

SFTR Disclosure Document for CC Japan Income & Growth Trust plc

Dated: 31 July 2023

Article 14 of the Securities Financing Transactions Regulation (the "SFTR") requires that the disclosure by AIFMs to investors referred to in Article 23(1) and (3) of Directive 2011/61/EU shall specify the Securities Financing Transactions ("SFTs") and total return swaps which AIFMs are authorised to use and to include a clear statement that those transactions and instruments are used. The disclosure to investors herein includes the data provided for in Section B of the Annex to the SFTR.

This document is issued by Chikara Investments LLP (the "AIFM") solely in order to make available the information required by Article 14 of the SFTR to be made available to investors in CC Japan Income & Growth Trust plc (the "Company") before they invest in the Company. This document either contains that information or cross-refers to the relevant document available to investors that contains such information.

Defined terms used but not defined herein shall have the meaning given to them in the prospectus relating to CC Japan Income & Growth Trust plc dated 22 January 2021 (as supplemented from time to time) (the "Prospectus").

REGULATORY REFERENCE		INFORMATION OR DOCUMENT AND REFERENCE
SFTR Article 14		
Section B of the Annex	<p>Information to be included in the AIF disclosure to investors:</p> <ul style="list-style-type: none"> — General description of the SFTs and total return swaps used by the collective investment undertaking and the rationale for their use. — Overall data to be reported for each type of SFTs and total return swaps — Types of assets that can be subject to them — Maximum proportion of AUM that can be subject to them — Expected proportion of AUM that will be subject to each of them. — Criteria used to select counterparties (including legal status, country of origin, minimum credit rating). — Acceptable collateral: description of acceptable 	<p>Securities Financing Transaction or SFT means a repurchase transaction, securities lending and securities borrowing, a buy-sell back transaction or sell-buy back transaction or a margin lending transaction. For the avoidance of doubt, Securities Financing Transaction does not include derivative contracts, such as total return swaps or contracts for difference, as defined in point (7) of Article 2 of Regulation (EU) 648/2012 on OTC derivatives, central counterparties and trade repositories.</p> <p>Whilst the Company will not enter into SFTs it may gain exposure to any of the assets described in this section (each, a "reference asset"), by entering into total return swap transactions, such as contracts for difference, with counterparties. The Company will have the benefit of any returns generated by such transactions and all losses and expenses arising from such transactions will be borne by the Company.</p> <p>All types of assets held by the Company may be subject to total return swap transactions. The Company's aggregate borrowings and long only contracts for difference and equity swap exposure will not exceed 25% of Net Asset Value at the time of drawdown of the</p>

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<p>collateral with regard to asset types, issuer, maturity, liquidity as well as the collateral diversification and correlation policies.</p> <p>— Collateral valuation: description of the collateral valuation methodology used and its rationale, and whether daily mark-to-market and daily variation margins are used.</p> <p>— Risk management: description of the risks linked to SFTs and total return swaps as well as risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse.</p> <p>— Specification of how assets subject to SFTs and total return swaps and collateral received are safe-kept (e.g. with fund custodian).</p> <p>— Specification of any restrictions (regulatory or self-imposed) on reuse of collateral.</p> <p>— Policy on sharing of return generated by SFTs and total return swaps: description of the proportions of the revenue generated by SFTs and total return swaps that is returned to the collective investment undertaking, and of the costs and fees assigned to the manager or third parties (e.g. the agent lender). The disclosure to investors shall also indicate if these are related parties to the manager</p>	<p>relevant borrowings or entering into the relevant transaction, as appropriate although the Company's normal policy will be to utilise and maintain gearing to a lower limit of 20% of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate (see the section entitled "Borrowing policy" on p.33 of the Prospectus). The Investment Manager will report to the Shareholders the amount of assets engaged in each type of transaction, as well as other relevant information on an annual basis, or more frequently, if required by law.</p> <p>The risks of such transactions are summarised in the section of the Prospectus titled "Risk Factors". The Investment Manager will manage the risks associated with these types of transactions, in accordance with its risk management policy and will monitor each relevant type of risk, including, counterparty, market, operational, liquidity, custody, collateral reuse and legal risks against a range of pre-determined risk metrics.</p> <p><i>Due Diligence on SFT Counterparties</i></p> <p>The AIFM has conducted appropriate due diligence in the selection of counterparties to total return swaps ("SFT Counterparties") taking into account factors applicable to such entities, such as location, regulatory status, financial soundness, credit rating, service offering and operational capabilities.</p> <p><i>Collateral and Assets Related to Securities Financing Transactions</i></p> <p>In relation to total return swap transactions, the Company may accept as collateral cash in the reference currency of the Company and cash in the reference currency of the relevant transaction. Appropriate arrangements will be put in place by the Company to hold collateral received from SFT Counterparties ("SFT Collateral") and assets related to securities financing transactions. The SFT Collateral will be valued in accordance with the valuation principles set forth herein.</p> <p>There are no other limits on the reuse of collateral or financial instruments under collateral arrangements with SFT</p>

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	<p>Counterparties, except as described in this section</p> <p>Total return swaps and collateral received shall be held either in the physical custody of the Depositary, or for the account of the Depositary by an agent or sub-custodian of the Depositary, or a central bank, depository or clearing corporation acting as a depository.</p>

Disclaimer

This document is not being issued for any purpose other than to make certain, required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, the AIFM, the Company and its Directors will not be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company. This document does not form a prospectus and is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares. Prospective investors should rely on their own professional advisers in relation to any investment they may make in the Company. Overseas investors should note that the distribution of this document in certain jurisdictions may be restricted and persons into whose possession this document comes are required to inform themselves about and observe such restrictions.