detail, please refer to the “Military Weapons” section of MSCI’s “Business Involvement Screening Research Methodology”. | | |
| Nuclear Weapons | Companies that have any ties to Nuclear Weapons. | | |
| | This screen covers involvement of all levels from the targeted involvement of producers and operators (i.e. direct involvement) to “any tie”, which includes retailers, distributors, suppliers, support services, licensors (semi-direct involvement) and owners and subsidiaries of involved companies (indirect involvement). The broadest involvement category is the “Any Tie” factor, which for most screens results in the largest list of restricted companies. | Direct; Semi-direct and Indirect | 0% |
| | For further detail, please refer to the “Military Weapons” section of MSCI’s “Business Involvement Screening Research Methodology”. | | |
| Civilian Firearms | Companies that have any ties to Civilian Firearms. | | |
| | This screen covers involvement of all levels from the targeted involvement of producers and operators (i.e. direct involvement) to ammunition producers, retailers (semi-direct involvement) and owners and subsidiaries of involved companies (indirect involvement). The broadest involvement category is the “Any Tie” factor, which for most screens results in the largest list of restricted companies. | Direct; Semi-direct and Indirect | 0% |
| | For further detail, please refer to the “Civilian Firearms” section of MSCI’s “Business Involvement Screening Research Methodology”. | | |
| Thermal And Metallurgical Coal | This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from thermal coal-based power generation. | Direct | 0% |
| | This factor identifies companies with evidence of thermal coal distribution or transport involvement. This includes transport of thermal coal by road, rail, shipping or air, and physical trading of thermal coal. It does not include involvement in storage of thermal coal, or involvement in metallurgical coal-related activities. | Semi-direct and Indirect | 0% |

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| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) greater than 0% that a company derives from the mining of Thermal Coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes revenue from Metallurgical Coal; Coal mined for internal power generation (e.g. in the case of vertically integrated power producers); intra-company sales of mined Thermal Coal; and revenue from Coal trading.</p> | Direct; Semi-direct and Indirect | 0% |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from the mining of metallurgical coal (including coking coal) and its sale to external parties. It excludes revenue from thermal coal, intra-company sales of mined metallurgical coal, and revenue from coal trading.</p> | Direct; Semi-direct and Indirect | 0% |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from liquid fuel and natural gas-based power generation.</p> | Direct | 0% |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from the extraction and production of Oil and Gas.</p> | Direct | 0% |
| Oil & Gas (Conventional and Unconventional) | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from the distribution and retailing of Oil & Gas and related products. It includes revenues from crude and petroleum products storage facilities and terminals, bulk stations, gasoline and fuel oil retail stations as well as Liquefied Petroleum Gas stations and Natural Gas distribution.</p> | Semi-direct | 5% in aggregate across all 6 of these data points |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from equipment and services for the exploration and production of Oil and Natural Gas. It includes revenue from Oil and Gas exploration services, related equipment manufacturing, seismic surveys, engineering services and heavy construction related to Oil and Gas exploration activities. It excludes revenue from extraction & production.</p> | Semi-direct | |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from petrochemical products. It includes revenue from industrial organics, inorganics, not elsewhere classified and lubes and greases.</p> | Semi-direct | |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from Oil and Gas pipelines and transportation. It includes revenue from midstream operations but excludes revenues from terminals and storage facilities.</p> | Semi-direct | |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from refining Oil and Gas.</p> | Semi-direct | |
| | <p>This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from the trading of Oil and Gas and related products.</p> | Semi-direct | |

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| Nuclear Energy | This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from the nuclear energy based power generation . | Direct | 0% |
| | This factor identifies the maximum percentage of revenue (either reported or estimated) that a company derives from manufacturing and supplying key products or services to the nuclear power industry, including uranium mining . | Semi-direct | 5% |
| Weapons | The recent-year percent of revenue, or maximum estimated percent, a company has derived from the production of conventional weapons, components for such products or support systems and services for such products ; production of biological or chemical weapons, components for such products; production of nuclear weapons, exclusive and dual-use delivery platform capable to deliver such products, intended and dual-use components of such products, services provided for such products; and the production of blinding laser, incendiary or non-detectable fragments weapons in its most recently completed fiscal year. | Direct; Semi-direct and Indirect | 5% |
| Military Contracting | Companies that have revenue exposure to Military Contracting. Revenue exposure to military contracting is determined by calculating the percentage of a company's revenue, from the most recent year, that is derived from military contracting activities. This metric applies to companies included on the U.S. Department of Defence (DOD) Top 100 Contractors list. | Direct; Semi-direct | 5% |
| Tobacco | The recent-year percent of revenue, or maximum estimated percent, a company has derived as a producer of tobacco products. "Producer" further defined as: Companies that manufacture tobacco products, such as cigars, blunts, cigarettes, e-cigarettes, inhalers, beedis, kreteks, smokeless tobacco, snuff, snus, dissolvable and chewing tobacco. This also includes companies that grow or process raw tobacco leaves. Note: Companies that sell private-label tobacco products manufactured by a third party are considered Retailers, not manufacturers, and must meet the Retailer criteria. | Direct | 0% |
| | The recent-year percent of revenue, or maximum estimated percent, a company has derived as a distributor of tobacco products. "Distributor" further defined as: Companies involved in the independent wholesale of tobacco products to Retailers and other distributors. This data point does not include a manufacturer that distributes its own tobacco products unless it also provides logistics or distribution services to other tobacco companies. | Semi-direct | 5% in aggregate across all 4 of these data points |
| | The recent-year percent of revenue, or maximum estimated percent, a company has derived as a retailer of tobacco products. "Retailer" further defined as: Companies that retail tobacco products. | Semi-direct | |
| | The recent-year percent of revenue, or maximum estimated percent, a company has derived as a licensor . "Licensor" further defined as: Companies that license their company or brand name to tobacco products. | Semi-direct | |
| The recent-year percent of revenue, or maximum estimated percent, a company has derived as a supplier to the tobacco industry. "Supplier" further defined as: Companies that manufacture and supply key products necessary for the production of tobacco products, such as tobacco flavouring, sorbitol, tobacco sauce, tobacco fragrance/aroma, cigarette filters (acetate tow), tobacco roll paper, cigarette manufacturing machines and tobacco packaging; specifically, cigarette cartons, films and aluminium foil. | Semi-direct | | |

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| Gambling | The recent-year percent of revenue, or maximum estimated percent, a company has derived from gambling operations, including online or mobile gambling, supporting activities and licensing. | Direct; and Semi-direct | 5% |
| Adult Entertainment | The recent-year percent of revenue, or maximum estimated percent, a company has derived from the production, distribution or retail of adult entertainment products or services. | Direct; and Semi-direct, Indirect | 5% |
| Alcohol | The recent-year percentage of revenue, or maximum estimated percent, a company has derived from manufacturing, distributing, retailing, licensing and supplying alcoholic products. | Direct; and Semi-direct | 5% |
| Genetic Engineering | The company's reported revenue (or, where not disclosed, maximum estimated revenue) from genetic engineering as a percentage of total revenue in its most recently completed fiscal year. Expressed as a percentage, where a value of 1.0 represents 1%. | Direct; and Semi-direct, Indirect | 5% |
| Embryonic Stem Cell Research | Companies that conduct stem cell research with cells derived from human embryos. | Direct; and Semi-direct, Indirect | 5% |
| International Norms and Standards Violations | Companies flagged as having violated one or more of the five major Global Norms Frameworks (UN Global Compact - UNGC, OECD Guidelines for Multinational Enterprises, International Labor Organization's broad principles - ILO Broad, International Labor Organization's core principles - ILO Core, United Nations Guiding Principles for Business and Human Rights - UNGP) are excluded. If a company has been flagged for "Watch List" on three or more frameworks, it will also be excluded. However, depending on the relevant circumstances, it might be appropriate to conduct further research and engage with the company directly before making a final determination as to whether to place the company on the Exclusion List. | | |
| Controversies | Where a company is determined to be engaged in controversial behaviour, including involvement in environmental controversies that may significantly harm one or more environmental objectives, it will be placed on the RIZE Future First Exclusion List. However, whilst a company may be flagged by the ESG data vendor as being (or having previously been) engaged in controversial behaviour, it may, depending on the relevant circumstances, be appropriate to conduct further research and engage with the company directly before making a final determination as to whether to place the company on the Exclusion List. | | |
| Poor Governance Practices | Where a company is determined to be engaged in poor governance practices, in particular with respect to sound management structures, employee relations, staff remuneration, tax compliance, it will be placed on the Exclusion List applicable to the relevant theme/ETF. However, whilst a company may be flagged an ESG data vendor as being (or having previously been) engaged in poor governance practices, it may, depending on the relevant circumstances, be appropriate to conduct further research and engage with the company directly before making a final determination as to whether to place the company on the Exclusion List. We do not aim to exclude all companies that have been flagged the ESG data vendor as having poor governance practices, especially where the number of information sources is limited. Rather, we typically seek to (i) exclude the worst offenders (by placing them directly on the Exclusion List) and (ii) engage with the remainder of the companies with apparent governance deficiencies to better understand their issues and encourage them to improve before placing them on the Exclusion List. | | |
| Armed Conflict / Other | A company may also be placed on the Exclusion List if it is based in (or otherwise significantly exposed to) a country engaged in significant domestic and/or international armed conflict, human rights abuses, corruption or other significant controversies, even if the company itself is not (or cannot be determined to be) directly linked to the activities of the relevant government. Any such determinations would be made by the Sustainability Committee. | | |

Index-specific exclusion criteria: RIZE Cybersecurity and Data Privacy UCITS ETF (CYBR)

The RIZE Cybersecurity and Data Privacy UCITS ETF (CYBR) will continue to apply the previous standard ESG exclusions and thresholds that were in force prior to this Policy update. Where these previous standards differ from the current Policy thresholds, the previous standards apply to CYBR. All other provisions of this Policy, including screening methodology, norms-based criteria and stewardship, remain unchanged for CYBR. **The detailed parameters are set out in the Appendix (“CYBR Legacy Standards Schedule”) and form part of this Policy by incorporation.**

V. Stewardship

Our objective is to use our rights and influence as a shareholder to support the transition to a more sustainable economy and, in doing so, to promote long-term sustainable growth within our investment themes. We recognise that effective stewardship is an important element of fiduciary duty, as it helps ensure that the outcomes of our investments align with the evolving expectations of regulators, clients, and beneficiaries.

We have a full Stewardship Policy separately available on our website and is designed to supplement the RIZE Future First Policy. The extent and nature of the stewardship activities that are undertaken in respect of each ETF may vary depending on a number of factors including the thematic investment strategy of the ETF, the sector and geographic footprint of portfolio companies.

→ *For a comprehensive overview of our approach, please refer to the full version of our Stewardship Policy.*

VI. Data And Governance

Data Gathering And Partnership

Data collated and used by the Sustainability Working Group for the maintenance of the RIZE Future First Policy and for the curation and maintenance of the Exclusion List applicable to each theme is collated:

1. directly by the relevant thematic research partners who support each of our thematic ETFs through their own industry research, predominantly through reviews of publicly available information available for the companies within the applicable thematic stock universes and through their own direct engagement with the companies;
2. directly by ARK Invest Europe through its own research and direct engagement with companies as part of its engagement work and;
3. from several third-party ESG data providers. Given the broad extent of global companies covered by relevant third party data providers and the periodic nature of the research/assessment of companies made by such third party data providers, it is possible that third-party data used in the screening process may be incomplete or inaccurate from time to time, or, subject to material change in the context of any data that is determined by way of an assessment by the relevant third party data provider, which may result in companies being included in a Fund in contravention of certain prescribed screens.

VII. Appendix: RIZE Cybersecurity And Data Privacy UCITS ETF (CYBR) - ESG Exclusions And Thresholds

This appendix details the ESG exclusions and thresholds retained for RIZE Cybersecurity and Data Privacy UCITS ETF (CYBR) following this Policy update. These parameters reflect the screening rules in force prior to the effective date of this update and include revenue- and activity-based restrictions (the “Legacy Business Involvement Screens”). Where any value in the Legacy Business Involvement Screens differs from the current Policy thresholds, the legacy values prevail for CYBR only.

For the avoidance of doubt, international norms and governance screens for CYBR are the same as for other funds and follow the standards set out in the main body of this Policy (including UN Global Compact and OECD Guidelines alignment, controversy assessment and governance practices). No CYBR-specific variations apply to these elements.

| | |
|---|---|
| Thermal Coal | <p>Direct involvement: Outright exclusion of companies who have any revenue exposure from their direct involvement in Coal Mining or Coal Power Generation (i.e. there is no acceptable % of revenue exposure).</p> <p>Indirect involvement: Exclusion of companies deriving >10% of their revenue from their indirect involvement / participation in Coal Mining or Coal Power Generation.</p> |
| Oil & Gas | <p>Direct involvement: Outright exclusion of companies who have any revenue exposure from their direct involvement in Fossil Fuel Production (i.e. there is no acceptable % of revenue exposure), including Arctic drilling, Fracking and Tar Sands.</p> <p>Indirect involvement: Exclusion of companies deriving >10% of their revenue from their indirect involvement / participation in Fossil Fuel Production.</p> |
| Nuclear | <p>Direct involvement: Outright exclusion of companies who have any revenue exposure from their direct involvement in Nuclear Energy Generation (i.e. there is no acceptable % of revenue exposure).</p> <p>Indirect involvement: Exclusion of companies deriving >10% of their revenue from their indirect involvement / participation in Nuclear Energy Generation.</p> |
| Controversial Weapons And Firearms | Outright exclusion of companies who have any revenue exposure, direct or indirect, to Controversial Weapons and Firearms, including civilian firearms and/or production (i.e. there is no acceptable % of revenue exposure). |
| Military Contracting | Exclusion of companies deriving >10% of their revenue from their direct or indirect involvement in Military Contracting. |
| Gambling | Exclusion of companies deriving >10% of their revenue from their direct or indirect involvement in Gambling. |
| Alcohol | Exclusion of companies deriving >10% of their revenue from their direct or indirect involvement in Alcohol. |
| Tobacco | <p>Direct involvement: Outright exclusion of companies who have any revenue exposure from their direct involvement in Tobacco Production (i.e. there is no acceptable % of revenue exposure).</p> <p>Indirect involvement: Exclusion of companies deriving >10% of their revenue from their indirect involvement / participation in Tobacco.</p> |
| Adult Entertainment | Exclusion of companies deriving >10% of their revenue from their direct or indirect involvement in Adult Entertainment. |

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An investment in the Fund involves significant risk and is subject to the volatility of companies in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies. The RIZE Circular Economy Enablers UCITS ETF replicates the Solactive RIZE ETF Circular Economy Enablers Index. An investment in the Fund involves significant risk and is subject to the volatility of companies that provide circular products and services (e.g. recycling activities) or products and services that support other companies to enhance circularity within their own businesses. The RIZE USA Environmental Impact UCITS ETF replicates the Solactive RIZE ETF USA Environmental Impact Index. An investment in the Fund involves significant risk and is subject to the volatility of companies involved in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies. The RIZE Global Sustainable Infrastructure UCITS ETF replicates the Solactive RIZE ETF Global Sustainable Infrastructure Index. An investment in the Fund involves significant risk and is subject to the volatility of companies involved in the renewable energy, energy efficiency, electric vehicles, water, waste and recycling sectors and associated technologies and emerging market political and economic risks. 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