

## Form ADV Part 2A

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This brochure provides information about the qualifications and business practices of Sustainable Insight Capital Management, LLC (“SICM”). If you have any questions about the contents of this brochure, please contact George Parker, Chief Compliance Officer, at (646) 790 4800 or [george.parker@sicm.com](mailto:george.parker@sicm.com)

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about SICM also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

SICM is an investment advisor registered under the Investment Advisers Act of 1940, but such registration does not imply a certain level of skill or training.

**March 28, 2023**

## Item 2: Material Changes

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We are required to disclose any material changes to our Form ADV filed on March 28, 2022. We have the following material changes from our prior Brochure:

- Item 5: Fees and Compensation was changed to note that we no longer offer a US Large Cap Value strategy.
- Item 6: Performance Based Fees was amended to note that we no longer manager a Long-Short strategy.
- Item 8: Methods of Analysis was changed to note that we are no longer managing a US Large Cap Value or Long-Short strategy.

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## Item 4: Advisory Business

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Sustainable Insight Capital Management, LLC (“SICM” or “we”) provides investment advisory services for equity portfolios to domestic and international clients on a discretionary basis. We offer customized separately managed accounts with various strategies that may include US securities and/or Global securities in developed and developing markets. We also manage private funds in which institutions and qualified and accredited investors may invest. Several of our strategies incorporate ESG factors and/or include sector or industry exclusions.

We also provide investment advice and/or trade recommendations in the form of model investment portfolios to certain accounts of clients for which we have no responsibilities relating to trade execution and no contact with the underlying client. Model investment portfolios are considered to be non-discretionary assets under advisement and will not be included in our Assets Under Management in this Brochure.

In the case of pooled investment funds, investors will not generally be able to modify the investment strategy of the funds. Clients with separately managed accounts may request that we manage their accounts with various restrictions, including security specific restrictions, risk restrictions, geographic restrictions, liquidity restrictions, and ESG constraints, as well as other limitations which may be agreed upon with the client. We will generally accept such restrictions and incorporate them in the client’s investment management agreement or subadvisory agreement. We do not participate in any wrap fee programs.

We have been in business since 2013. Our principal owner is SICM Management, LLC and its majority owner, Kevin Parker, is our Managing Partner.

As of February 28, 2023, we managed approximately \$134,426,000 of assets under management on a discretionary basis. In addition, we advised approximately \$3,113,000 of portfolios on a non-discretionary basis.

## Item 5: Fees and Compensation

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Investment advisory fees vary based on the type of strategy. In our core strategies, we typically charge 45 basis points annually for U.S. core strategies and 55 basis points annually for core strategies that include international securities, although in each case existing clients may pay up to 100 basis points per annum. For our passive plus strategy, we typically charge 30 basis points. We may, in our sole discretion, reduce, waive or rebate all or a portion of the management fee payable in respect of any investor, including our employees and affiliates. In addition, we may pay a portion of management fees to third parties who provide subadvisory, distribution or investor services to investors. Our fees are negotiable.

Fees for model portfolios to which SICM provides non-discretionary advisement range from 30 to 45 basis points charged quarterly in arrears depending on the amount of assets under management.

Management fees may be deducted from fund assets monthly in advance or quarterly or monthly in arrears based on investors' capital account balances or shares' aggregate net asset value on a monthly or quarterly basis. In the past we have offered strategies that offer investors the opportunity to select a performance-based fee. For separately managed accounts, management fees are typically billed to the client and such fees may be billed monthly in advance or in arrears. Any fees paid in advance will be returned pro rata should the client withdraw from the arrangement prior to month-end. However, SICM would directly debit a management fee if the client requests such arrangement. Model based programs calculate all fees payable to SICM and may pay on a monthly or quarterly basis in arrears.

Accounts are also subject to transaction fees and costs in connection with their investments and trading, including brokerage commissions (including options and futures trades), spreads, mark-ups on securities, swaps and forwards, and other hedging costs, and other similar costs and expenses.

Investors in funds we manage will pay administrative and operational expenses, including (without limitation) legal fees; the cost of producing and distributing offering memoranda and other marketing materials and expenses paid to third-party vendors; custodial fees; if applicable; bank service fees; and other operating expenses; regulatory and compliance expenses directly related to the account; filing fees and expenses (including government and regulatory filings made in respect of funds, such as Form PF preparation and filing expenses), if applicable; fees and expenses of account administrators; insurance expenses; market data expenses; accounting, audit, and tax preparation expenses; tax expenses, insurance expenses, fund board fees and out-of-pocket expenses, fund board insurance, registered office fees and expenses and other operating expenses.

Clients may also bear any extraordinary expenses, such as litigation costs, damages and indemnification expenses.

Investors in certain separately managed accounts pay data charges. These data charges are negotiated with particular clients and include expenses for market data, research, proxy voting services and portfolio management software. Where expenses are reimbursed to SICM for services provided by a third party vendor to be provided through an end date that occurs in the future, the client will not benefit from such services if it terminates its relationship with SICM prior to such date. Although these data charges are only applied to certain client accounts, the data may benefit other accounts that do not pay for such charges as well as SICM as a firm.

To the extent that an expense is shared among other client accounts, such expense will be allocated on a fair and equitable basis as determined by SICM, in its sole discretion.

Please refer to Item 12 for more information about brokerage practices.

No management fees will be paid in advance unless otherwise agreed to by SICM and the client, and neither SICM nor any supervised persons accept compensation for the sale of securities or other investment products.

Neither SICM nor any supervised person accepts compensation for the sale of securities or investment products.

## Item 6: Performance-Based Fees and Side-By-Side Management

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### Performance-Based Fees

At the present time, all investors in our long-only strategies are charged solely asset-based management fees. In addition, we allow investors to pay performance-based fees instead of, or in addition to management fees in our long-only strategies, although none currently do so. In such an arrangement, investors subject to performance-based fees may participate in such fund's performance on a *pro rata* basis with investors that have chosen not to pay performance-based fees.

### Side-by-Side Management

All of our investment strategies are managed by the same portfolio team. As such, our portfolio construction and management team may simultaneously manage multiple types of accounts for a number of clients. Accounts within a given strategy or across strategies may charge higher or lower

fees than other accounts. We maintain a number of controls to address these conflicts many of which are described in Item 12.

It is important to note that accounts with similar investment objectives may be managed differently at times, which can lead to difference in performance. While the same investment practices are generally applied to all accounts within a given strategy, investment decisions are made specifically to meet the unique objectives of each client. Differences in clients' investment objectives, risk tolerance, investment guidelines, available funds, or other restrictions/prohibitions may lead to different investment decisions, and ultimately different performance, even among similar accounts within the same strategy. Please see Item 12 for more details on controls reasonably designed to ensure fair and equitable treatment of all client accounts.

## Item 7: Types of Clients

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We provide investment advisory services on a discretionary basis and on a non-discretionary basis.

All U.S. investors will meet the definition of "accredited investor", as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended (the "Securities Act") and "qualified purchaser" or "knowledgeable employee" under the 1940 Act. We seek clients from high net worth individuals, family offices, pensions, endowments, foundations, corporations and other institutional investors. In the future, we may provide investment advice to other private funds, registered funds or separately managed accounts.

The minimum initial investment for an investor in a private fund is \$1,000,000 and separately managed accounts have a minimum initial investment of \$5,000,000. In each case the minimum is subject to waiver in our sole discretion. There is no minimum initial investment required to access our services through model portfolios.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

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### Methods of Analysis and Investment Strategies

The investment objective for each long-only equity strategy is to achieve long term total return in excess of the relevant benchmark by investing into equities and other equity-like securities of companies that exhibit superior financial qualities. Where appropriate the firm will give consideration to ESG factors in making its investment decisions, including screening out securities of issuers in particular industries, excluding or underweighting securities of companies that do not uphold certain E, S or G standards or holding or overweighting securities of companies having a positive environmental or societal impact.

Our core equity strategies utilize a proprietary quantitative analysis of signals generated from publicly available equity research. Portfolios are constructed in accordance with the particular strategy's risk constraints, exclusions, geographic and industry restrictions and available stock universe.

Our impact strategies combine the process employed in our core equity strategies with an impact overlay, developed in cooperation with the subadvisor to such strategies.

Each strategy invests in listed equity securities. This can include common stocks, preferred stocks, warrants, convertible bonds and/or convertible preferred securities, ADRs and GDRs. All of the foregoing may be listed on both U.S. and non-U.S. exchanges.

Each of the above strategies is intended to be a long-only listed equity strategy. The cash level will typically be limited to 1-5% of the total portfolio value. This level may occasionally be exceeded due to contributions, withdrawals, or other special circumstances.

The investment objective of any long-short strategy we manage will be to seek superior returns and preserve capital in times of market stress. Our long-short equity strategy may invest in listed equity including common stocks, preferred stocks, warrants, convertible bonds and/or convertible preferred securities. All of the foregoing may be listed on both U.S. exchanges.

We lend securities through our custodians on behalf certain clients. We may also invest in highly liquid cash rate instruments.

We generally will not employ leverage, except for the use of derivatives for the purposes described above.

Cash will generally be held in the form of highly liquid cash rate instruments denominated in U.S. dollars.



## Material Risks

Investing in our investment strategies involves a high degree of risk and is suitable only for persons having substantial financial resources who understand the consequences of, and the risks associated with such an investment. Some of those risks are summarized below. Investors and potential investors in our pooled investment vehicles should refer to the private placement memorandum for each fund for a more detailed discussion of risks.

All investments in securities include a risk of loss of principal (invested amount) and any profits that have not been realized. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We cannot guarantee any level of performance (including in respect of a strategy benchmark) or that an investor will not suffer a loss.

The following risk factors are the material risk factors related to each significant investment strategy we manage.

**Equity Securities.** Each investment portfolio will include positions in common stocks, preferred stocks and convertible securities of U.S. issuers and non-U.S. issuers. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete and industry market conditions and general economic environments.

**Non-U.S. Securities.** We may invest part of the client's assets in securities of non-U.S. issuers (or all of the assets in the case of the International Equities). These investments in securities and instruments in foreign markets involve substantial risks not typically associated with investments in U.S. securities. Foreign securities investments may be affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations.

Investments in foreign securities will also occasion risks relating to political and economic developments abroad, including the possibility of expropriations or confiscatory taxation, limitations on the use or transfer of clients' assets and any effects of foreign social, economic or political instability. Foreign companies are not subject to the regulatory requirements of U.S. companies and, as such, there may be less publicly available information about such companies. Moreover, foreign companies are not subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those applicable to U.S. companies.

Securities of foreign issuers may be less liquid than comparable securities of U.S. issuers and, as such, their price changes may be more volatile. Furthermore, foreign exchanges and broker-

dealers are generally subject to less government and exchange scrutiny and regulation than their American counterparts. Brokerage commissions, dealer concessions and other transaction costs may be higher in foreign markets than in the U.S. In addition, differences in clearance and settlement procedures in foreign markets may occasion delays in settlements of our trades affected in such markets.

**American Depositary Receipts (“ADRs”)**. In certain strategies, clients may invest in foreign markets through the use of ADRs. ADRs are dollar-denominated instruments issued by a U.S. bank and represent ownership of a foreign security. Because ADRs are issued by non-U.S. companies, they involve similar risk to non-U.S. Securities including currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. See the section Non-U.S. Securities above for additional risks.

**Derivatives**. Our strategies may utilize derivative financial instruments for both hedging currencies and to gain synthetic exposure to non-U.S. equities. Derivative financial instruments may include total return swaps, contracts for difference and currency forward contracts. Such derivative instruments may be highly volatile, involve certain special risks and expose investors to risk of losses.

The risks relating to the over-the-counter derivatives, , such as total return swaps, include, but are not limited to, the following: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty’s failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset or commodity); (3) legal risks (the characterization of a transaction or a party’s legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (4) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

**Currency Exchange Exposure and Currency Hedging**. Because clients may invest in securities that are denominated or quoted in currencies other than the clients ’ base currencies, their performance may be significantly affected by fluctuations in the relative currency exchange rates and by exchange control regulations. Furthermore, the clients will incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency at one rate, while offering a lesser rate of exchange

should the client desire immediately to resell that currency to the dealer. Each client will conduct its currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into a number of different types of hedging transactions including, without limitation, forward, futures or commodity options contracts to purchase or sell currencies, and entering into non-U.S. currency borrowings.

We may choose not to enter into hedging transactions with respect to some or all of the positions that are exposed to currency exchange risk.

**Market Risks In General.** Our strategies will be subject to market risk, including, but not limited to, directional price movements, deviations from historical pricing relationships, changes in the regulatory environment, changes in market volatility, “flights to quality” and “credit squeezes.” Accordingly, clients may be subject to sudden and dramatic losses as a result of such market events.

The particular or general types of market conditions in which clients may incur losses or experience unexpected performance volatility cannot be predicted, and clients may materially underperform other investment funds with substantially similar investment objectives and approaches.

**Volatility.** The prices of certain instruments, such as the equity and equity-linked instruments and related options, that may be traded have been subject to periods of excessive volatility in the past, and such periods can be expected to recur. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions.

**Security Selection.** Because our clients invest primarily in publicly-traded equity securities, we believe a primary risk of loss is associated with our securities selection process. While we endeavor to minimize such risk through portfolio construction and diversification requirements, there can be no guarantee that such measures will prevent losses.

**ESG/Impact Risk.** The use of ESG factors and consideration of the impact of our investments could result in selling or avoiding investments that perform well or purchasing investments that underperform. Consequently, accounts that consider ESG or Impact factors could underperform similar accounts that do not consider such factors.

**Securities Lending.** Clients may lend securities to brokers, dealers and other financial institutions that need to borrow securities to complete certain transactions as a means of earning additional income. Such clients are entitled to payments in amounts equal to the interest, dividends or other distributions payable on the loaned securities, which affords the clients an opportunity to earn interest on the amount of the loan and current income on the loaned securities themselves. However, we do not vote proxies on securities that are lent. In addition, clients might experience a loss if any institution with which such client has engaged in a portfolio loan transaction breaches its agreement with the client. If the borrower becomes insolvent or bankrupt, such clients could

experience delays and costs in recovering loaned securities. To the extent that, in the meantime, the value of the loaned securities declines, the clients could experience further losses.

**Regulatory Risk.** The financial services industry is highly regulated and constantly evolving. Changes to the regulations may impede our ability to offer certain products or services, invest in certain products, asset classes or markets, and/or may require us to alter our strategies or practices in order to comply with new rules and directives. We cannot predict the impact or effect, if any, of future regulatory reform on the strategies we currently manage or products and services we currently provide.

**Cybersecurity Risk.** The computer systems, networks and devices used by us and our service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A Client and its investors could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a Client; interference with our ability to calculate the value of an investment in a Client; impediments to trading; the inability us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a Client invests; counterparties with which a Client engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## Item 9: Disciplinary Information

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There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, including civil or criminal actions, administrative proceedings before financial regulatory authorities or self-regulatory organization proceedings.

## Item 10: Other Financial Industry Activities and Affiliations

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SICM is currently the Manager of Sustainable Insight Global Impact Passive Plus Fund, LLC, a Delaware limited liability company.

Neither SICM nor any of its management persons are registered or have an application pending to register as a broker/dealer. We do not recommend or select other investment advisers for our clients.

Certain clients are affiliated with investors in SICM. Because of such investments, SICM may have an incentive to favor such clients over other clients with respect to investment decisions. SICM has instituted policies and procedures around trade rotation and allocation that address such potential conflicts. See Item 12 – Brokerage Practices for more information.

Certain directors that do not serve as officers of SICM ("Outside Directors") will invest in or manage other investment products or otherwise participate in the asset management industry. Such other investment products may have strategies that overlap with or are different from the strategies we employ and may invest or trade in the same instruments that we invest in on behalf of our clients. Our Outside Director, William Orum, is a Partners and Member of the Investment Committee at Capricorn Investment Group, a registered investment advisor, and the Managing Member of Sustainable Investors Fund, a private equity partnership that makes early stage investments in public and private asset managers who incorporate sustainability as a key driver of investment returns. One or more of those asset managers may compete with SICM. Outside Directors are under no obligation to share with us or our clients any investment opportunities derived from their other activities in the asset management industry. Further, our clients will not participate in or benefit from the Outside Director's other activities.

Our Managing Partner, Kevin Parker, is a member of the Board of Directors of Arena Investors, an investment manager focused on bespoke debt solutions, as well as its parent company, Westaim Corporation, a Canadian investment company specialized in providing long-term capital to businesses operating primarily within the global financial services industry. Neither relationship creates any material conflict of interest with clients of SICM.

## Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

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SICM and its supervised persons have committed to a Code of Ethics that will be available for review by investors and prospective investors upon request. Each supervised person of SICM is required to read, sign and deliver a certificate of compliance with the Code of Ethics and may only effect a personal transaction in a limited offering or initial public offering by pre-approving such transaction with our Chief Compliance Officer. Each supervised person also must provide initial securities holdings reports and annual securities holding reports to the Chief Compliance Officer. Furthermore, each supervised person provides quarterly securities transaction reports related to personal securities transactions that are “beneficially owned” by such supervised person.

Supervised persons of SICM can invest in the same securities that SICM recommends to clients. This creates a conflict of interest because supervised persons may put their interests before clients. SICM addresses this risk by requiring supervised persons to receive pre-approval for personal securities transactions. SICM does not allow supervised persons to buy or sell at the same times as clients. However, related persons of SICM have separately managed accounts for which SICM serves as the investment adviser. These accounts are traded at the same time as other clients. SICM has policies and procedures regarding the order of trade placement to prevent favoritism of these accounts.

SICM and its employees may acquire confidential information from time to time due to outside activities, including serving on the Board of Directors of publicly-traded companies. Acquisition of such information may prevent SICM from transacting in an investment when it might otherwise have done so, preventing clients from buying or selling securities of an issuer.

In providing services, we seek to allocate orders and investment opportunities in a manner that we believe is in the best interests of all clients. Although such allocations may be *pro rata*, they will not necessarily be so, where our allocation policies (e.g., differing objectives or other considerations) dictate a different result. There can be no assurance that a particular order or investment opportunity will be allocated in a particular manner. If conflicts arise in the allocation of investment opportunities, we will seek to resolve such conflicts fairly. The foregoing policy does not require that each opportunity be made available to all accounts, leaving significant discretion to us. For example, there may be accounts with different objectives, so that the same transaction would not necessarily be made available to all accounts.

## Item 12: Brokerage Practices

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### A. Selecting Brokerage Firms

SICM is responsible for selecting broker-dealers to execute trades and negotiating any commissions paid on such transactions. Our primary consideration in placing transactions with particular broker-dealers is to obtain best execution in the most effective manner possible. We also consider a variety of other factors, including the financial strength, integrity and stability of the broker-dealer, diversity of ownership and management, the commissions to be paid and complementary services such as middle office systems and processes. SICM may determine, especially with respect to smaller accounts, that it is in the clients best interest to trade with the client's broker custodian based on the cost of each transaction.

We also consider the quality, comprehensiveness and frequency of available research and other products and services considered to be of value. The products and services furnished by broker-dealers may include, among other things, written information and analyses concerning specific securities, companies or sectors, including ESG factors related to those companies or sectors; market, financial and economic studies and forecasts; and statistics and pricing or appraisal services, discussion with research personnel, and special execution.

It is not anticipated that we will consider, in selecting or recommending broker-dealers whether SICM or its affiliates will receive client referrals from such a broker-dealer or third party.

### B. Aggregation and Allocation

The securities to be purchased or sold on behalf of our clients may be aggregated in order to obtain superior execution and/or lower brokerage expenses.

Execution prices for identical securities purchased or sold on behalf of multiple clients in any one business day may be averaged. In such instances, allocation of prices, as well as expenses incurred in the transaction, will be made in a manner that SICM considers to be equitable to each client involved in the transactions.

In some situations, we may not be able to or may choose not to aggregate orders for client accounts. When trades are not aggregated, they do not typically receive the same average execution price. In these situations, we seek to have broker-dealers generate orders equitably.

### C. Trade Rotation

To mitigate the conflict of interest that may arise from managing directed brokerage, model accounts and non-directed brokerage, SICM employs a trading rotation so that no one account

consistently receives preference or is disadvantaged upon execution. Accounts are separated into either Non-Directed Accounts, for which SICM selects trades through a third-party broker or Directed Accounts, where SICM does not select the broker. Non-Directed Accounts includes model programs and wealth management accounts. If Non-Directed Accounts trade first, trades are submitted for execution at market close and trades for Directed Accounts are communicated prior to market open the following day. If Directed Accounts are traded first, trades are communicated once approved and Non-Directed Accounts trade at market close on the same day.

#### D. Directed Brokerage

Where we produce model portfolios assets under advisement, we do not have the ability to execute brokerage transactions. In such cases, we are not able to negotiate commission rates or spreads, or able to obtain the same execution as for other clients. We also have been directed in the past by clients to use specific brokers, and we may permit Clients to direct brokerage to brokers of the client's choice in the future. If a client directs us to use a specific broker-dealer, we may be unable to achieve the most favorable execution of Client transactions. This may cost the Client more due to higher commissions or our inability to reduce transaction costs by aggregating trades with its other accounts, if SICM were to adopt the practice of aggregating trades.

#### E. Soft Dollar Arrangements

We do not currently have any soft dollar arrangements. In the past, we have engaged in soft dollar arrangements with brokerage firms to receive research and other products in exchange for brokerage commissions from certain client transactions. The receipt of soft dollars creates a benefit for the manager because it does not have to produce or pay for the research, products, and services received using soft dollars. This arrangement could create an incentive to select or recommend a broker dealer based on the receipt of research and other products and services rather than receiving most favorable execution. The use of soft dollars may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits. The soft dollar benefits we may receive are used to service all of our clients' accounts, whether or not the client has paid for soft dollar credits. Any future use of commissions or soft dollars to pay for research products or services will fall within the safe harbor for soft dollars created by Section 28(e) of the Securities Exchange Act of 1934. The brokerage and research services we obtain may include a variety of financial information and related services that we believe will assist us in performing our advisory activities, including statistical and pricing services, analyses and research pertaining to particular securities, and software used to effect securities transactions, as well as information related to particular benchmark constituents. These services may be provided by brokerage firms or other third parties.

We have policies and procedures to address the conflicts of interest associated with our brokerage practices. We periodically review the quality of the brokers used and evaluate the overall reasonableness of brokerage commissions paid on client transactions.



## F. Trading Errors

We have the responsibility to execute orders in the best interest of our clients. We expect to correctly and properly execute trades for client accounts, but may experience trading discrepancies or errors. In the event a trade error occurs in the handling of any client transaction, our policy is to identify and correct any errors as promptly as possible without disadvantaging the client. Trade errors are documented with appropriate supervisory approval and maintained in a trade error file.

## Item 13: Review of Accounts

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We review the portfolio of each client with respect to positions held, risk exposure and proper settlement on a regular basis. This review is conducted by our Director of Portfolio Construction and our Director of Finance. There are no written reports resulting from such reviews.

We have created an Investment and Risk Committee, which meets regularly to review portfolios, performance and positions. It is the Firm's intention to have these committees review all portfolios managed by the firm. Each committee includes all members of our portfolio construction and management team as well as our Chief Compliance Officer.

Other conditions that may trigger a review are changes in applicable laws, new investment information, a default, changes in the market and changes in a particular client's circumstances. We may conduct reviews more frequently in certain situations.

Audited annual financial statements of funds we manage are prepared and sent as soon as practicable following the close of each fiscal year, but not later than 120 days after the end of the fiscal year. We also provide each investor in each fund with unaudited monthly account statements. We also provide each investor in each fund with a detailed analysis of the portfolios held by each fund on a quarterly basis, including performance and attribution.

We provide each U.S. investor in our fund with a Schedule K-1 for tax purposes. If we are unable to deliver such Schedule K-1 by April 15, we will provide such members with estimates of the taxable income or loss allocated to their investment. Unless otherwise restricted by law, all reports, financial statements, and other information may be delivered electronically. The global pandemic related to Covid 19 may impact our ability and/or the ability of our advisors to deliver tax or financial information within the usual time frame.

Separately managed account clients have continuous access to their accounts and typically receive periodic reports directly from the custodian of the such accounts. Where requested we will provide additional analysis regarding such accounts.

## Item 14: Client Referrals and Other Compensation

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We have entered into agreements to compensate third-party solicitors for client referrals. In all cases, these referral fee arrangements shall be fully disclosed to the affected client(s) and all appropriate disclosures shall be made, including the nature of the arrangement and the amount of any compensation provided. Such compensation paid to solicitors includes a percentage of management fees paid to us from clients introduced by solicitors. Referral fees are paid by SICM and clients who are referred do not incur additional fees. We will undertake to cause any persons referring clients to us for a fee to comply with the requirements of Rule 206(4)-1 of the Advisers Act.

## Item 15: Custody

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We do not hold client assets and all client assets will be held in custody by unaffiliated qualified custodians. However, we are considered to have custody of the assets owned by funds we manage and intend to comply with Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, by holding a funds' assets with qualified custodians and annually distributing audited financial statements prepared in accordance with generally accepted accounting principles to all members or shareholders in the funds within 120 days of the end of their fiscal years.

Each fund client will receive monthly account statements from the fund custodian as well as quarterly performance updates directly from SICM. Clients are encouraged to compare these statements and updates.

## Item 16: Investment Discretion

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We have entered into investment management agreements with each of our clients and have accepted discretionary authority to manage securities on their behalf. We have the authority to determine, without obtaining specific consent, the investments to be bought or sold, and the amount of the investments to be bought or sold on behalf of the client.

We generally exercise investment discretion with respect to the strategies. We have entered into agreements that impose investment restrictions on investment activities. These may include

restrictions on (i) industries and sectors in which to invest, (ii) securities we may not buy or sell, (iii) geographic or asset concentration, and/or (iv) risk. Although we believe that such limitations are generally appropriate given its current trading strategies, such limitations may prevent a strategy from taking or maintaining certain positions in respect of its portfolio, or may otherwise constrain investment activity, resulting in the strategy not being able to take advantage of potential profit opportunities in our view or being exposed to losses.

## Item 17: Voting Client Securities

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Where we have accepted the authority to vote client securities, we have retained and authorized Institutional Shareholder Services (ISS), a third-party service provider, to handle proxy voting on behalf of our clients in accordance with such proxy service provider's written guidelines. Unless otherwise directed, all proxies will be voted in accordance with ISS's Proxy Voting Guidelines, whether or not sustainability is considered part of the investment process for the particular strategy. Certain clients have directed us to vote their proxies in accordance with ISS's SRI Policy. Such guidelines will be updated as necessary or when we receive updated voting guidelines from such proxy service provider. In certain cases we have retained the right to vote proxies and do so in accordance with ISS's Sustainability Policy. Fund investors will not be able to direct any votes in a particular solicitation.

Investors and prospective investors in our strategies will be able to obtain information about how the strategies' securities are voted and a copy of our proxy voting policies upon email request to [info@sicm.com](mailto:info@sicm.com).

In certain separately managed accounts, clients may retain the right to vote securities themselves or direct us to vote in accordance with other policies.

As part of our Responsible Investment Policy, we participate in collaborative engagements with companies, regulators and governments on topics related to climate change, sustainability and proxy access.

Conflicts of interest may arise from time to time between our interests and the interests of our clients. This may occur where a significant business relationship exists between SICM and the company involved with the proxy vote. By adopting ISS policies, SICM has essentially removed discretion to vote against such policies.

SICM has also retained ISS to pursue participation in relevant class action lawsuits on behalf of clients where the client has not already directed another third-party to manage such activities.

## Item 18: Financial Information

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SICM does not solicit prepayment of client fees. In certain cases we have agreements in place with clients to prepay monthly fees.

SICM has not been the subject of any bankruptcy petition.