

Appendix – Comparison changes to the underlying fund of the Affected Mirror Fund

| Before the Effective Date | From the Effective Date |
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| <p>Investment Objective</p> <p>The underlying fund aims to provide capital growth in excess of the Russell 2000 Lagged (Net TR) index after fees have been deducted over a three to five year period by investing in equity and equity related securities of small-sized US companies which help to advance the UN SDGs and which the Investment Manager of the underlying fund deems to be sustainable investments.</p> | <p>Investment Objective</p> <p>The underlying fund aims to provide capital growth in excess of the Russell 2000 Lagged (Net TR) index after fees have been deducted over a three to five year period by investing in equity and equity related securities of small-sized US companies whose activities the Investment Manager of the underlying fund considers create positive social or environmental impact and which the Investment Manager of the underlying fund deems to be sustainable investments.</p> |
| <p>Investment Policy</p> <p>The underlying fund is actively managed and invests its assets in (i) sustainable investments, which are investments that the Investment Manager of the underlying fund expects to contribute towards the advancement of an environmental or social objective linked to one or more of the UN SDGs, and to deliver returns to shareholders over the long term (please see the Fund Characteristics section of the underlying fund Prospectus for more details), and (ii) investments that the Investment Manager of the underlying fund deems to be neutral under its sustainability criteria).</p> <p>The Investment Manager of the underlying fund will select companies from a universe of eligible companies that have been determined as meeting the Investment Manager’s impact criteria. The impact criteria include an assessment of the company’s contribution to the UN SDGs. This means that the extent to which companies deliver a direct or indirect positive impact to society in order to advance the UN SDGs together with the impact that these actions could have on a company’s value are considered in the assessment of companies.</p> <p>The underlying fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under “Sustainability-Related Disclosure” on the underlying fund’s webpage https://www.schroders.com/en-lu/lu/individual/fund-centre.</p> <p>The underlying fund invests in companies that do not cause significant environmental or social harm and have good governance practices, as determined by the underlying fund Investment Manager’s rating criteria (please see the Fund Characteristics section of the underlying fund Prospectus for more details).</p> <p>The Investment Manager of the underlying fund may also engage with companies held by the underlying fund to challenge identified areas of weakness on sustainability issues. More details</p> | <p>Investment Policy</p> <p>The underlying fund is actively managed and invests its assets in (i) sustainable investments, which are investments that the Investment Manager of the underlying fund expects to contribute towards the advancement of an environmental or social objective linked to one or more of the UN SDGs, and to deliver returns to shareholders over the long term (please see the Fund Characteristics section of the underlying fund Prospectus for more details), and (ii) investments that the Investment Manager of the underlying fund deems to be neutral under its sustainability criteria, such as cash and Money Market Investments and derivatives used with the aim of reducing risk (hedging) or managing the underlying fund more efficiently.</p> <p>The Investment Manager of the underlying fund will select companies from a universe of eligible companies that have been determined as meeting the Investment Manager of the underlying fund’s impact criteria. The impact criteria include an assessment of the company’s contribution to the UN SDGs alongside the Investment Manager of the underlying fund’s assessment of the company’s impact via its proprietary impact investment management framework and tools (including an impact scorecard).</p> <p>The underlying fund is part of Schroders’ Impact Driven strategies. As such, it applies highly selective investment criteria and its investment process is aligned with the Operating Principles for Impact Management which means that an assessment of impact is embedded in the steps of the investment process. All sustainable investments in the underlying fund are subject to this framework.</p> <p>The underlying fund does not directly invest in certain activities, industries or groups of issuers above the limits listed under “Sustainability-Related Disclosure” on the underlying fund’s webpage https://www.schroders.com/en-lu/lu/individual/fund-centre.</p> |

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| <p>on the underlying fund Investment Manager’s approach to sustainability and its engagement with companies are available on the underlying fund’s webpage https://www.schroders.com/en-lu/lu/individual/what-we-do/sustainable-investing/our-sustainable-investment-policies-disclosures-voting-reports/disclosures-and-statements/.</p> <p>The underlying fund invests at least two-thirds of its assets in a concentrated range of equity and equity related securities of small-sized US companies. These are companies which, at the time of purchase, are considered to be in the bottom 30% by market capitalisation of the US equities market. The underlying fund typically holds 40 – 60 companies.</p> <p>The underlying fund may also invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, Investment Funds, warrants and Money Market Investments, and hold cash (subject to the restrictions provided in Appendix I of the underlying fund Prospectus).</p> <p>The underlying fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the underlying fund more efficiently.</p> | <p>The underlying fund invests in companies that do not cause significant environmental or social harm and have good governance practices, as determined by the Investment Manager of the underlying fund's rating criteria (please see the Fund Characteristics section of the of the underlying fund Prospectus for more details).</p> <p>The Investment Manager of the underlying fund may also engage with companies held by the underlying fund to seek to improve sustainability practices and enhance social and environmental impacts generated by underlying investee companies.</p> <p>More details on the Investment Manager of the underlying fund's approach to sustainability and its engagement with companies are available on the underlying fund's webpage https://www.schroders.com/en-lu/lu/individual/what-we-do/sustainableinvesting/our-sustainable-investment-policies-disclosures-voting-reports/disclosures-and-statements/.</p> <p>The underlying fund invests at least two-thirds of its assets in a concentrated range of equity and equity related securities of small-sized US companies. These are companies which, at the time of purchase, are considered to be in the bottom 30% by market capitalisation of the US equities market. The underlying fund typically holds 40 – 60 companies.</p> <p>The underlying fund may also invest up to one-third of its assets directly or indirectly in other securities (including other asset classes), countries, regions, industries or currencies, Investment Funds, warrants and Money Market Investments, and hold cash (subject to the restrictions provided in Appendix I of the underlying fund Prospectus).</p> <p>The underlying fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the underlying fund more efficiently.</p> |
| <p>Sustainability criteria</p> <p>The Investment Manager of the underlying fund applies sustainability criteria when selecting investments for the underlying fund.</p> <p>Investments are composed of companies whose products and services solve one of the UN SDG gaps or that operate in a mainstream industry that indirectly solves one of the UN SDG gaps.</p> <p>In order to identify companies with a direct link to a UN SDG, the Investment Manager of the underlying fund uses a proprietary screening tool to map company revenue to UN SDGs. The tool splits revenue into numerous different categories</p> | <p>Sustainability criteria</p> <p>The Investment Manager of the underlying fund applies sustainability criteria when selecting investments for the Fund.</p> <p>Investments are composed of companies whose products and services contribute positively to at least one of the UN SDGs. In order to identify companies with a direct link to a UN SDG, the Investment Manager of the underlying fund applies a two step approach:</p> <ul style="list-style-type: none"> • The first is a revenue based approach that considers whether a certain percentage of the relevant company’s revenues, capital |

linked to UN SDGs. While the Investment Manager of the underlying fund uses the tool to assess individual companies, it also enables it to measure the overall revenue link to UN SDGs on a consolidated portfolio level. The Investment Manager of the underlying fund has identified three types of companies that will make up the portfolio.

The first type are highly innovative companies whose business model solves a direct need within the UN SDGs. These are growth companies whose solution to an UN SDG gap can be scaled.

The second type are companies that are already generating revenues that have an impact, but do not articulate or highlight that impact. These are companies the Investment Manager of the underlying fund can identify due to its deep understanding of the US Small Cap universe where it sees a re-rating opportunity. In so doing the companies can better articulate and become more transparent about their impact opportunity. This is expected to be the largest group in the underlying fund's portfolio.

The third type will tend to have the lowest level of revenue link. These are companies who require a business model transition in order to survive. These are companies the Investment Manager of the underlying fund believes have the ability and desire to transition and where it sees the ability to help guide such companies on that journey. Each investment must have some revenue linking to an UN SDG. Based on where the investment falls within the three types the level of linked revenue will vary.

The Investment Manager of the underlying fund ensures that at least 90% of the portion of the Fund's Net Asset Value composed of investments in companies is rated against the sustainability criteria. As a result of the application of sustainability criteria, at least 20% of the underlying fund's potential investment universe is excluded from the selection of investments.

For the purposes of this test, the potential investment universe is the core universe of issuers that the Investment Manager of the underlying fund may select for the underlying fund prior to the application of sustainability criteria, in accordance with the other limitations of the underlying fund Investment Objective and Policy. This universe is comprised of equity and equity related securities of small-sized US companies or companies which derive a significant proportion of their revenues or profits from small-sized US companies.

expenditure or operating expenditure contributes to an environmental or social objective (as applicable).

- The second is a detailed impact assessment of the company via the completion of a proprietary impact scorecard. The Investment Manager of the underlying fund considers different aspects of impact such as: what outcome and UN SDGs the company is contributing to; who is served by the outcome (such as the relevant stakeholder or industry); an assessment of our expected contribution (including Schroders influence and engagement); and consideration of impact risks. The assessment typically includes Key Performance Indicators (KPIs) that are used to track the company's impact over time.

The company and impact scorecard are then validated and approved by Schroders' Impact Assessment Group (IAG), in order for the company to be eligible for inclusion in the underlying fund's investible universe. The IAG consists of members from Schroders' impact and sustainable investment teams and members of the investment team. There may be some limited instances where step 2 and the IAG approval may follow subsequently (such as a particularly time sensitive investment).

The Investment Manager of the underlying fund has identified three types of companies that will typically be considered for inclusion in the portfolio of the underlying fund.

The first type are highly innovative companies whose business model solves a direct need within the UN SDGs. These are growth companies whose solution to an UN SDG gap can be scaled.

The second type are companies that are already generating revenues that have an impact, but do not articulate or highlight that impact. These are companies the Investment Manager of the underlying fund can identify due to its deep understanding of the US Small Cap universe where it sees a re-rating opportunity. In so doing the companies can better articulate and become more transparent about their impact opportunity. This is expected to be the largest group in the underlying fund's portfolio.

The third type will tend to have the lowest level of revenue link. These are companies whose business models are transitioning towards higher impact activities and where the Investment Manager of the underlying fund sees the ability to help guide such companies on that journey with active engagement. This is expected to be the smallest group in the underlying fund's portfolio.

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| | <p>Each investment must have some revenue linking to an UN SDG. Based on where the investment falls within the three types the level of linked revenue will vary.</p> <p>The Investment Manager of the underlying fund ensures that at least 90% of the portion of the underlying fund's Net Asset Value composed of investments in companies is rated against the sustainability criteria. As a result of the application of sustainability criteria, at least 20% of the underlying fund's potential investment universe is excluded from the selection of investments.</p> <p>For the purposes of this test, the potential investment universe is the core universe of issuers that the Investment Manager of the underlying fund may select for the underlying fund prior to the application of sustainability criteria, in accordance with the other limitations of the underlying fund Investment Objective and Policy. This universe is comprised of equity and equity related securities of small-sized US companies or companies which derive a significant proportion of their revenues or profits from small-sized US companies.</p> |
| <p>Benchmark</p> <p>The underlying fund's performance should be assessed against its target benchmark being to exceed the Russell 2000 Lagged (Net TR) index and compared against the Morningstar US Small-Cap Equity Category and the S&P Small Cap 600 Lagged (Net TR) index. The underlying fund's investment universe is expected to overlap materially with the components of the target benchmark and the S&P Small Cap 600 Lagged (Net TR) index. The comparator benchmark is only included for performance comparison purposes and does not determine how the Investment Manager of the underlying fund invests the underlying fund's assets. The Investment Manager of the underlying fund invests on a discretionary basis and there are no restrictions on the extent to which the underlying fund's portfolio and performance may deviate from the target benchmark or the S&P Small Cap 600 Lagged (Net TR) index. The Investment Manager of the underlying fund will invest in companies or sectors not included in the target benchmark or the S&P Small Cap 600 Lagged (Net TR) index in order to take advantage of specific investment opportunities.</p> <p>The target benchmark has been selected because it is representative of the type of investments in which the underlying fund is likely to invest and it is, therefore, an appropriate target in relation to the return that the underlying fund aims to provide. The comparator benchmark has been selected because the Investment Manager of the underlying fund believes that it is a suitable</p> | <p>Benchmark</p> <p>The underlying fund's performance should be assessed against its target benchmark being to exceed the Russell 2000 Lagged (Net TR) index and compared against the Morningstar US Small-Cap Equity Category. The underlying fund's investment universe is expected to overlap materially with the components of the target benchmark. The comparator benchmark is only included for performance comparison purposes and does not determine how the Investment Manager of the underlying fund invests the underlying fund's assets. The Investment Manager of the underlying fund invests on a discretionary basis and there are no restrictions on the extent to which the underlying fund's portfolio and performance may deviate from the target benchmark. The Investment Manager of the underlying fund will invest in companies or sectors not included in the target benchmark in order to take advantage of specific investment opportunities.</p> <p>The target benchmark has been selected because it is representative of the type of investments in which the underlying fund is likely to invest and it is, therefore, an appropriate target in relation to the return that the underlying fund aims to provide. The comparator benchmark has been selected because the Investment Manager of the underlying fund believes that it is a suitable comparison for performance purposes given the underlying fund's investment objective and policy.</p> |

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| <p>comparison for performance purposes given the underlying fund's investment objective and policy.</p> <p>The benchmark(s) does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the underlying fund.</p> | <p>The benchmark(s) does/do not take into account the environmental and social characteristics or sustainable objective (as relevant) of the underlying fund.</p> |
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Any terms not defined herein shall have the same meaning as set out in the current prospectus of the underlying fund of the Affected Mirror Fund

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