

REDWHEEL FUNDS
Société d'Investissement à Capital Variable
80, route d'Esch,
L-1470 Luxembourg
RCS Luxembourg B 122.802
(the "Company")

Notice to the Shareholders of the sub-fund Redwheel Funds – Redwheel UK Climate Engagement Fund
(the "Sub-Fund")

Luxembourg, 5th February 2024

Dear Shareholder,

The board of directors of the Company (the "**Board**") would like to inform you about its decision to amend the investment policy and risk profile of the Sub-Fund.

The Board has decided to amend the investment policy of the Sub-Fund in order to (i) clarify that it does no longer invest neither in swaps nor in over-the-counter financial derivative instruments and (ii) add further clarifications as to the criteria used by the Company's investment manager in the context of the promotion by the Sub-Fund of its environmental and social characteristics.

These changes to the description of the Sub-Fund's ESG description aim at clarifying the investment universe and target companies of the Sub-Fund.

This update involves an amendment of (i) the Sub-Fund's appendix and (ii) its pre-contractual disclosure required by Commission Delegated Regulation (EU) 2022/1288.

In this context, the investment policy and risk profile of the Sub-Fund will be amended as follows (changes are underlined below):

"5. Investment Policy

The Sub-Fund will primarily invest its assets (excluding cash and cash equivalents) in equity and equity linked securities of UK companies that are listed on a global stock market.

Equity and equity linked securities include shares, depository receipts, warrants and other participation rights, convertible securities, index and participation notes and equity linked notes.

The Sub-Fund focuses on fundamental, bottom-up analysis with a valuation discipline when selecting companies for investment.

The Investment Manager views the concept of sustainability as applicable to the assessment of environmental, social and governance ("ESG") aspects of companies that issue equities. In assessing the ESG aspects of issuers, the Investment Manager considers this review as integrated into broader fundamental analysis. The Investment Manager integrates ESG analysis into investment decision making as it is believed that consideration of the broad array of risks that a company faces, or may face in the future, including environmental, social and governance factors, helps the Investment Manager

to make better investment decisions. This analysis is supported by third party research and data from external providers. The Investment Manager also believes that ESG analysis can help to identify potential sources of return from companies that are improving their ESG profiles or engaging with investors.

Analysis of the key social and environmental risks, the company's track record on managing these risks and an assessment of any mitigating factors is incorporated into the analysis of a potential investment.

The Investment Manager conducts thorough analysis of business models and transition plans to ~~identify companies that are transitioning, or have the potential to transition, their businesses to align with the goals of the Paris Agreement~~ select carbon intensive companies (as defined by the Investment Manager) for investment. The Investment Manager targets companies that have already set out transition plans but may also invest in companies without formal transition plans if the Investment Manager concludes that the company has the ~~willingness and~~ ability to transition. ~~The Sub-Fund will not invest in companies that are not considered to have the willingness and ability to~~ Through engagement, the Investment Manager seeks to influence these companies to improve on their transition plans and to accelerate those plans where appropriate.

The Investment Manager's engagement strategy draws on industry-supported assessment frameworks to maximise the chances of achieving progress through ~~alignment~~ common goals and collaboration. ~~Through engagement, the Investment Manager seeks to influence companies, particularly in carbon intensive sectors, to improve on their transition plans and to accelerate those plans where appropriate.~~ Engagement will be focused on the assessment of a company's performance against the assessment framework. When progress is not as expected, an escalation mechanism ~~will~~ may be employed. A series of hard exclusions apply in respect of some product and business practises that encompass harmful activities.

A minimum of 90% of the Fund's investments excluding cash, deposits and money market instruments, will be analysed using the Investment Manager's sustainability considerations.

~~Financial~~ Exchange traded financial derivative instruments, ~~either exchange traded or OTC,~~ in which the Sub-Fund may invest, also include, but are not limited to, options, ~~swaps~~ and index futures.

Fixed and floating rate debt securities as well as cash and cash equivalents may be held on an ancillary basis. However, if the Investment Manager considers this to be in the best interest of the Shareholders, the Sub-Fund may also hold, on a temporary basis and for defensive purposes up to 100% of its net assets, liquidities, such as cash deposits, money market UCIs and money market instruments. This could be as a result of prevailing market conditions or in the event of a merger or a liquidation of a Sub-Fund.

The Sub-Fund may use debt securities or other instruments to gain indirect exposure to commodities.

The Sub-Fund may also invest, up to 10% of its net assets, in UCITS and other UCIs.

GBP is the Sub-Fund Currency but assets may be denominated in other currency. Non Sub-Fund Currency exposure may be hedged. The Sub-Fund may invest in financial derivative instruments for hedging and investment purposes.

Risk Profile

This Sub-Fund invests primarily in a portfolio of UK stocks and will be managed using the best ideas of the investment manager team.

As the Sub-Fund invests in equities, investors are exposed to stock market fluctuations and the financial performance of the companies held in the Sub-Fund's portfolio. Likewise, as the income distributed to investors is based primarily on stock dividends received, the income distributions to investors will experience volatility from period to period.

However options, swaps, index futures and cash may be used to hedge markets directional risks.

Investors may see the value of their investment fall as well as rise on a daily basis, and they may get back less than they originally invested.

As this Sub-Fund is made up of the Investment Manager's best ideas and so may be more volatile than more broadly based equity sub-funds."

The contemplated modifications referred to in this letter will be reflected in the next update of the Prospectus and the key information documents of the Sub-Fund which may be obtained free of charge upon request at the Company's registered office at the address stated above.

Terms not defined in this notice have the same meaning as in the Prospectus.

If you have any queries concerning the terms of this notice and how it affects your investments, please contact either Redwheel, Verde, 10 Bressenden Place, London, SW1E 5DH at +44 207 227 6000 and ask for your sales contact or the administrator Brown Brothers Harriman (Luxembourg) S.C.A., 80 route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg, at 00 352 47 40 66 1 or your local agent.

Yours faithfully,

On behalf of the Board