Our ref: 9231

Investment Policy change

I am writing to you because you are invested in the Waverton Absolute Return fund, provided by W1M Wealth Management Limited (W1M).

Subject to shareholder approval, W1M will change the investment policy of the fund from **05 August 2026**. If it isn't approved, we'll write to let you know.

The old and new investment policies are overleaf for you to compare.

You may want to speak to your financial adviser about the impact of the change. Please speak to them before making any investment decisions, or if you have any questions about the change.

If you don't have a financial adviser, we recommend that you consider the benefits of receiving professional financial advice, which can be especially important when you need to make investment decisions. If you would like to search for an adviser in your area you can start by visiting **quilter.com/financial-advice/find-an-adviser**.

How the change will affect your account

- **The value of your holding** – The changes will not affect the value of your fund holding.
- **Risk profile** – The fund's risk profile will not change.
- The Ongoing Charges Figure (OCF) / Total Expense Ratio (TER) will not change.

The OCF/TER represents the ongoing charges for the fund, expressed as a percentage. It is the sum of the Annual Management Charge (AMC) and all other running costs of the fund. OCF is increasingly replacing TER.

Why the change is happening

W1M are proposing to change the investment policy to permit the fund to invest up to 100% of its Net Asset Value (NAV) in structured instruments implemented via fully collateralised, bankruptcy remote SPV structures.

The fund is currently permitted to invest up to 40% of its NAV in Structured Products. The proposed change will identify Fully Collateralised Structured Products as a distinct category that is not subject to the 40% limit.

As investment in Structured Products are a long standing and core part of the fund's investment process, the proposed change will provide the Company's investment manager with sufficient flexibility to continue to invest in these instruments, consistent with the fund's investment objective to seek to achieve long term capital growth.

The next steps

You don't need to take any action unless you would like to choose a new asset from our extensive range. Please speak to your financial adviser before making any investment decisions or if you have any questions about this change.

If you have any questions about this letter, please speak to your financial adviser who will be able to help you. Alternatively, you can call or email us using the details shown and we will be happy to help. Our Customer Service Centre is open 8:30am – 5:30pm, Monday to Friday.

Yours sincerely,

Callum Earl
Head of Client Services

Investment Policy

Old investment policy	New investment policy
Investment in Structured Products shall be subject to an aggregate limit of 40% of the fund's net asset value.	The fund will be permitted to invest up to 100% of its NAV in Structured Products satisfying the following criteria: (i) they come within the definition of "transferable securities" under the UCITS Regulations (ii) they are issued by a bankruptcy-remote special-purpose vehicle and they are subject to a contractual redemption mechanism directly with such issuer. (iii) the are fully collateralised (iv) the relevant collateral is held solely for the benefit of the holders of the relevant Structured Product and is ring-fenced. (v) the collateral is managed to meet the exposure of the Structured Products on an ongoing basis (vi) the collateral is valued regularly, with valuations provided to the Depositary. Investment in Structured Products which do not meet the criteria described above shall continue to be subject to the 40% limit.