**SUPPLEMENT III TO THE PROSPECTUS OF**

**MULTI STRATEGY ALTERNATIVES FUND**

**DATED 1 JANUARY 2023**

This document constitutes the third supplement ("**Supplement III**") to the prospectus of Multi Strategy Alternatives Fund dated November 2020 (the "**Prospectus**"), including the terms and conditions of management and custody (the "**Terms and Conditions**").

This Supplement III contains updated information relating to the Prospectus and Supplement I and II and shall be implemented in the updated version of the Prospectus. This Supplement replaces Supplement I and Supplement I therefore does no longer apply as of the date of this Supplement III. Until this information is implemented, this Supplement III should be read in conjunction with the Prospectus and Supplement II. Defined terms have the same meaning as ascribed to them in the Prospectus. Any Prospectus information not supplemented herein should be regarded as unchanged.

This Supplement III solely concerns the amendment in relation to the further implementation of the Sustainable Finance and Disclosure Regulation (SFDR) which provides for additional requirements as of 1 January 2023.

This Supplement III (including the amendments to the Prospectus and the Terms and Conditions reflected herein) has been published on the website of the Fund Manager, as prescribed by section 5.1.6 of the Prospectus and article 22.2 of the Terms and Conditions.

A notice of amendments made together with an explanation to these amendments will be published on the website of the Fund Manager, as prescribed by section 5.1.6 of the Prospectus and article 22.3 of the Terms and Conditions.

**Amendments pursuant to the SFDR regulation**

1. The section entitled "2. Definitions" in the Prospectus is amended by the addition of the following definitions:

**"Article 8 funds":** means funds as defined under Article 8(1) of Regulation (EU) 2019/2088

**"Article 9 funds":** means funds as defined under Article 9(1), (2) and (3) of Regulation (EU) 2019/2088

**"SASB":** the Sustainability Accounting Standards Board, part of an international organization that sets standards to guide the disclosure of financially material sustainability information by companies to their investors.

**"SFDR":** means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended from time to time.

2. The section entitled “3. The investment opportunity” is amended by addition of the following:

**3.3 Sustainability**

The Fund does not promote environmental and/or social characteristics, nor does it have sustainable investment as its objective. In the context of the Sustainable Finance Disclosure Regulation (SFDR), the Fund is therefore not classified as either an Article 8 or Article 9 fund. Subsequently, the investments of the Fund do not take into account the EU criteria for environmentally sustainable economic activities. However, in compliance with the SFDR, the Fund Manager does consider the effects of material sustainability risks on the value of the Fund’s investments.

Sustainability risks are categorized into Environmental, Social or Governance (ESG) issues and may pose a material risk to the value of an investment.

Some examples of environmental risks are:

- Increased taxation on environmentally damaging activities
- Damage to production facilities due to global warming induced flooding
- Fines for mishandling of hazardous waste

Some examples of social sustainability risks are:

- Negative publicity and loss of contracts after poor handling of digital client data or security.
- Closer scrutiny of labor rights in the supply chain
- Dishonest marketing practices or product safety

Some examples of governance risks are:

- increasing scrutiny on livable wages and earnings dispersion within a company
- ethics bribery and corruption
- anti-competitive behaviour

<u>Policy on the integration of sustainability risks into investment decisions</u>

Direct investments into equities and debt allow for a direct analysis of the relevant sustainability risks of the intended investments. This direct link is not available for funds that invest into other funds, causing the preferred sub-sector approach to sustainability risk analysis to not be applicable. Here the analysis will have to focus on the investee fund’s manager, policies, and reporting on sustainability risk management.

A clear understanding of the sustainability risks in the investee funds is required. Therefore, the due diligence process for any new fund investment will contain the following topics:

- Analysis of the fund’s sustainability risk related disclosures and reporting
- Questioning the fund manager on the sustainability risks the fund is exposed to

- Questioning the fund manager on the concentration of sustainability risks in the portfolio and its development over time
- Analysis of the fund manager's policy for identifying, measuring and monitoring sustainability risks
- Questioning if the fund manager takes Principle Adverse Impacts into account as prescribed by the SFDR

Irrespective of whether the Investee Fund is subject to the SFDR, the exposure to sustainability risk is investigated. As the Fund does not promote environmental and/or social characteristics, nor has sustainable investment as its objective, it is not required to consider the principal adverse impacts of its investment decisions

This analysis will provide a low, average or high estimated sensitivity of the value of the investment to material sustainability risks. A high sensitivity does not automatically disqualify an investment from inclusion in the Fund, but this information will be included in the decision-making process.

Considering the broad scope of the Fund's investment policy, it is not possible to pre-define which sustainability risks will likely be material. Additionally, the estimated sensitivity of the Fund to specific sustainability risks will depend on the sector diversification. The broader the diversification across economic sectors, the lower the sensitivity.

Monitoring of sustainability risks in the Fund

On a periodic basis, the sustainability risk exposure for the investments of the Fund are reviewed and updated if and when applicable. Here, material changes to the individual sustainability risks of an investment are not expected to occur often. An update of the estimated sensitivity of the value of the investment to a sustainability risk might be triggered by a change in the policies and practices of the investment, or by a significant incident regarding the sustainability risk.

Depending on the valuation moment and monitoring cycle of the Fund, the sustainability risk analysis is reviewed and updated where applicable by the Fund Manager's risk department in close cooperation with the general Fund Management team of the Fund Manager.

3. The section entitled "4.2 Risks Relating to the Fund" is amended by addition of the following:

*Sustainability risk*

Sustainability risk in the context of the Fund is defined as the risk of a decrease in the value of an investment of the Fund due to an environmental, social or governance (ESG) related event. Such an event may have a direct negative impact on the financials of the investment or a longer-term impact on the operations or earnings capacity of the investment. The Fund has identified multiple sustainability risks which may impact the value of its investments to a varying degree.

4. The section entitled "10.2.5 Other Information" is amended by addition of the following:

The sustainability risk policy of the Fund Manager and the principal adverse impacts declaration of the Fund Manager are available on the Website of the Fund Manager.

Amsterdam, 13 December 2022

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| ______________________________ | __________________________________________________ |
| Privium Fund Management B.V. | Stichting Juridisch Eigendom Multi Strategy Alternatives Fund |
| Fund Manager | Legal Owner |