This document is a supplement to the prospectus dated 1 December, 2022 (the "Prospectus"), as amended by way of a first addendum dated 8 December, 2023, a second addendum dated 15 March, 2024, and a third addendum dated 18 June, 2024, issued by Algebris UCITS Funds plc (the "Company"), forms part of the Prospectus and should be read in conjunction with the Prospectus. Investors' attention is drawn, in particular, to the risk factors contained in the section of the Prospectus entitled "Risk Factors". Investors in the Algebris Financial Equity Fund should note that the Fund may, from time to time, invest principally in financial derivative instruments. Investors should note that an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Capitalised terms shall have the same meaning herein as in the Prospectus, except where the context otherwise requires.

The Directors of the Company whose names appear in the section of this Supplement entitled "Directory" accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure 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.

ALGEBRIS UCITS FUNDS PLC

(an investment company with variable capital incorporated with limited liability in Ireland with registered number 509801 and established as an umbrella fund with segregated liability between Funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended)

SUPPLEMENT

ALGEBRIS FINANCIAL EQUITY FUND

14 October, 2024

DIRECTORY

ALGEBRIS UCITS FUNDS PLC

ALGEBRIS FINANCIAL EQUITY FUND

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DEFINITIONS

"Accumulating Classes"	means Class A, Class B, Class Bm, Class I, Class I2, Class M, and Class R in the Fund.
"Benchmark"	means MSCI ACWI Financials Local Index (ticker: MSCLFNCL Index).
"Class A"	means Class A USD Shares in the Fund.
"Class B"	means Class B EUR, Class B GBP, Class B CHF, Class B USD, Class B SGD, Class B JPY, Class B NOK and Class B SEK Shares in the Fund.
"Class Bm"	means Class Bm EUR and Class Bm USD Shares in the Fund.
"Class I"	means Class I EUR, Class I GBP, Class I CHF, Class I USD, Class I SGD and Class I JPY Shares in the Fund.
"Class I2"	means Class I2 USD Shares in the Fund.
"Class M"	means Class M EUR, Class M GBP, Class M CHF, Class M USD, Class M SGD and Class M JPY Shares in the Fund.
"Class Md"	means Class Md USD, Class Md GBP and Class Md JPY Shares in the Fund.
"Class R"	means Class R EUR, Class R GBP, Class R CHF, Class R USD, Class R SGD, Class R JPY and Class R SEK Shares in the Fund.
"Distributing Classes"	means Class Md Shares in the Fund.
"Fund"	means the Algebris Financial Equity Fund.

Please also see "Dealings in the Fund" for further definitions.

MANAGEMENT AND DISTRIBUTION

The Manager has appointed Algebris (UK) Limited to provide discretionary investment management services to the Fund pursuant to the terms of the Investment Management Agreement. Further information relating to the Investment Manager is set out in the section of the Prospectus entitled "**The Investment Manager**".

INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The Fund's investment objective is to achieve capital appreciation in the medium to long-term, primarily by taking long positions in equity securities and financial derivative instruments ("FDIs") on equity securities of companies in or related to the global financial services sector and to a lesser extent, the real estate sector. The Fund will seek to achieve a total return which exceeds the total return of the Benchmark.

The Fund's net income attributable to the Distributing Classes shall be distributed to the Shareholders in accordance with the Fund's distribution policy set out in the "Dividends" section hereof. The Fund's net income attributable to the Accumulating Classes shall be re-invested in the capital of the Fund.

Investment Policy

To achieve the investment objective, the Fund's assets will be invested primarily in equity and equity-related securities and FDIs in the global financial services sector. The securities in which the Fund invests may include, without limitation, ordinary shares, common stock, equity-related securities including preference shares, real estate investment trusts ("REITs"), global depositary receipts, American depositary receipts, warrants and rights. The Fund may also invest in exchange traded funds ("ETFs"), which provide exposure to the particular asset classes in which the Investment Manager wishes to invest, and in ancillary liquid assets, which may include bank deposits, certificates of deposit, government securities (including fixed rate government bonds which may be investment grade or below investment grade as rated by Moody's, Standard & Poor's, Fitch or other rating agencies, or unrated), floating rate notes, money market funds and freely transferable promissory notes. **The Fund may invest substantially all of its assets in deposits with credit institutions (or other ancillary liquid assets) during periods of high market volatility.**

The Fund may not invest less than 51% of its Net Asset Value in equity securities which constitute "equity participation" within the meaning of Section 2, Article 8 of the German Investment Tax Act (2018).

The Investment Manager will, without limitation, typically seek to take long positions in transferable securities of the types listed above of companies exhibiting one or more of the following characteristics: (i) change in revenue growth prospects; (ii) change in projected operating expenses; (iii) change in balance sheet quality; (iv) speculation regarding a possible sale, disposal or acquisition; (v) change in execution capability and/or strategic direction due to a change in management; (vi) change in capital discipline; (vii) change in regulation; (viii) a change in overall risk appetite; or (ix) a change in valuation methodology.

The strategy involves taking long positions in securities when the Investment Manager believes that the market price of a security is below its estimated value.

The Investment Manager aims to construct a broad-based portfolio, which will be represented by investments in some or all of the following financial sub-sectors on a global basis: banks; insurance companies; asset management and broker-dealer organisations; other diversified financial services providers (e.g. non-banking financial companies and stock exchanges); certain other companies which derive a significant proportion of their total revenues as suppliers to financial services companies (such as specialist consulting or information technology (IT) firms); and companies that depend on the provision of financial services for the sale of their core products (such as home-builders and property developers).The Investment Manager believes that the global financial services industry and real estate sector offers attractive investment opportunities in the medium to long-term given its size, diversity and complexity on the one hand and its growth, economic returns and risk characteristics on the other, as these factors regularly result in the temporary mis-pricing of equity securities issued by companies in or related to financial services sector and the real estate sector.

The Investment Manager's investment strategy seeks to take advantage of any mis-pricing opportunities of companies in and related to the global financial services industry and real estate sector through a systematic fundamental analysis and assessment of a company's value. The strategy also tries to exploit mis-pricing which arises as a result of operational or structural changes in a company or a change in the macroeconomic, capital markets, or industry sector environments within which a company operates. These changes can significantly affect the short, medium and/or long-term growth prospects, economic return and risk profile of a company and thereby substantially impact its value.

The Fund's investments will be made on a global basis in assets denominated in the Base Currency or other currencies.

The Fund may, subject to the requirements laid down by the Central Bank, enter into FDI transactions for investment, efficient portfolio management and hedging (e.g. currency risk management) purposes.

These may include: swaps, contracts for difference ("CFDs"), call options, futures, forward contracts, warrants and rights. The Fund may invest in closed-ended ETFs that are classified under the Regulations as transferable securities, some of which may hold derivatives such as futures, forwards, options, swaps or other instruments.

The Fund may take long positions synthetically through the use of FDIs. Under normal market conditions, the Fund's total exposure is expected to be in the range of 70 to 100 per cent of the Net Asset Value of the Fund (calculated in accordance with the commitment approach).

For example: (i) swaps and CFDs may be utilised for access to certain issuers and jurisdictions; (ii) index swaps may be used to gain exposure to a basket of securities; (iii) currency swaps may be used to manage the Fund's exposures to currencies in which it holds investments; (iv) call options and index call options may be purchased to provide an efficient, liquid and effective mechanism for taking positions in securities; (v) index futures on broad-based indices may be utilised in order to gain exposure to the general equity market; (vi) forward contracts may be utilised for currency risk management; and (vii) warrants and rights may be used to obtain exposure to, or acquire, the underlying equity or other securities of an issuer.

For further information on the types of FDIs that the Fund may enter into and further details as to other commercial purposes please see the section entitled "Investment Techniques and Instruments" below.

The Investment Manager may also use FDIs where practicable to hedge all non-Base Currency exposures of the Fund arising where Shares are denominated in a currency other than the Base Currency of the Fund. In addition, as the Fund's investments will be made in assets denominated in the Base Currency or other currencies, the Investment Manager may hedge any non-Base Currency denominated holdings against the Base Currency, in order to minimise the FX risk. The Fund may use spot and FX forward transactions for hedging and currency risk management purposes. See the section entitled "Currency Transactions" in the Prospectus.

The Fund may be leveraged through the use of FDIs. The use of such FDIs may result in leverage of up to 100 per cent of the Net Asset Value of the Fund under the commitment approach and be consistent with the risk profile of the Fund.

Investors are advised to read carefully the section entitled "Risk Factors" in the Prospectus and in this Supplement.

Any other FDIs proposed to be used by the Fund which is not set out herein and not included in the risk management process will not be used until such time as this Supplement has been updated and a revised risk management process has been submitted to, and cleared in advance by, the Central Bank. In relation to the use of FDIs, investors' attention is drawn to "Information on Risk Management" in the Prospectus regarding the risk management process.

The Fund may enter into repurchase and reverse repurchase, subject to the conditions and limits laid down by the Central Bank in the Central Bank UCITS Regulations, for efficient portfolio management purposes.

All securities in the Benchmark are classified in the financials sector as per the global industry classification standard. The Investment Manager may alter the Benchmark from time to time to any other benchmark which the Investment Manager determines, in its sole discretion, is generally representative of the global financials market. Shareholders will not be notified in advance of any change in the Benchmark. However, such change will be notified to Shareholders in the periodic reports of the Fund following such change and this Supplement will be updated prior to the implementation of such change.

Additional Investment Restrictions

The investments of the Fund (other than permitted unlisted investments) will be listed or traded on the markets referred to in Schedule I of the Prospectus. The Fund's investment, directly, or indirectly through the use of FDIs, in equity securities listed or traded on markets in Russia referred to in Schedule I of the Prospectus shall not exceed 20% of the Net Asset Value of the Fund. The Fund may invest up to 50% of its Net Asset Value in emerging markets.

Investments in REITS will not exceed 20% of the Net Asset Value of the Fund.

The Fund may invest in other UCITS (other than feeder UCITS) and Eligible Non-UCITS to give the Fund exposure to the asset classes set out above. These investments, which include open-ended ETFs, may not exceed 10% of the total Net Asset Value of the Fund. The underlying collective investment schemes may be leveraged.

The Fund may also from time to time invest in a "new issue", as defined in US Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5130, as amended, supplemented and interpreted from time to time ("FINRA Rule 5130"). See the section entitled "New Issues" in the Prospectus.

No assurance can be given that the Fund's investment objective will be achieved.

The Fund is expected to at times experience high volatility as a result of its investment strategies.

Investors should note that Shares in the Fund are not bank deposits and are not insured or guaranteed by any government or any government agency or other guarantee scheme which may protect the holders of bank deposits. The value of a holding in the Fund would be expected to fluctuate more than a bank deposit.

REITs

REITs are pooled investment vehicles that invest in income producing real property or real property related loans or interests. REITs are generally classified as equity REITs, mortgage REITs or a combination of equity and mortgage REITs. Equity REITs invest their assets directly in real property and derive income primarily from the collection of rents. Equity REITs can also realise capital gains by selling properties that have appreciated in value. Mortgage REITs invest their assets in real property mortgages and derive income from the collection of interest payments.

ACTIVE MANAGEMENT

The Fund is considered to be actively managed in reference to the Benchmark by virtue of the fact that it seeks to achieve a total return which exceeds the returns of the Benchmark. The Benchmark is also used as the reference index for performance comparison purposes. However, the Benchmark is not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities that are not constituents of the Benchmark.

PROFILE OF A TYPICAL INVESTOR

The Fund is suitable for investors seeking to achieve a high level of capital growth and who are prepared to accept a high level of volatility with a long-term investment horizon.

BASE CURRENCY

The Base Currency of the Fund is Euro.

THE SUSTAINABLE FINANCE DISCLOSURE REGULATION

The Fund promotes environmental and/or social characteristics and does not have sustainable investment as its investment objective.

The Manager, in consultation with the Investment Manager, has categorised the Fund as meeting the provisions set out in Article 8 of Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector ("SFDR") for products which promote environmental and/or social characteristics and invest in companies that follow good governance practices, as further described in Schedule II hereto which forms an integral part of and should be read in conjunction with this Supplement.

Integration of sustainability risks into the investment decision-making process

The Investment Manager adopts the following strategies when integrating sustainability risks into the investment decision making process:

Issuer Exclusion lists

The investment decisions observe a number of exclusion lists as described below. They are applied at the issuer level and prevent investing in both equity and debt issued by the issuer. They are reviewed on an annual basis and positions on newly excluded issuers are generally exited within 30 days. The exclusion list suit comprises **Coal-powered energy generation and its funding chain**: coal developers and coal-intensive companies that are deemed non-investable due to their role in coal mining or coal power generation and coal investors and financers that fund such activities.

Controversial weapons manufacturing: Weapon manufacturers that produce or closely involved in the production of weapon systems, which often include weapons prohibited by international conventions and treaties. The list comprises Anti-personnel Landmines, Cluster Munitions, Chemical and Biological Weapons, Nuclear Weapons and certain Indiscriminate weapons (like Non-Detectable fragments, incendiary and blinding laser weapons) and includes Investors and Financers that fund such activities.

Predatory Lending: Lenders that derive any revenue from lending activities that are deemed predatory and companies that have significant ownership of such lenders. Predatory practices include payday loans, high-interest instalment loans and rent-to-own schemes.

Tobacco Investment: Tobacco producers and manufacturers, companies that derive a meaningful portion of their revenue from tobacco-related activities and companies that have significant ownership of either of the two forementioned categories. Tobacco related activities include both products and services.

The Investment Manager monitors compliance with the social and environmental characteristics outlined above for the purposes of integrating sustainability risk into its investment –decision making process on an ongoing basis through automated controls coded into the Algebris Order Management System ("OMS"). The OMS has fully integrated pre- and post-trade controls that implement and safeguard the exclusion lists described above. Breaches are communicated systematically to the relevant teams via automated e-mail notification and they are escalated to relevant Boards and committees as appropriate.

Direct engagement with Lenders/Financers

A list of banks that comprise the core universe of the Fund have been identified. The ESG committee examines, inter alia, the institution's exposure and policies surrounding coal extraction and consumption and, on a case-by-case basis, where relevant public disclosures fall below industry standard or where exposure is thought to be high, a tailored questionnaire assesses the institution's position on coal and any planned action to reduce its coal-related exposure.

The ESG committee engages directly with the same universe of banks, seeking assurance about their controversial weapons involvement and policies.

Voting Policy

Where the investment Manager is given the opportunity to exercise voting rights in relation to the positions held in the Fund, these are made in the best interests of the investors after considering the long-term sustainability of the respective issuer. While abstaining can be the best option in a limited number of cases, the relevant policy in place commits the Investment Manager to take an active role in the company's decision-making process, with sustainability being a prime consideration.

UNPRI Screening & ESG Scoring

The Fund is subject to a screening that evaluates the alignment of investee companies with the 10 Principles of the UN Global Compact ("UNGC"). The screening will be underpinned by quantitative and qualitative analysis carried out by the ESG research team of the Algebris group, using data collected by specialised third-party ESG data providers. From an operational standpoint, this screening will restrict investment in companies that are identified to be exhibiting a poor performance in business areas relevant to the UNGC principles, and companies whose performance is significantly below average (but above the threshold for immediate exclusion) will be placed on a watchlist.

The Investment Manager also assesses the governance practices of issuers through a variety of scores covering various aspects of firm-level governance, from specialised external ESG data providers in order to satisfy itself that the relevant issuers follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The investment team of the Investment Manager may also engage with investee companies about specific governance- related issues. The dedicated AI/Big Data team of the Algebris group is further developing an AI-driven controversy monitoring tool to monitor the increase of potential ESG-related controversies relating to investee names.

Assessment of the likely impact of sustainability risks on the return of financial products:

Sustainability risks may adversely affect the returns of the Fund. The Investment Manager has implemented a policy in respect of the integration of sustainability risks in its investment decision making process. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment, and hence the Net Asset Value of the Fund.

The Fund invests primarily in securities of financial institutions. The sustainability risks of such investments include the sustainability risks of the investments made by the Fund's investee financial institutions as well as other sustainability risks that relate only to the Fund's investee financial institutions themselves.

The Fund's investments are exposed to losses resulting from reputational damage an investee issuer may face for a variety of reasons, including:

- environmental, social or governance concerns in relation to the operation of the issuer
- compromise of human rights or labour rights
- breaches to intellectual property and privacy (GDPR) rights
- occupational health and safety
- gender, race and/or other non-discrimination standards

- other controversies or scandals

The Fund's investments are also exposed to the risk of losses resulting from reputational damage an investee issuer may face in connection with its lending and funding operations, for example, in connection with the following sectors:

- Greenhouse gas (GHG) and air pollutants (like SO_2 and CO_2 emissions)
- Mining, oil and gas extraction specific issues (like offshore drilling, Shale Oil and Gas Hydraulic Fracturing), coal extraction, dams and chemicals, including plastics
- Controversial Weapons, nuclear weapons proliferation and Defence equipment
- Agricultural, forestry and related to pulp & paper and palm oil
- Animal testing and animal welfare
- Tobacco, alcohol and addictive substances
- World Heritage sites and Ramsar wetlands
- Water use, resources and pollution
- Gambling and predatory lending

Reputational damage to an investee company may lead to a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. The Fund's investments are also exposed to the risk that where investee financial institutions have provided finance to borrowers, sustainability risk events may impact the ability of such borrowers to repay their debt to investee financial institutions.

The Fund is also exposed to risks associated with the increased cost and administrative burden due to changes in regulations and policies in the areas of climate, energy, and environment as well as cost from improving governance and oversight, an area of regulatory focus for the financial institutions. More importantly, there is regulatory risk in the form of penalties for failing to comply with such regulations, accompanied by reputational stigma any such violation would bring, an issue particularly acute for high profile and systemic financial organisations.

INVESTMENT TECHNIQUES AND INSTRUMENTS

Financial Derivative Instruments

The Central Bank requires that all UCITS funds that use FDIs employ a risk management process which enables them to accurately manage, measure and monitor the various risks associated with FDIs. Any FDIs 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.

The Company may employ investment techniques and instruments in accordance with the Fund's investment policy for investment purposes, for efficient portfolio management purposes and for hedging purposes, subject to the conditions and within the limits from time to time laid down by the Central Bank. These techniques and instruments may involve the use of FDIs. Derivatives may be exchange traded or over-the-counter ("OTC").

Swaps and CFDs. The Fund may enter into CFDs and various types of swap contract, including on equity and debt securities, eligible indices, currencies, interest rates and ETFs, for investment purposes.

Swaps. Swap contracts are individually negotiated and can be structured to include exposure to a variety of different types of investments or market factors. A swap contract is a derivative contract between two parties to exchange a series of future cash flow obligations for a stated period of time.

CFDs. A CFD is a contract between two parties, typically described as 'buyer' and 'seller', stipulating that the seller will pay to the buyer, at the close of the contract, the difference between the reset value or initial value of the reference asset and the closing value of the reference asset.

Swap agreements and CFDs do not involve the purchase or sale of an asset, only the agreement to receive or pay the movement in its price.

TRS: TRS shall have the meaning set out in SFTR and are OTC derivative contracts whereby the Fund agrees to pay a stream of payments based on an agreed interest rate in exchange for payments representing the total economic performance, including income from interest and fees, gains and losses from price movements and credit losses, over the life of the swap of a reference obligation to another counterparty

Options. The Fund may purchase exchange traded call options or may enter into options traded OTC. The Fund may use options on assets in lieu of purchasing the underlying assets. The Fund may purchase call options on equity and debt securities, eligible indices, currencies, interest rates, ETFs, futures and interest rate futures for investment purposes.

The purpose behind the purchase of call options by the Fund is to provide exposure to increases in the market or to hedge against an increase in the price of securities or other assets that the Fund intends to purchase at a later date.

Futures. The Fund may invest in futures contracts on financial instruments such as equity and debt securities, currencies, eligible indices and interest rates. A futures contract is an agreement between two parties to buy or sell a specified quantity of the financial instrument called for in the contract at a pre-determined price in the future. Futures can be cash settled as well as physically settled.

The purchase of futures contracts can serve as a long hedge. Futures contracts allow the Fund to gain exposure to the underlying market. Since these contracts are marked-to-market daily, the Fund can, by closing out its position, exit from its obligation to buy or sell the underlying assets prior to the contract's delivery date.

Forward contracts. Forward currency exchange contracts are FDIs where the parties agree on the sale and purchase of one currency against another currency at a pre-agreed price and a specific delivery date in the future. FX forwards impose an obligation on the buyer to purchase the agreed currency on the agreed date. Forward currency exchange transactions may be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Forwards on equity and debt securities are contracts to buy or sell an underlying security at a pre-determined price on a specific future date.

Warrants and rights. The Fund may purchase warrants or rights. The Fund may use warrants and rights to obtain exposure to, or acquire, the underlying equity or other securities of an issuer consistent with the Fund's investment policy. The Fund may also receive rights passively (e.g., as a result of corporate actions) because the Fund's existing holdings in equity or other securities issued by the rights issuer. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at the stated price.

A list of the Regulated Markets on which the FDIs may be quoted or traded is set out in Schedule I to the Prospectus.

A description of the current conditions and limits laid down by the Central Bank in relation to FDIs is set out in Schedules II and III to the Prospectus. Investors' attention is drawn to the description of the risks associated with the use of FDIs included in the section headed "Risk Factors" in the Prospectus.

Collateral Management Policy

The policy that will be applied to collateral arising from OTC derivative transactions or efficient portfolio management techniques relating to the Fund is to adhere to the requirements set out in

Schedule III of the Prospectus. This sets out the permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, the re-investment policy prescribed by the Central Bank pursuant to the Regulations. To the extent that the Fund receives any collateral, the categories of collateral which may be received by the Fund include cash and non-cash assets such as equities, debt securities and money market instruments. From time to time and subject to the requirements in Schedule III, the policy on levels of collateral required and haircuts may be adjusted, at the discretion of the Investment Manager, where this is determined to be appropriate in the context of the specific counterparty, the characteristics of the asset received as collateral, market conditions or other circumstances. The haircuts applied (if any) by the Investment Manager are adapted for each class of assets received as collateral, taking into account the characteristics of the assets such as the credit standing and/or the price volatility, as well as the outcome of any stress tests performed in accordance with the requirements in Schedule III. Each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets should be justified on the basis of this policy. If cash collateral received by the Fund is re-invested, the Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Fund. For further details see the section entitled "Risk Factors".

General

Direct and indirect operational costs and fees arising from the efficient portfolio management techniques of repurchase and reverse repurchase arrangements may be deducted from the revenue delivered to the Fund (e.g. as a result of revenue sharing arrangements). These costs and fees do not and should not include hidden revenue. All the revenues arising from such efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the Fund. The entities to which direct and indirect costs and fees may be paid may include banks, investment firms, broker-dealers or other financial institutions or intermediaries and may be related parties to the Company, the Manager, the Investment Manager or the Depositary. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques (if any), will be disclosed in the annual and half-yearly reports of the Company.

Securities Financing Transactions and TRS

As set out above, the Fund may enter into repurchase agreements and/or reverse repurchase agreements for efficient portfolio management purposes only where the objective of using such instruments is to hedge against risk and/or to reduce costs borne by the Fund or to generate additional capital or income which is consistent with the risk profile of Fund and the risk diversification rules set down in the UCITS Regulations.

As set out above, the Fund may also enter into TRS within the meaning of the SFTR.

All types of assets which may be held by the Fund in accordance with its investment objectives and policies may be subject to a securities financing transaction or TRS.

The maximum proportion of the Fund's assets which can be subject to securities financing transactions and/or TRS is 100% of the Net Asset Value of the Fund.

However, the expected proportion of the Fund's assets which will be subject to securities financing transactions and/or TRS is between 0 and 85% of the Net Asset Value of the Fund's assets. The proportion of the Fund's assets which are subject to securities financing transactions and/or TRS at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of securities financing transactions and TRS, expressed as an absolute amount and as a proportion of the Fund's assets, as well as other relevant information relating to the use of securities financing transactions and/or TRS shall be disclosed in the annual report and semi-annual report of the Company.

For the purposes of the above, a TRS shall have the meaning set out in SFTR as outlined above.

Further information relating to securities financing transactions and TRS is set out in the Prospectus at the sections entitled "*Securities Financing Transactions*" and "*Total Return Swaps*".

Share Class Currency Hedging

Foreign exchange transactions may be used for Class currency hedging purposes. Where a Class of Shares is designated as a hedged Class, as stipulated in Schedule 1 hereto, that Class will be hedged against exchange rate fluctuation risks between the denominated currency of the Share Class and the Base Currency of the Fund. Such hedging strategy shall be subject to the conditions and within the limits laid down by the Central Bank and may not be implemented in the following circumstances:

(i) if the Net Asset Value of the Fund falls below a level whereby the Investment Manager considers that it can no longer hedge the currency exposure in an effective manner;
(ii) if the FX markets are closed for business; and
(iii) where a material tolerance of the size of the hedge is applied to share class hedging to avoid unnecessary frictional trading costs.

Further information is set out in the Prospectus at the section entitled "Currency Considerations". It should be noted that the successful execution of a hedging strategy which mitigates this currency risk exactly cannot be assured.

Where a Class is unhedged, a currency conversion will take place on subscriptions, redemptions, conversions and distributions at prevailing exchange rates. In such circumstances, the value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency and/or in relation to the designated currencies of the underlying assets.

INVESTMENT RESTRICTIONS

The Fund's investments will be limited to investments permitted by the Regulations, as set out in Schedule II to the Prospectus. If the Regulations are altered during the life of the Company, the investment restrictions may be changed to take account of any such alterations but any such changes shall be in accordance with the Central Bank's requirements and Shareholders will be advised of such changes in an updated Prospectus or a Supplement and in the next succeeding annual or half-yearly report of the Company. In the event that any alterations to the Regulations necessitate a material change in the investment policy of the Fund, such a change to the investment policy may only be made on the basis of a majority of votes cast at a general meeting or with the prior written approval of all Shareholders and a reasonable notification period shall be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders, including in order to comply with the laws and regulations of the countries where Shareholders are located and any additional investment restrictions or limits will be set down in the "Investment Policy" section above.

The investment restrictions, as well as the policies of the Fund as to ratings of portfolio investments, will apply only at the time of purchase of the investments. If these limits are exceeded for reasons beyond the control of the Fund, the Fund shall adopt as a priority objective for its sales transactions the remedying of that situation taking account of the interests of the Fund and its Shareholders.

SHARE CLASSES

Shares are available in the different Classes of Shares as shown in the table set out at Schedule 1 hereto.

The Investment Manager may in its discretion vary the minimum initial subscription or minimum additional subscription amounts in the future and may choose to waive these criteria.

Investors should note that as at the date of this Supplement only certain Classes of Shares may currently be available for purchase.

Class M Shares and Class Md Shares are only available for subscription by (i) employees, members or affiliates of the Investment Manager and the Manager including, without limitation, members of the immediate families of such persons, and trusts or other entities for their benefit; and (ii) other investors who have agreed separate fee arrangements with the Investment Manager or the Manager. Class M Shares and Class Md Shares are not subject to a management fee, and are not subject to minimum initial or additional subscription amounts.

Class A Shares and Class I2 Shares are only available for subscription with the prior approval of the Investment Manager and the Investment Manager may refuse to accept new subscriptions for Class A Shares and Class I2 Shares at its sole and absolute discretion.

DIVIDENDS

The Directors are permitted to declare distributions in respect of any Class of Shares. Distributions may not be payable for all Classes of Shares. For the Distributing Classes, the current distribution policy is to distribute net income (consisting of revenue, including any accrued interest and dividends less expenses). As a result, a distribution may include accrued revenue which may subsequently never be received. The amount of the net income to be distributed is determined at the discretion of the Directors in accordance with Articles and the Directors will also determine what proportion of the Fund's expenses may be charged against the income to arrive at the net income figure. For the avoidance of doubt net income excludes any realised and unrealised capital gains and losses incurred during a relevant period. Shareholders should also be aware that in maintaining a regular dividend payment, at times dividends may be paid out of the capital of the Fund in addition to or in the absence of net income. Accordingly, notwithstanding the intention to distribute net income, distributions may also be paid out of capital. In respect of each dividend declared, the Directors may determine if, and to what extent, such dividend is to be paid out of the capital of the Fund. Distributions made during the life of the Fund should be understood to be a type of capital reimbursement. The Fund expects to receive periodic interest and dividend payments from the assets it invests in and these interest payments and dividend payments will be accrued (as accrued revenue), in accordance with IFRS, in the Net Asset Value of the Fund. The Fund, in order to provide a regular and consistent income stream to its Shareholders, will generally declare a distribution quarterly on the following approximate dates: 1 January, 1 April, 1 July and 1 October. In the event that the accrued revenue is unrealised (i.e. the Fund has not yet received the revenue), on the date a distribution is declared, the distribution of net income will be made out of the capital of the Fund. For the avoidance of doubt, the Fund shall be permitted to make a distribution of net income (including unrealised accrued revenue) even in the event that the Fund has made a capital loss in relevant period and such distribution will be made out of the capital of the Fund. The Fund may make distributions out of capital in other circumstances, at the discretion of the Directors.

As distributions may be made out of the capital of the Fund, there is a greater risk that capital will be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted.

Please note that distributions out of capital may have different tax implications to distributions of income and you are recommended to seek advice in this regard.

The Fund's net income attributable to the Accumulating Classes shall be re-invested in the capital of the Fund.

For further information, investors' attention is drawn to the section of the Prospectus entitled "Dividend Policy".

SUBSCRIPTIONS AND REDEMPTIONS

The minimum initial subscription amounts and minimum additional subscription amounts are set out in Schedule I hereto.

There are no minimum subscription amounts for Class M Shares or Class Md Shares.

Please see the section in the Prospectus entitled "Administration of the Company" for further information on subscriptions and redemptions.

The Initial Offer Period is set out in Schedule I hereto.

DEALINGS IN THE FUND

"Trade Cut-off Time for Subscriptions"	12 p.m. (Irish time) on the Dealing Day.
"Trade Cut-off Time for Redemptions"	12 p.m. (Irish time) on the Dealing Day.
"Business Day"	means, unless otherwise determined by the Directors and notified in advance to Shareholders, a day on which retail banks are open for business in Ireland and the United Kingdom.
"Dealing Day"	means every Business Day or such other days as the Directors may determine and notify in advance to Shareholders, and provided that there shall be at least one Dealing Day each fortnight.
"Valuation Day"	means, unless otherwise determined by the Directors and notified in advance to Shareholders, every Business Day.
"Valuation Point"	means 5.30pm (New York time) on the Valuation Day.
"Settlement Time (for subscriptions)"	within 3 Business Days following the relevant Dealing Day.
"Settlement Time (for redemptions)"	within 3 Business Days following the relevant Dealing Day.

Unless a Class of Shares is otherwise "Closed" (as identified in Schedule I hereto) to new subscriptions by the Directors, Shares shall be issued on the relevant Dealing Day. In respect of the Fund, dealing requests received subsequent to the relevant Trade Cut-Off Time shall be effective on the next applicable Dealing Day (e.g. if a subscription or redemption request is received at 12:01 pm on Monday, it shall be effective on Tuesday, presuming that both Monday and Tuesday are Dealing Days).

Conversion of Shares

Investors' attention is drawn to the section of the Prospectus entitled "Conversion of Shares".

In particular, investors should note that the length of time for completion of conversions involving the Fund may differ to that for subscriptions and redemptions and will vary depending on the "Trade Cut-off Time for Redemptions" as detailed in the Supplement in respect of the relevant Class to be converted and the "Trade Cut-off Time for Subscriptions" as detailed in the Supplement in respect of the new Class.

Instructions to convert should be received prior to the earlier of the "Trade Cut-off Time for Redemptions" in the relevant Class to be converted and "Trade Cut-off Time for Subscriptions" in the new Class as specified in the relevant Supplement(s).

FEES AND EXPENSES

Investors' attention is drawn to the section of the Prospectus entitled "Fees and Expenses".

Initial Sales Charge

An initial sales charge of up to 5.00% of the amount subscribed shall be payable in respect of subscriptions for all Class A Shares and up to 3.00% in respect of subscriptions for all Class R Shares. Any such sales charge may be payable to the relevant distributors. In addition, the distributors may, in their sole discretion, waive payment of the initial sales charge or reduce the initial sales charge payable by a subscriber for Class A Shares and Class R Shares.

There shall be no initial sales charge for the Class B Shares, Class Bm Shares, Class I Shares, Class I2 Shares, Class M Shares or Class Md Shares.

In addition to the sales charge described above, a local paying agent or local representative may charge customer service fees in connection with subscribed/redeemed Shares.

Redemption Charge

No redemption charge will be payable on redemptions with respect to any Class of Shares.

U.S. Dealing Services Charge

With respect to Class A Shares and Class I2 Shares, the Company may pay out of the assets of the Fund, a U.S. dealing services charge (the "U.S. Dealing Services Charge"). Such charge will be paid to networking agents in the U.S. whose appointment is necessary to facilitate investment by U.S. investors approved by the Investment Manager in the Class A and Class I2 Shares. The U.S. Dealing Services Charge shall not exceed 0.10% per annum of the Net Asset Value of the Class A or Class I2 Shares. Any such charge shall accrue daily and shall be payable monthly in arrears.

There shall be no U.S. Dealing Services Charge for Class B Shares, Class Bm Shares, Class I Shares, Class R Shares, Class M Shares or Class Md Shares.

Fees in respect of the Manager and Investment Manager

Management Fee

The Manager and the Investment Manager shall be entitled to receive an overall investment management fee (the "Management Fee") from the Company in respect of the Fund equal to 0.80% per annum of the Net Asset Value of the Class B Shares, 0.80% per annum of the Net Asset Value of the Class I Shares, 1.80% per annum of the Net Asset Value of the Class R Shares, 1.45% per annum of the Net Asset Value of the Class I2 Shares and 1.95% per annum of the Net Asset Value of the Class A Shares.

The Management Fee shall be (i) calculated and accrued daily; and (ii) is calculated by reference to the Net Asset Value of the relevant Shares before the deduction of that day's Management Fee. The Management Fee is normally payable in arrears within 14 days of the end of the relevant month end.

No Management Fee shall be payable in respect of Class M or Class Md Shares.

In addition, each of the Manager and the Investment Manager shall be entitled to be reimbursed its reasonably vouched out-of-pocket expenses incurred with respect to the Company and the Fund. The Fund shall bear its pro-rata share of out-of-pocket expenses relating to the Company as a whole.

Performance Fee

No performance fees shall be payable in respect of the Fund.

Depositary's Fee

The Depositary shall be entitled to receive out of the assets of the Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of 0.01% per annum of the Fund's Net Asset Value subject to a minimum annual fee of €600,000 at the level of the Company (as above, to include administration and depositary services).

The Depositary shall also be entitled to receive transaction charges and all sub-custodian charges will be recovered by the Depositary from the Company out of the assets of the Fund as they are incurred by the relevant sub-custodians. All such charges shall be charged at normal commercial rates. The Depositary is also entitled to reimbursement for its reasonable vouched out-of-pocket expenses.

Administrator's Fee

The Administrator shall be entitled to receive out of the assets of the Fund a fee, accrued and calculated daily and payable monthly in arrears, at a rate of up to 0.035% per annum of the Fund's Net Asset Value for the first €200 million, 0.03% per annum of the Fund's Net Asset Value between €200 million and €500 million and 0.02% per annum of the Fund's Net Asset Value above €500 million subject to a minimum annual fee of €600,000 at the level of the Company (to include administration and depositary services).

In addition, the Company shall pay out of the assets of the Fund its portion of the Administrator's annual financial statement preparation fee of €5,000 per annum (at the level of the Company) and €1,000 per annum (per Fund) for the preparation of financial statements for the Company and a preparation fee of €3,000 per annum (at Company level) and €750 per annum (per Fund) for the semi-annual financial statement. In addition, the Administrator shall be entitled to be reimbursed for its reasonable vouched out-of-pocket expenses, transaction and account fees.

Establishment Costs

The costs of establishing the Fund have been discharged.

Class I Shares and Class B Shares are available to those financial intermediaries providing independent investment advisory services or discretionary investment management as defined in MiFID II Directive and those financial intermediaries providing non-independent investment services and activities who have separate fee arrangements with their clients under which they have agreed not to receive and retain inducements. Such Classes shall be referred to in the tables in Schedule I of this Supplement as "Clean" Classes.

RISK FACTORS

The attention of investors is drawn to the section headed "Risk Factors" in the Prospectus.

SCHEDULE I

Classes of Shares

Algebris Financial Equity Fund - Fund denomination – Euro							
Share Class	**Class Currency**	**Hedged Currency Class**	**Initial Offer Price**	**Minimum Initial Subscription**	**Minimum additional subscription**	**Management Fee**	**Initial Offer Period Status***
Class B EUR (Clean)	EUR	No	€100	€500,000	€5,000	0.80%	Funded
Class B GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €500,000	GBP equivalent of €5,000	0.80%	Funded
Class B CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €500,000	CHF equivalent of €5,000	0.80%	Funded
Class B USD (Clean)	USD	Yes	USD 100	USD equivalent of €500,000	USD equivalent of €5,000	0.80%	Funded
Class B SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €500,000	SGD equivalent of €5,000	0.80%	Extended
Class B JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €500,000	JPY equivalent of €5,000	0.80%	Extended
Class Bm EUR (Clean)	EUR	No	€1,114.81	€500,000	€5,000	0.80%	Funded
Class Bm USD (Clean)	USD	Yes	USD 1,188.75	USD equivalent of €500,000	USD equivalent of €5,000	0.80%	Funded
Class B SEK (Clean)	SEK	Yes	SEK 100	SEK equivalent of €500,000	SEK equivalent of €5,000	0.80%	Extended
Class B NOK (Clean)	NOK	Yes	NOK 100	NOK equivalent of €500,000	NOK equivalent of €5,000	0.80%	Extended
Class I EUR (Clean)	EUR	No	€100	€500,000	€5,000	0.80%	Funded
Class I GBP (Clean)	GBP	Yes	GBP 100	GBP equivalent of €500,000	GBP equivalent of €5,000	0.80%	Funded
Class I CHF (Clean)	CHF	Yes	CHF 100	CHF equivalent of €500,000	CHF equivalent of €5,000	0.80%	Closed**
Class I USD (Clean)	USD	Yes	USD 100	USD equivalent of €500,000	USD equivalent of €5,000	0.80%	Closed**
Class I SGD (Clean)	SGD	Yes	SGD 100	SGD equivalent of €500,000	SGD equivalent of €5,000	0.80%	Closed**
Class I JPY (Clean)	JPY	Yes	JPY 100	JPY equivalent of €500,000	JPY equivalent of €5,000	0.80%	Closed**

Class R EUR	EUR	No	€100	€10,000	€1,000	1.80%	Funded
Class R GBP	GBP	Yes	GBP 100	GBP equivalent of €10,000	GBP equivalent of €1,000	1.80%	Funded
Class R CHF	CHF	Yes	CHF €100	CHF equivalent of €10,000	CHF equivalent of €1,000	1.80%	Funded
Class R USD	USD	Yes	USD 100	USD equivalent of €10,000	USD equivalent of €1,000	1.80%	Funded
Class R SGD	SGD	Yes	SGD 100	SGD equivalent of €10,000	SGD equivalent of €1,000	1.80%	Extended
Class R JPY	JPY	Yes	JPY 100	JPY equivalent of €10,000	JPY equivalent of €1,000	1.80%	Extended
Class R SEK	SEK	Yes	SEK 100	SEK equivalent of €10,000	SEK equivalent of €1,000	1.80%	Extended
Class I2 USD	USD	Yes	USD 100	USD equivalent of €500,000	USD equivalent of €10,000	1.45%	Extended
Class A USD	USD	Yes	USD 100	USD equivalent of €1,000	USD equivalent of €100	1.95%	Extended
Class M EUR	EUR	No	€100	N/A	N/A	N/A	Funded
Class M GBP	GBP	Yes	GBP 100	N/A	N/A	N/A	Funded
Class Md GBP	GBP	Yes	GBP 100	N/A	N/A	N/A	Funded
Class M CHF	CHF	Yes	CHF 100	N/A	N/A	N/A	Extended
Class M USD	USD	Yes	USD 100	N/A	N/A	N/A	Extended
Class Md USD	USD	Yes	USD 100	N/A	N/A	N/A	Funded
Class M SGD	SGD	Yes	SGD 100	N/A	N/A	N/A	Extended
Class M JPY	JPY	Yes	JPY 100	N/A	N/A	N/A	Extended
Class Md JPY	JPY	Yes	JPY 100	N/A	N/A	N/A	Extended

Initial Offer Period Shares

* This column specifies "Funded" where a Class is in issue, "Extended" where a Class has been offered, the Initial Offer Period has commenced and is continuing but no Shares are in issue.

** In this column specifies "Closed" where a Class is closed to new subscriptions.

For all Classes of Shares identified as “Extended”, the Initial Offer Period shall continue until 5.30 p.m. (Irish time) on 14 April, 2025, or such other dates as the Directors may determine and notify to the Central Bank.

SCHEDULE II

Product name: Algebris Financial Equity Fund (the "Fund")

Legal entity identifier: 54930028Y34PLSHRH524

Environmental and/or social characteristics

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.

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 **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 will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

The environmental and social characteristics promoted by the Fund are:

1. Prevention of predatory lending practices;
2. Pollution prevention and control;
3. Emissions reduction;
4. Human rights; and
5. Labour relations.

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

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

The Investment Manager will use the following sustainability indicators to measure the attainment of the environmental and social characteristics promoted by the Fund. Where relevant, the data for assessing the below indicators is sourced from third-party ESG data providers (the "**Data Providers**") and internal research.

Key ESG concerns

Characteristic 1: Predatory lending practices

- **Indicator: the share of revenues derived from predatory lending activities.**

Characteristic 2: Pollution prevention and control

- **Indicator: amount of air pollutants** in proportion to company revenue and/or the **amount** of **inorganic pollutants** in proportion to company revenues.

Characteristic 3: Emission reduction

- **Indicator: the share of investments in companies that explicitly disclose that they have either committed to setting or have set science- based targets (SBTs) in relation to decarbonisation.**

Characteristic 4: Human rights

- **Indicator: the share of investments in companies involved in very serious violations of human rights under the United Nations Global Compact (UNGC).** For the purpose of this indicator, the Investment Manager defines a very serious violation as the case of a company being: (a) involved in persistent UNGC-related controversies; (b) where the controversy is of critical severity; and (c) where the company is non-reactive.

  The existence of Human Rights Policies and Commitments at the investee level is also monitored in the context of measuring the attainment of targets monitored.

- **Indicator: the existence of Human Rights commitments, policies and procedures at the individual investee level.**

Characteristic 5: Labour Relations

- **Indicator: the share of investments in companies involved in very serious violations of labour rights under the UNGC.** For the purpose of this indicator, the Investment Manager defines a very serious violation as the case of a company being: (a) involved in persistent UNGC-related controversies; (b) where the controversy is of critical severity; and (c) where the company is non-reactive. The existence of Human Rights policies and commitments at the individual investee level is also monitored in the context of measuring the attainment of targets monitored.

- **Indicator: the evolution at portfolio level of an aggregate labour practice score.** The score reflects the investees' gender balance; gender pay ratio; performance in terms of preventing discrimination and harassment; freedom of association; ethnic diversity.

Exclusion policies

- **Indicator:** any holdings (0%) of the Fund comprising issuers on the exclusion lists.

Voting policy and engagement

- **Indicator:** the % of meetings voted; the % of shareholders' resolutions voted against; the % of shareholders' resolutions voted in favour; the number of ESG-related engagements with investees.

ESG screening

- **Indicator:** any share of investments (0%) in companies that are identified to be in the bottom 10% of the distribution of the relevant sector's ESG score.

- **Indicator:** the evolution at portfolio level of a global ESG score, as well as of individual E, S, and G scores.

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

N/A

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

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? Details:

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.

N/A

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

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

✖ Yes, the Investment Manager considers the principal adverse impacts (**PAI**) of the Fund's investments on sustainability factors: (i) prior to and at the point of investment, by conducting (to the extent possible) due diligence on any proposed investments, with at a minimum the application of ESG exclusion polices; and (ii) on an ongoing basis by monitoring the investments against any applicable mandatory and additional PAI indicators. More information is available in the periodic reporting pursuant to Article 11(2) of the SFDR.

The **climate and other environmental** related PAI indicators considered by the Investment Manager in respect to all investee companies are:

- GHG emissions;
- carbon footprint;
- GHG intensity of investee companies;
- exposure to companies active in the fossil fuel sector;
- share of non-renewable energy consumption and production;
- energy consumption intensity per high impact climate sector;

- activities negatively affecting biodiversity-sensitive areas;
- emissions to water;
- hazardous waste ratio; and
- investments in companies without carbon emissions reduction initiatives.

The **social and employee, respect for human rights, anti-corruption and anti-bribery** related PAI indicators considered by the Investment Manager in respect to all investee companies are:

- violations of UNGC principles and OECD guidelines for multinational enterprise;
- lack of processes and companies mechanisms to monitor companies with UNGC principles and OECD guidelines for multinational enterprise;
- unadjusted gender pay gap;
- board gender diversity;
- exposure to controversial weapons; and
- lack of anti-corruption and anti-bribery policies.

☐ No

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 investment objective, investment policy and investment strategy of the Fund is detailed in the Supplement for this Fund and should be read in conjunction with and in the context of this Annex.

In addition, in the context of its promotion of environmental and social characteristics, the Investment Manager mainly relies on a combination of the following approaches to responsible investment:

(1) **Key ESG concerns:** the Fund aims to facilitate and accelerate the transition towards a greener and more sustainable economy by investing in companies in the financial services sector that are considered acceptable by reference to the environmental and social characteristics the Fund promotes.

(2) **Exclusion polices:** the Fund applies exclusion policies to provide reasonable comfort that the Fund does not make or hold investments in industries, market segments and companies considered to have particularly harmful or controversial practices from an environmental or social perspective.

As regards coal in particular, the Fund also applies the following approach: a list of banks that comprise the core universe of the Fund has been identified. The Investment Manager's ESG committee examines each relevant institution's exposure and policies surrounding coal extraction and consumption and, on a case-by-case basis, where relevant public disclosures fall below industry standard or where exposure is thought to be high, a tailored questionnaire assesses the institution's position on coal and any planned action to reduce its coal-related exposure. The Investment Manager's ESG committee engages directly with the same universe of banks, seeking assurance about their controversial weapons involvement and policies.

The Investment Manager will not invest in the banks providing the largest share of lending to coal mining.

(3) **Voting policy and engagement:** Where the Investment Manager is given the opportunity to exercise voting rights in relation to the positions held by the Fund, these are made in the best interests of the investors in the Fund after considering the long-term sustainability of the respective issuer. While abstaining can be the best option in a limited number of cases, the voting policy applicable to the Investment Manager commits it to take an active role, with sustainability being a prime consideration.

When deciding how to exercise voting rights attached to the investments made by the Fund, the Investment Manager will consider voting decisions on a case- by-case basis taking into account: (i) the likely effect on the performance of the Fund's investments; and also (ii) the long-term sustainability considerations of the issuer.

The Investment Manager is a supporter of the Say on Climate Initiative – Shareholder Voting on Climate Transition Action Plans (a shareholder voting initiative to encourage companies to publish annual disclosures of emissions and to adopt a plan to manage these emissions) ("Say on Climate"). Where companies will not do so voluntarily, the Investment Manager has formally stated in its voting policy that it will vote for and/or file annual general meeting (AGM) resolutions (whenever it has voting rights, and sufficient votes) requiring such a vote that furthers the aims of Say on Climate.

On engagement more broadly, the Investment Manager also holds an ongoing dialogue with investee companies. This is typically done in the form of calls and meetings with management, following publication of banks' periodic results or upon presentation of their industrial plans. This direct engagement also spans ESG-relevant themes (e.g. ESG disclosures; climate transition plans; net zero targets). The Investment Manager also actively participates in several investor collective engagement initiatives (such as the Non-Disclosure Campaign led by the Carbon Disclosure Project (CDP)) and may engage with investee companies as part of these initiatives.

(4) **United Nations Global Compact screening:** the Investment Manager applies screening that evaluates the alignment of investee companies with the 10 Principles of the UNGC. This will exclude investments in companies that are identified as exhibiting a poor performance in business areas relevant to the UNGC principles. In addition, companies whose performance is significantly below average (but above the threshold for immediate exclusion) will be placed on a watchlist.

(5) **ESG screening:** The Fund is subject to ESG screening, which prevents an investment being made in companies that are identified as being in the bottom 10% of its sector's overall ESG score as measured by way of the Investment Manager's proprietary ESG scoring assessment. This assessment is based on data from third-party ESG data providers (the "**Data Providers**") and internal research.

These principles are integrated, on a best-efforts basis, into the investment controls where possible and reviewed on a regular basis by the Investment Manager. Where any of the requirements are not met, the Investment Manager will determine how best to liquidate the position(s), if appropriate, or take action to remediate the situation through active engagement with the issuer. The Investment Manager will abstain from investing in similar investments until the identified issue is resolved and the relevant position is no longer considered in breach of the Fund's sustainability criteria detailed 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?

In order to attain the environmental and/or social characteristics promoted, the Investment Manager applies the following binding criteria to the selection of underlying assets as part of its investment decision making process:

(1) **Key ESG Concerns**:

a. No investment is allowed in companies that derive any revenues from predatory lending activities; and/or companies that have significant ownership in entities excluded under this rule.

b. No investment is allowed in companies that derive any revenues from coal mining and/or coal power generation; and/or in companies that have a significant ownership in the entities excluded under this rule. No investment is allowed in debt or equity issued by the top global coal shareholders, bondholders, and lenders as defined in the Investment Manager's exclusion policies and procedures.

c. No investment is allowed in companies that derive any revenues from exploration-extraction of arctic oil and/or tar sands; and/or in companies that have a significant ownership in entities excluded under this rule.

d. No investment is allowed in companies that derive more than 40% of their revenues from the production of conventional oil & gas.

e. No investment is allowed in companies that derive any revenues from the manufacturing of controversial weapons; and/or in companies that have a significant ownership in entities excluded under this rule. No investment is allowed in debt or equity issued by the top global investors in nuclear weapons and cluster weapons as defined in the Investment Manager's exclusion policies and procedures.

f. No investment is allowed in companies found to be involved in very serious violations of human rights and/or labour rights under the UNGC.

(2) **Exclusion policies:** the Fund is subject to the Investment Manager's firm- level exclusion policy, including but not limited to the restrictions listed under (1). This policy results in ESG exclusion lists that are implemented in the Investment Manager's internal automated controls system, which include fully integrated pre- and post-trade controls to implement and safeguard the exclusion lists.

(3) **UNGC screening:** as noted above, in addition to exclusion policies, the Fund is also subject to a screening that evaluates the alignment of investee companies with the 10 Principles of the UNGC. An exclusion list of companies found in breach of the UN Global Compact is compiled by the Investment Manager, and investment in the companies on the list is not allowed.

(4) **ESG screening:** as noted above, the Fund is subject to ESG screening, which prevents an investment being made in companies that are identified to be in the bottom 10% of the distribution of the relevant sector's ESG score. Investments in such companies are not allowed.

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 have a committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

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

The Investment Manager assesses the governance practices of investee companies through a variety of scores covering various aspects of firm-level governance, sourced form external Data Providers in order to satisfy itself that the relevant investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues. The dedicated AI/ Data team of the Algebris group has also developed a proprietary artificial intelligence (AI) driven controversy monitoring tool to monitor the increase of potential ESG-related controversies relating to investee companies.

To satisfy itself that the relevant investee companies follow good governance practices (in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance) the Investment Manager monitors a number of governance-related key performance indicators (KPIs) for the investee companies. These include:

(i) **Sound management structures:** an aggregate performance index reflecting anti-crime policies and processes; business ethics; and corporate governance structure and effectiveness.

(ii) **Employee relations:** an aggregate performance index reflecting occupational health and safety; human capital development; and talent retention.

(iii) **Remuneration of staff:** an aggregate performance index reflecting gender pay gap; and CEO to employee pay ratio;

(iv) **Tax compliance:** an aggregate performance index reflecting tax strategy and governance' effective tax rate; and tax reporting.

Data for assessing the elements above is sourced from Data Providers and internal research. The investment team of the Investment Manager may also engage with investee companies about specific governance-related issues – such as news items and/or the emergence of governance-related controversies.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The minimum proportion of the Fund's investments (in normal market circumstances) that will be aligned with the environmental and social characteristics promoted by the Fund will be 70%[1] (taking into account only the binding elements referred to above).

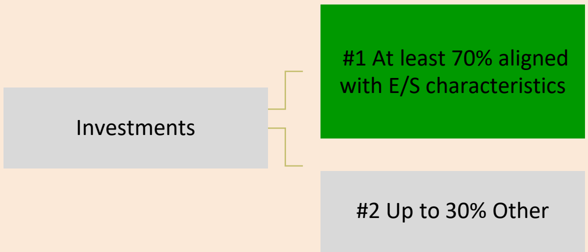
[1] For the avoidance of doubt, in the event of high market volatility, the Fund may invest substantially in deposits or other ancillary liquid assets as further detailed under the section of the Supplement entitled "Investment Policy" and such minimum % shall not apply.

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 remaining proportion of up to 30% of the Fund's investments will be used for hedging, liquidity, diversification and/or efficient portfolio management purposes and will not incorporate any of the environmental and or social characteristics promoted by the Fund. Any minimum environmental or social safeguards regarding the remaining proportion of the investments is covered in a specific section below.



#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*?**

Whilst the Fund does use derivatives as part of its investment strategy as further detailed in the Supplement for the Fund, the use of derivatives is not conducted with a view to attaining the environmental or social characteristics promoted by the Fund.

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

While the Fund promotes environmental and social characteristics, as at the date of this document, it is expected that the minimum proportion of investments of the Fund in environmentally sustainable economic activities aligned with the "EU Taxonomy" (being Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments) (including in transitional and enabling activities) shall be 0% of the investments of the Fund.

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

☐ Yes:

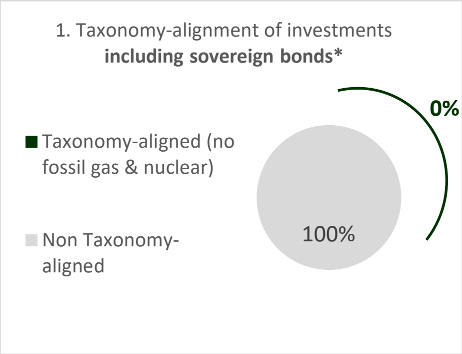
☐ In fossil gas ☐ In nuclear energy

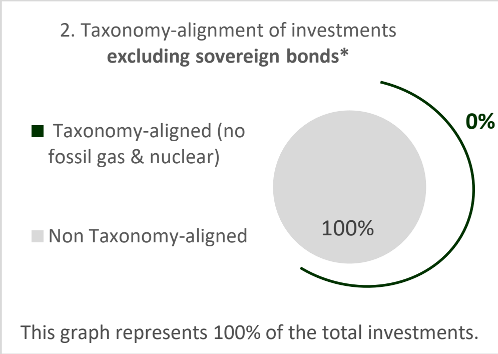
[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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.

☒ No

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





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

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

N/A

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

N/A

What is the minimum share of socially sustainable investments?

N/A

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

The "#Other" investments made by the Fund include instruments which are used for the purpose of hedging (including currency risk management), liquidity, diversification, and efficient portfolio management. These investments include, but are not limited to, ancillary liquid assets and financial derivative instruments. Whilst these investments may not be aligned with the environmental or social characteristics promoted by the Fund, they will, to the extent possible, still be subject to the exclusion policies detailed above, in addition to the UNGC Screening. These provide the minimum safeguards.

The remaining assets of the Fund will also comprise cash and cash equivalents held from time to time on an ancillary basis, as well as instruments for hedging purposes. Such assets are subject to the Fund's minimum safeguards, to the extent applicable/ relevant in the context of such assets being cash and cash equivalents.

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?

No specific index has been designated for the purpose of attaining the environmental characteristics promoted by the Fund.

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

N/A

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

N/A

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

N/A

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

N/A

Where can I find more product specific information online?

More product-specific information can be found on the website: https://www.algebris.com/fund/algebris-financial-equity-fund-2/