VALORI SICAV

Société d'investissement à capital variable (SICAV)

an undertaking for collective investment in transferable securities (UCITS)
in the form of an open-ended investment company with variable share capital

subject to the Luxembourg law of 17 December 2010 relating to
undertakings for collective investment, as amended

Prospectus

25 August 2026

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1. INTRODUCTION

This Prospectus contains information about VALORI SICAV that a prospective investor should consider before investing in the Fund and should be retained for future reference.

The Fund is a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended or supplemented from time to time.

The Fund has been authorised by the *Commission de Surveillance du Secteur Financier* (CSSF) which is the Luxembourg supervisory authority of the financial market. However, such authorisation does not require the CSSF to approve or disapprove either the adequacy or accuracy of this Prospectus or the portfolio of assets held by the Fund. Any declaration to the contrary should be considered as unauthorised and illegal.

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Shares in the Fund are shares in a specific Sub-Fund. The Fund may issue Shares of different Share Classes in each Sub-Fund. Such Share Classes may each have specific characteristics. Certain Share Classes may be reserved to certain categories of investors. Investors should refer to the Supplement for further information on characteristics of Share Classes.

The Fund has been incorporated in Luxembourg on 4 November 2022. The Fund is registered with the Luxembourg Trade and Companies Register under number B 272775. The latest version of the Articles of Association was published in the *Recueil Electronique des Sociétés et Associations* of the Grand-Duchy of Luxembourg (*RESA*) on 17 November 2022.

Neither delivery of the Prospectus nor anything stated herein should be taken to imply that any information contained herein is correct as of any time subsequent to the date hereof. The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer, solicitation or sale.

The information contained in this Prospectus is supplemented by the financial statements and further information contained in the latest Annual Report and Semi-Annual Report of the Fund, copies of which may be requested free of charge at the registered office of the Management Company on www.valorisicav.com.

No distributor, agent, salesman or other person has been authorised to give any information or to make any representation other than those contained in the Prospectus and in the documents referred to herein in connection with the offer of Shares and, if given or made, such information or representation must not be relied upon as having been authorised.

The Board of Directors has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no material facts the omission of which would make misleading any statement herein, whether of fact or opinion. The Board of Directors accepts responsibility accordingly.

The distribution of the Prospectus and/or the offer and sale of the Shares in certain jurisdictions or to certain investors may be restricted or prohibited by law. No Shares may be acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. In particular,

the Board of Directors has decided that US Persons would be considered as Prohibited Persons.

The Fund must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Fund or its agent to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the relationship on an ongoing basis. Failure to provide information or documentation may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisers to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax and accounting consequences which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

THE VALUE OF THE SHARES MAY FALL AS WELL AS RISE AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INITIALLY INVESTED. INVESTING IN THE FUND INVOLVES RISK INCLUDING THE POSSIBLE LOSS OF CAPITAL.

2. DIRECTORY

Registered office of the Fund

33A, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Board of Directors

Massimo Paolo Gentili
Independent Director
49, Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

Michele Di Tuccio
Managing Director
Valori Asset Management Sa
Viale Alessandro Volta 16
6830 Chiasso
Switzerland

Nicola Maino
Managing Director
Valori Asset Management Sa
Viale Alessandro Volta 16
6830 Chiasso
Switzerland

Elisabetta Volonterio
Independent Director
Piazzetta Bossi 420121 Milano Italy

Management Company

UBS Asset Management (Europe) S.A.
33A, avenue J. F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the Management Company

Manuel Roller, Chairman
Head of Fund Management
UBS Asset Management Switzerland AG
Zurich, Switzerland

Francesca Prym, Member
CEO
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Eugène Del Cioppo, Member
CEO
UBS Fund Management (Switzerland) AG
Basel, Switzerland

Ann-Charlotte Lawyer, Member
Independent Non-Executive Director,
Luxembourg, Grand Duchy of Luxembourg

Francesco Grana, Member
Head of Global WM and Wholesale client coverage, Head of AM EMEA region
UBS Asset Management Switzerland AG
Zurich, Switzerland

Giovanni Papini, Member
Non-Executive Director
Arezzo, Italy

Conducting officers

Andrea Papazzoni
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Nina Egelhof
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Marcus Ulm
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Anna Paola Ionna
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Lisiane Asnouni-Favini
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Monika Zlopasa
UBS Asset Management (Europe) S.A.
Luxembourg, Grand Duchy of Luxembourg

Depositary

UBS Europe SE, Luxembourg Branch
33A, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Investment Manager

Valori Asset Management Sa
Viale Alessandro Volta 16
6830 Chiasso
Switzerland

Auditor

Ernst & Young S.A.
35E, avenue J. F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

UCI Administrator

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Fund's initiator

Valori Asset Management S.A.
43, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg

Paying Agent and Domiciliation and Corporate Services Agent

UBS Europe SE, Luxembourg Branch
33A, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Global Distributor

Valori Asset Management Sa
Via Alessandro Volta 16
6830 Chiasso
Switzerland

3. DEFINITIONS

1915 Law	the Luxembourg law of 10 August 1915 on commercial companies, as may be amended from time to time.
1993 Law	the Luxembourg law of 5 April 1993 on the financial sector, as may be amended from time to time.
2004 Law	the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time.
2008 Grand-Ducal Regulation	Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the amended law of 20 December 2002 on undertakings for collective investment and implementing Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions, as may be amended from time to time.
2010 Law	the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time.
ADR	American depositary receipts.
Annual Report	the report issued by the Fund as of the end of the latest financial year in accordance with the 2010 Law.
Articles of Association	the articles of association of the Fund, as may be amended from time to time.
AT1	Additional Tier 1 instruments which comply with the requirements of article 52 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.
Board of Directors	the board of directors of the Fund.
Business Day	any day on which banks are open the whole day for non-automated business in Luxembourg and in such other countries or cities as may be specified for a Sub-Fund or Share Class in a Supplement.
Capitalisation Shares	Shares with respect to which the Fund does not intend to distribute dividends.
CSSF Circular 11/512	CSSF Circular 11/512 concerning the presentation of the main regulatory changes in risk management following the publication of CSSF Regulation 10-4 and ESMA clarifications, further clarifications from the CSSF on risk management rules, and the definition of the content and format of the risk management process to be communicated to the CSSF

CSSF Regulation 10/04	CSSF Regulation 10/04 transposing Commission Directive 2010/43/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company.
Code of Conduct	the code of conduct adopted by the Board of Directors on the basis of the corporate governance principles issued by the Association of the Luxembourg Fund Industry, as may be amended or supplemented from time to time.
CET1	Common Equity Tier 1 instruments which comply with the requirements of article 28 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.
Conversion Day	the day or days on which Original Shares may be converted into New Shares, being a day which is a Redemption Day for the Original Shares and, if that day is not a Subscription Day for the New Shares, the day which is the immediately following Subscription Day for the New Shares, provided that the Cut-Off Time for a Conversion Day shall be the earlier of the Cut-Off Time for redemption of the Original Shares on that Redemption Day and the Cut-Off Time for subscription to the New Shares on that Subscription Day. For the avoidance of doubt, the Conversion Day may be a different day for the Original Shares and the New Shares.
Conversion Fee	a fee which the Fund may charge upon conversion of Shares and which is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such lower amount as specified for each Share Class in the respective Supplement, where applicable.
Conversion Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the conversion of all or part of his Shares. The term “Conversion Form” shall be deemed to include conversion applications placed on electronic or other online trading platforms authorised by the Fund for such purposes.
CRS	the Common Reporting Standard, within the meaning of the Standard for Automatic Exchange of Financial Account Information in Tax Matters developed by the Organization for Economic Co-Operation and Development, as set out in the CRS.
CRS Law	the Luxembourg law dated 18 December 2015 implementing the Directive 2014/107/EU of 9 December 2014 as regards mandatory automatic exchange of information in the field of taxation, as amended or supplemented from time to time.

CSSF	the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority of the financial sector.
Cut-Off Time	for any Subscription Day, Redemption Day or Conversion Day, the day and time by which an application for subscription, redemption or conversion, as applicable, must in principle be received by the Fund in order for the application to be processed, if accepted, by reference to the Net Asset Value per Share calculated as of that Subscription Day, Redemption Day or Conversion Day, as applicable. The Cut-Off Time is specified for each Sub-Fund or Share Class in the Supplement.
Depositary	the depositary bank appointed by the Fund in accordance with the provisions of the 2010 Law and the Depositary and Paying Agent Agreement, as identified in the Directory.
Depositary and Paying Agent Agreement	the agreement entered into between the Fund, the Management Company and the Depositary governing the appointment of the Depositary, as may be amended or supplemented from time to time.
Directive 2005/60/EC	Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing as may be amended from time to time,
Directive 2013/34/EU	Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC, as may be amended from time to time.
Directive 2013/36/EU	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC, as may be amended from time to time.
Directive (EU) 2019/2162	Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision.
Distribution Shares	Shares with respect to which the Fund intends to distribute dividends and which confer on their holder the right to receive such dividends, if and when declared by the Fund.
Distributor(s)	Intermediaries as may be appointed by the Global Distributor from time to time to distribute the Shares.

Domiciliation and Corporate Services Agent	domiciliation and corporate services agent appointed by the Fund in accordance with the provisions of the Luxembourg law and the Domiciliation and Corporate Services Agent Agreement, as identified in the Directory.
Domiciliation and Corporate Services Agent Agreement	the agreement entered into between the Fund and the Domiciliation and Corporate Services Agent governing the appointment of the Domiciliation and Corporate Services Agent, as may be amended or supplemented from time to time.
Eligible Investor	an investor who satisfies all additional eligibility requirements for a specific Sub-Fund or Share Class, as specified for the Sub-Fund or Share Class in the Supplement.
ESMA	the European Securities and Markets Authority.
EU	the European Union.
EUR	the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.
FATCA	the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA).
FATCA Law	the amended Luxembourg law dated 24 July 2015 implementing the Model I Intergovernmental Agreement between the Government of the Grand Duchy of Luxembourg and the Government of the United States of America to Improve International Tax Compliance and with respect to the United States information reporting provisions commonly known as FATCA.
FATF	the Financial Action Task Force, an intergovernmental organisation founded to fight against money laundering and terrorism financing.
Fund	VALORI SICAV.
GDR	global depositary receipts.
Global Distributor	the global distribution agent appointed by the Management Company in accordance with the provisions of the 2010 Law and the Global Distribution Agreement.
Global Distribution Agreement	the global distribution agreement entered into between the Management Company and the Global Distributor, acknowledged by the Fund, governing the appointment of the Global Distributor, as may be amended or supplemented from time to time.

Global Distribution Fee	the fee payable to the Global Distributor, as described in sections 6.4 (The Global Distributor) and 9.6 (Fees of the Global Distributor) of this Prospectus.
Institutional Investor	an institutional investor as defined by the administrative practice of the CSSF.
Investment Advisor	The investment advisor appointed to provide investment advice, as determined in the Supplement for each Sub-Fund, if any.
Investment Management Agreement	the agreement entered into between the Management Company and the Investment Manager, acknowledged by the Fund, governing the appointment of the Investment Manager, as may be amended or supplemented from time to time.
Investment Manager	the investment manager appointed by the Management Company and such appointment being acknowledged by the Fund in accordance with the provisions of the 2010 Law and the Investment Management Agreement, as identified in the Directory.
Investment Manager Fee	the fee payable by the Fund to the Investment Manager under the Investment Management Agreement, as described in section 9.3 (Investment Manager Fee) of this Prospectus.
Management Company	the management company appointed by the Fund in accordance with the provisions of the 2010 Law and the Management Company Agreement, as identified in the Directory.
Management Company Agreement	the agreement entered into between the Fund and the Management Company governing the appointment of the Management Company, as may be amended or supplemented from time to time.
Management Company Fee	the fee payable by the Fund to the Management Company under the Management Company Agreement, as described in section 9.2 (Management Company Fee) of this Prospectus.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU Text with EEA relevance, as may be amended from time to time.
Money Market Instrument	instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
Net Asset Value	as the context indicates, the net asset value of the Fund, a Sub-Fund, or a Share Class determined in accordance with the provisions of this Prospectus.
Net Asset Value per Share	the Net Asset Value of a Share Class in a Sub-Fund divided by the total number of Shares of that Share Class which are in issue as of the Valuation Day for which the Net Asset Value per Share is calculated.

New Shares	Shares described in section 7.6 (Conversion of Shares) of this Prospectus.
OECD	the Organisation for Economic Cooperation and Development.
Original Shares	Shares described in section 7.6 (Conversion of Shares) of this Prospectus.
Paying Agent	the paying agent appointed by the Fund, as identified in the Directory.
Performance Fee	the fee which may be payable to the Investment Manager depending on the performance of certain Sub-Funds or Share Classes, where applicable, as described in section 9.4 (Performance Fee) of this Prospectus.
PRIIPs KID	Key information document for the packaged retail and insurance-based investment products as per the PRIIPs Regulation.
PRIIPs Regulation	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), as may be amended from time to time.
Prohibited Person	any person considered as a Prohibited Person in the opinion of the Board of Directors according to the criteria set out in the Articles of Association and section 7.10 (Prohibited Persons) of the Prospectus.
Prospectus	this prospectus including all Supplements, as may be amended from time to time.
Redemption Day	a Valuation Day on which Shares may be redeemed by the Fund at a Redemption Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Redemption Days are specified for each Sub-Fund or Share Class in the Supplement.
Redemption Fee	a fee which the Fund may charge upon redemption of Shares, equal to a percentage of the Redemption Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.
Redemption Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the redemption of all or part of his Shares. The term “Redemption Form” shall be deemed to include redemption applications placed on electronic or other online trading platforms authorized by the Fund for such purposes.

Redemption Price	the price at which the Fund may redeem Shares on a Redemption Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Redemption Day and in accordance with the provisions of this Prospectus.
Redemption Settlement Period	the period of time, as specified for each Sub-Fund or Share Class in the Supplement, by the end of which the Fund will normally pay the Redemption Price (less any Redemption Fee) to redeeming investors, subject to the further provisions of this Prospectus.
Reference Currency	as the context indicates, (i) in relation to the Fund, the Euro, or (ii) in relation to a Sub-Fund, the currency in which the assets and liabilities of the Sub-Fund are valued and reported, as specified in each Supplement, or (iii) in relation to a Sub-Fund or Share Class, the currency in which the Shares of that Sub-Fund or Share Class are denominated, as specified in each Supplement.
Regulated Market	a regulated market within the meaning of MiFID II.
RT1	Restricted Tier 1 instruments that qualify as capital under Directive 2009/138/EC on the taking-up and pursuit of the business of Insurance and Reinsurance.
Semi-Annual Report	the report issued by the Fund as of the first half of the current financial year in accordance with the 2010 Law.
SFDR	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 may be amended from time to time.
SFDR RTS	Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing SFDR.
SFTR	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, as may be amended from time to time.
Share Class	a class of Shares of a Sub-Fund created by the Board of Directors, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus. For the purposes of this Prospectus, each Sub-Fund shall be deemed to comprise at least one Share Class.
Shares	shares of a Sub-Fund or Share Class issued by the Fund.
Sub-Fund	a sub-fund of the Fund, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus.

Subscription Day	a Valuation Day on which investors may subscribe for Shares at a Subscription Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Subscription Days are specified for each Sub-Fund or Share Class in the Supplement.
Subscription Fee	a fee which the Fund may charge upon subscription for Shares, equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.
Subscription Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to make an initial and/or additional application for subscription to Shares. The term "Subscription Form" shall be deemed to include subscription applications placed on electronic or other online trading platforms authorised by the Fund for such purposes.
Subscription Price	the price at which investors may subscribe for Shares on a Subscription Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Subscription Day and in accordance with the provisions of this Prospectus.
Subscription Settlement Period	the period of time by the end of which the subscriber is required to pay the Subscription Price (plus any Subscription Fee) to the Fund. The Subscription Settlement Period is specified for each Sub-Fund or Share Class in the Supplement.
Supplement	the supplement(s) to this Prospectus for each specific Sub-Fund, which form part of this Prospectus.
Sustainability Risk	an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by each Sub-Fund.
Target Sub-Fund	a Sub-Fund into which another Sub-Fund has invested in accordance with the provisions of this Prospectus.
Taxonomy Regulation	Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment, as may be amended from time to time.
Transferable Security	shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange.

UCI	undertaking for collective investment within the meaning of Article 1(2)(a) and (b) of the UCITS Directive, being an open-ended undertaking with the sole object of collective investment of capital raised from the public, in accordance with the principle of risk-spreading, in transferable securities and other liquid financial assets.
UCI Administration Agreement	the agreement entered into between the Management Company and the UCI Administrator governing the appointment of the UCI Administrator, as may be amended or supplemented from time to time.
UCI Administrator	the central administration, registrar and transfer agent appointed by the Management Company and the Fund in accordance with the provisions of the 2010 Law and the UCI Administration Agreement**,** as identified in the Directory.
UCITS	undertaking for collective investment in transferable securities.
UCITS Directive	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as may be amended from time to time.
UCITS KIID	key investor information documents as per the UCITS Directive.
Valuation Day	a Business Day as of which the Net Asset Value per Share is calculated, as specified in the Supplements.

4. INVESTMENT STRATEGY AND RESTRICTIONS

Each Sub-Fund has a specific investment objective and policy described in its Supplement. The investments of each Sub-Fund must comply with the provisions of the 2010 Law. The investment restrictions and policies set out in this section apply to all Sub-Funds, without prejudice to any specific rules adopted for a Sub-Fund, as described in its Supplement where applicable. The Board of Directors may impose additional investment guidelines for each Sub-Fund from time to time, for instance where it is necessary to comply with local laws and regulations in countries where Shares are distributed. Each Sub-Fund should be regarded as a separate UCITS for the purposes of this section.

4.1 Authorised investments

4.1.1 The investments of each Sub-Fund must comprise only one or more of the following.

(A) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market.

(B) Transferable Securities and Money Market Instruments dealt in on another market in a Member State that is regulated, operates regularly and is recognised and open to the public.

(C) Transferable Securities and Money Market Instruments admitted to the official listing on a stock exchange in a Non-Member State (i.e. stock exchanges or other regulated markets in any country of the Americas, Europe, Africa, Asia and Oceania) or dealt in on another market in a Non-Member State which is regulated, operates regularly and is recognised and open to the public.

(D) Recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or dealing on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section, and that such admission is secured within one year of issue.

(E) Units of UCITS or other UCI, whether or not established in a Member State, provided that the following conditions are satisfied:

(1) such other UCI are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;

(2) the level of protection for unitholders in such other UCI is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

(3) the business of the other UCI is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and

(4) no more than 10% of the assets of the UCITS or the other UCI whose acquisition is contemplated can, according to their constitutive

documents, be invested in aggregate in units of other UCITS or other UCI.

The above includes that the Sub-Funds may also, subject to the conditions provided for in the respective sub-fund supplements and in the 2010 Law, in particular Article 41, subscribe, acquire and/or hold securities to be issued or issued by one or more other Sub-Funds of the Fund under the following conditions:

- the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund;
- no more than 10% of the assets of the target Sub-Fund may be invested in aggregate in shares of other Sub-Funds of the Company;
- voting rights, if any, linked to the relevant securities, are suspended for as long as they are held by a target Sub-Fund of the same Fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as securities of other Sub-Funds of the Fund are held by a Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

(F) Deposits with credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, which are repayable on demand or have the right to be withdrawn and maturing in no more than twelve months.

(G) Financial derivative instruments, including equivalent cash-settled instruments, listed on a stock exchange or dealt in on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section, or financial derivative instruments dealt in over-the-counter (OTC) provided that:

(1) the underlying consists of assets covered by this section 4.1.1 including instruments with one or more characteristics of those assets, and/or financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objective;

(2) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and

(3) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Fund.

(H) Money Market Instruments other than those dealt in on a Regulated Market or dealt in on another market in a non-Member State which is regulated, operates regularly and is recognised and open to the public, provided that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and that such instruments are:

(1) issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong;

(2) issued by an undertaking any securities of which are listed on a stock exchange or dealt in on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section;

(3) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or

(4) issued by other bodies provided that investments in such instruments are subject to investor protection equivalent to that set out in paragraphs (H)(1) to (H)(3) of this section and provided that the issuer is a company whose capital and reserves amount to at least 10,000,000 EUR and which presents and publishes its annual accounts in accordance with Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

4.1.2 Each Sub-Fund may invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those identified in paragraphs (A) to (D) and (H) of this section.

4.1.3 Each Sub-Fund may hold ancillary liquid assets within a limit of 20% of its net assets. The above mentioned 20% limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors, for instance in highly serious circumstances. Liquid assets held to cover exposure to financial derivative instruments do not fall under this restriction. Bank deposits, money market instruments or money market funds that meet the criteria of Article 41(1) of the 2010 Law are not considered to be included in the ancillary liquid assets under Article 41 (2) b)of the 2010 Law. Ancillary liquid assets should be limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under Article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavourable market conditions. A Sub-Fund may not invest more than 20% of its Net Asset Value in bank deposits at sight made with a same body.

4.1.4 Each Sub-Fund may borrow up to 10% of its net assets on a temporary basis. Collateral arrangements to cover exposure to financial derivative instruments are not considered borrowings for the purposes of this restriction. Each Sub-Fund may also acquire foreign currency by means of a back-to-back loan.

4.1.5 The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business. Each Sub-Fund may borrow up to 10% of its net assets

for this purpose. However, the total amount of borrowing for this purpose and any borrowing on a temporary basis permitted by section 4.1.4 above may not exceed 15% of the net assets of the Sub-Fund.

4.1.6 Each Sub-Fund may invest into shares issued by other Sub-Funds of the Fund (called Target Sub-Funds) provided that, during the period of investment:

(A) the Target Sub-Fund does not, in turn, invest in the investing Sub-Fund and no more than 10% of the net assets of the Target Sub-Fund may be invested in other Sub-Funds;

(B) the voting rights attached to such Shares of the Target Sub-Fund are suspended; and

(C) the value of such Shares of the Target Sub-Fund will not be taken into consideration for the calculation of the Net Asset Value of the Fund for the purposes of verifying the minimum threshold of net assets imposed by the 2010 Law.

4.2 Prohibited investments

4.2.1 The Sub-Funds may not acquire commodities or precious metals or certificates representing them or hold any option, right or interest therein. Investments in debt instruments linked to, or backed by the performance of, commodities or precious metals do not fall under this restriction.

4.2.2 Except as set out in section 4.1.5, the Sub-Funds may not invest in real estate or hold any option, right or interest in real estate. Investments in debt instruments linked to or backed by the performance of real estate or interests therein, or shares or debt instruments issued by companies which invest in real estate or interests therein, are not affected by this restriction.

4.2.3 The Sub-Funds may not grant loans or guarantees in favour of a third party. Such restriction will not prevent any Sub-Fund from investing in Transferable Securities, Money Market Instruments, units of UCITS or other UCI or financial derivative instruments referenced in section 4.1.1 which are not fully paid up. Furthermore, such restriction will not prevent any Sub-Fund from entering into repurchase, reverse repurchase or securities lending transactions as described in section 4.6 (Efficient portfolio management techniques) below.

4.2.4 The Sub-Funds may not enter into uncovered sales of Transferable Securities, Money Market Instruments, units of UCITS or other UCI or financial derivative instruments referenced in section 4.1.1.

4.3 Risk diversification limits

4.3.1 If an issuer or body is a legal entity with multiple sub-funds or compartments where the assets of each sub-fund or compartment are exclusively reserved to the investors of that sub-fund or compartment and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund or compartment, each sub-fund or compartment is to be considered as a separate issuer or body for the purpose of the application of the risk diversification rules.

Transferable Securities and Money Market Instruments

4.3.2 No Sub-Fund may purchase additional Transferable Securities or Money Market Instruments of any single issuer if, upon such purchase:

(A) more than 10% of its net assets would consist of Transferable Securities or Money Market Instruments of such issuer; or

(B) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of its net assets.

4.3.3 The limit of 10% set out in section 4.3.2, paragraph (A) is increased to 25% in respect of qualifying debt securities which fall under the definition of covered bonds in point (1) of Article 3 of Directive (EU) 2019/2162 that were issued before 8 July 2022 by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities ("**Covered Bonds**"). In particular, the proceeds from the issue of Covered Bonds issued before 8 July 2022 must be invested, in accordance with applicable law, in assets which are capable of covering claims attached to such bonds until their maturity and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of accrued interest. To the extent a Sub-Fund invests more than 5% of its net assets in Covered Bonds, the total value of such investments may not exceed 80% of its net assets. Covered Bonds are not included in the calculation of the limit of 40% set out in section 4.3.2, paragraph (B).

4.3.4 The limit of 10% set out in section 4.3.2, paragraph (A) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any non-Member State or by a public international body of which one or more Member States are members. Such securities are not included in the calculation of the limit of 40% set out in section 4.3.2, paragraph (B).

4.3.5 Notwithstanding the limits set out above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by one of its local authorities, by a member State of the OECD or the Group of Twenty (G20), by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China or by a public international body of which one or more Member States are members, provided that the Sub-Fund holds in its portfolio securities from at least six different issues and that securities from any issue do not account for more than 30% of the net assets of the Sub-Fund.

Financial derivative instruments and efficient portfolio management techniques

4.3.6 The counterparty risk exposure arising from OTC derivative transactions and efficient portfolio management techniques (as described below) undertaken with a single body for the benefit of a Sub-Fund may not exceed 10% of the net assets of the Sub-Fund where the counterparty is credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, or 5% of its net assets in other cases.

Bank deposits

4.3.7 Each Sub-Fund may invest up to 20% of its net assets in deposits made with a single body.

Combined limits

4.3.8 Notwithstanding the individual limits set out in sections 4.3.2, 4.3.6 and 4.3.7, a Sub-Fund may not combine, where this would lead to an exposure of more than 20% of its net assets to a single body:

(A) investments in Transferable Securities or Money Market Instruments issued by that body;

(B) bank deposits made with that body; and

(C) counterparty exposure arising from OTC financial derivative instruments and efficient portfolio management techniques (as described below) undertaken with that body.

4.3.9 The limits set out in sections 4.3.2 to 4.3.8 (with the exception of section 4.3.5) may not be combined: investments in Transferable Securities or Money Market Instruments, bank deposits, counterparty exposure arising from OTC financial derivative instruments and efficient portfolio management techniques, issued by or undertaken with, a single issuer or body, each in accordance with the limits set out in sections 4.3.2 to 4.3.8 (with the exception of section 4.3.5) may not exceed a total of 35% of the net assets of the Sub-Fund.

4.3.10 For the purposes of the combined limits set out in sections 4.3.8 and 4.3.9, issuers or bodies that are part of the same group of companies are considered as a single issuer or body. A group of companies comprises all companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules.

Index-replicating Sub-Funds

4.3.11 Without prejudice to the limits laid down in section 4.4 (Control limits) below, the limits set out in section 4.3.2 are raised to 20% for investments in Transferable Securities or Money Market Instruments issued by a single issuer where the investment objective of the Sub-Fund is to replicate the composition of a certain financial index of stock or debt securities which is recognised by the CSSF.

4.3.12 The limit of 20% set out in the preceding section is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain Transferable Securities or Money Market Instruments are highly dominant, provided that any investment up to this 35% limit is only permitted for a single issuer.

4.3.13 A financial index is an index which complies, at all times, with the following conditions: the composition of the index is diversified in accordance with the limits set out in sections 4.3.11 and 4.3.12, the index represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner. These conditions are further specified in and supplemented by regulations and guidance issued by the CSSF from time to time.

Shares or units of UCITS or other UCI

4.3.14 If a Sub-Fund is permitted to invest in aggregate more than 10% of its net assets in units of UCITS or other UCI, as specified in its Supplement:

(A) investments made in units of a single other UCITS or other UCI may not exceed 20% of the net assets of the Sub-Fund; and

(B) investments made in units of other UCI may not, in aggregate, exceed 30% of the net assets of the Sub-Fund.

4.3.15 The underlying assets of the UCITS or other UCI into which a Sub-Fund invests do not have to be combined with any other direct or indirect investment of the Sub-Fund into such assets for the purposes of the limits set out in section 4.3 (Risk diversification limits) above.

4.3.16 If a Sub-Fund invests in units of UCITS or other UCI that are managed, directly or by delegation, by the Management Company or by any other company which is linked to the Management Company by common management or control, or by a substantial direct or indirect holding, the Management Company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such UCITS and/or other UCI.

4.3.17 If a Sub-Fund invests a substantial proportion of its assets in UCITS or other UCI, the Supplement will disclose the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the UCITS or other UCI in which it intends to invest. The Fund will disclose in the Annual Report the maximum proportion of management fees charged to both the Sub-Fund itself and the UCITS or other UCI in which the Sub-Fund invests.

Derogation

4.3.18 During the first six (6) months following its launch, a new Sub-Fund may derogate from the limits set out in this section 4.3 (Risk diversification limits) above, provided that the principle of risk-spreading is complied with.

4.4 Control limits

4.4.1 The Fund may not acquire such amount of shares carrying voting rights which would enable the Fund to exercise legal or management control or to exercise a significant influence over the management of the issuer.

4.4.2 The Fund may acquire no more than 10% of the outstanding non-voting shares of the same issuer.

4.4.3 The Fund may acquire no more than:

(A) 10% of the outstanding debt securities of the same issuer;

(B) 10% of the Money Market Instruments of any single issuer; or

(C) 25% of the outstanding units of the same UCITS or other UCI.

4.4.4 The limits set out in section 4.4.3 may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

4.4.5 The limits set out in sections 4.4.1 to 4.4.3 do not apply in respect of:

(A) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;

(B) Transferable Securities and Money Market Instruments issued or guaranteed by any non-Member State;

(C) Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member States are members;

(D) shares in the capital of a company which is incorporated under or organised pursuant to the laws of a non-Member State provided that (i) such company invests its assets principally in securities issued by issuers having their registered office in that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set out in section 4.3 (Risk diversification limits) above (with the exceptions of sections 4.3.5 and 4.3.11 to 4.3.13) and sections 4.4.1 to 4.4.3; and

(E) shares held by the Fund in the capital of subsidiary companies which carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the redemption of shares at the request of shareholders exclusively on its or their behalf.

4.5 Financial derivative instruments

4.5.1 General

Each Sub-Fund may use financial derivative instruments such as options, futures, forwards and swaps or any variation or combination of such instruments, for hedging or investment purposes, in accordance with the conditions set out in this section 4 and the investment objective and policy of the Sub-Fund, as set out in its Supplement. The use of financial derivative instruments may not, under any circumstances, cause a Sub-Fund to deviate from its investment objective.

Financial derivative instruments used by any Sub-Fund may include, without limitation, the following categories of instruments.

(A) Options: an option is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to buy or sell a specified amount of an

underlying asset at an agreed price (the strike or exercise price) on or until the expiration of the contract. A call option is an option to buy, and a put option an option to sell.

(B) Futures contracts: a futures contract is an agreement to buy or sell a stated amount of a security, currency, index (including an eligible commodity index) or other asset at a specific future date and at a pre-agreed price.

(C) Forward agreements: a forward agreement is a customised, bilateral agreement to exchange an asset or cash flows at a specified future settlement date at a forward price agreed on the trade date. One party to the forward is the buyer (long), who agrees to pay the forward price on the settlement date; the other is the seller (short), who agrees to receive the forward price.

(D) Interest rate swaps: an interest rate swap is an agreement to exchange interest rate cash flows, calculated on a notional principal amount, at specified intervals (payment dates) during the life of the agreement.

(E) Swaptions: a swaption is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to enter into an interest rate swap at a present interest rate within a specified period of time.

(F) Credit default swaps: a credit default swap or CDS is a credit derivative agreement that gives the buyer protection, usually the full recovery, in case the reference entity or debt obligation defaults or suffers a credit event. In return, the seller of the CDS receives from the buyer a regular fee, called the spread.

(G) Total return swaps: a total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

(H) Contracts for differences: a contract for differences or CFD is an agreement between two parties to pay the other the change in the price of an underlying asset. Depending on which way the price moves, one party pays the other the difference from the time the contract was agreed to the point in time where it ends.

Each Sub-Fund must hold at any time sufficient liquid assets to cover its financial obligations arising under financial derivative instruments used.

The global exposure of a Sub-Fund to financial derivative instruments and efficient portfolio management techniques may not exceed the Net Asset Value of the Sub-Fund, as further described in section 4.8 (Global exposure limits) below.

The exposure of a Sub-Fund to underlying assets referenced by financial derivative instruments, combined with any direct investment in such assets, may not exceed in aggregate the investment limits set out in section 4.3 (Risk diversification limits) above. However, to the extent a Sub-Fund invests in financial derivative instruments referencing financial indices (as described in section 4.5.3) the exposure of the Sub-Fund to the underlying assets of the financial indices do not have to be combined with any direct or indirect investment of the Sub-Fund in such assets for the purposes of the limits set out in section 4.3 (Risk diversification) above.

Where a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account in complying with the risk diversification rules, global exposure limits and information requirements of this section 4 applicable to financial derivative instruments.

4.5.2 OTC financial derivative instruments

Each Sub-Fund may invest into financial derivative instruments that are traded "over-the-counter" or OTC including, without limitation, total return swaps or other financial derivative instruments with similar characteristics, in accordance with its investment objective and policy and the conditions set out in this section 4. Such OTC financial derivate instruments will be safe-kept with the Depositary.

The counterparties to OTC financial derivative instruments will be selected among financial institutions from OECD member states subject to prudential supervision (such as credit institutions or investment firms) and specialised in the relevant type of transaction, being of good reputation and having a minimum rating of BBB. The identity of the counterparties will be disclosed in the Annual Report. The counterparties will have no discretion over the composition or management of the portfolio of the Sub-Fund or the underlying assets of the financial derivative instruments.

The Management Company uses a process for accurate and independent assessment of the value of OTC financial derivative instruments in accordance with applicable laws and regulations.

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under OTC financial derivative instruments, the Sub-Fund may receive cash or other assets as collateral, as further specified in section 4.7 (Collateral policy) below.

4.5.3 Financial indices

Each Sub-Fund may use financial derivative instruments to replicate or gain exposure to one or more financial indices in accordance with its investment objective and policy. The underlying assets of financial indices may comprise eligible assets described in section 4.1 (Authorised investments) above and instruments with one or more characteristics of those assets, as well as interest rates, foreign exchange rates or currencies, other financial indices and/or other assets, such as commodities or real estate.

For the purposes of this Prospectus, a 'financial index' is an index which complies, at all times, with the following conditions: the composition of the index is sufficiently diversified (each component of a financial index may represent up to 20% of the index, except that one single component may represent up to 35% of the index where justified by exceptional market conditions), the index represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner. These conditions are further specified in and supplemented by regulations and guidance issued by the CSSF from time to time.

4.6 Efficient portfolio management techniques

Each Sub-Fund may employ techniques and instruments (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, circulars CSSF 08/356 and 14/592, CSSF FAQ on use of Securities Financing Transactions by UCITS, ESMA guidelines 2014/937 and Regulation (EU) 2015/2365 relating to Transferable Securities and Money Market Instruments), namely securities lending, and repurchase and reverse repurchase transactions, provided that such

techniques and instruments are used for the purposes of efficient portfolio management. Each sub-fund supplement lays out in more detail which kind of securities financing transactions such Sub-Fund uses, if any. The use of such techniques and instruments should not result in a change of the declared investment objective of any Sub-Fund or substantially increase the stated risk profile of the Sub-Fund.

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under a securities lending, repurchase or reverse repurchase transaction, the Sub-Fund will receive assets as collateral, as further specified in section 4.7 (Collateral policy) below.

Each Sub-Fund may incur costs and fees in connection with efficient portfolio management techniques. In particular, a Sub-Fund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary or the Investment Manager to the extent permitted under applicable laws and regulations, in consideration for the functions and risks they assume. The amount of these fees may be fixed or variable. Information on direct and indirect operational costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary or the Management Company, if applicable, will be available in the Annual Report and the relevant sub-fund supplements.

Unless otherwise described in the relevant Sub-Funds' Supplements, securities financing transactions will be entered into on a continuous basis but depending on market conditions the relevant Sub-Funds may decide from time to time to suspend or reduce their securities financing transactions-related activities.

4.6.1 Securities lending

Securities lending transactions consist of transactions whereby a Sub-Fund will lend a security to a counterparty for an agreed fee. Where specified in its Supplement, a Sub-Fund may enter into securities lending transactions as lender of securities or instruments. The securities will be safe-kept with the Depositary. Securities lending transactions are, in particular, subject to the following conditions:

(A) the counterparty must be a credit institution from an OECD member state subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law, be of good reputation and have a minimum rating of BBB;

(B) a Sub-Fund may only lend securities to a borrower either directly, through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction; and

(C) a Sub-Fund may only enter into securities lending transactions provided that it is entitled at any time, under the terms of the agreement, to request the return of the securities lent or to terminate the agreement.

4.6.2 Repurchase and reverse repurchase transactions

Repurchase agreements consist in transactions whereby a Sub-Fund will sell securities to a counterparty and agree to buy them back from the counterparty at an agreed price in the future. Reverse repurchase agreements consist in transactions whereby a Sub-Fund will purchase securities from a counterparty and agree to sell them back to the counterparty at an

agreed price in the future. Each Sub-Fund may also enter into transactions that consist in the purchase or sale of securities with a clause giving the counterparty or the Sub-Fund, as applicable, the right to repurchase the securities from the Sub-Fund or the counterparty, as applicable, at a price and term specified by the parties in their contractual arrangements. Such transactions are, in particular, subject to the following conditions:

(A) the counterparty must be a credit institution from an OECD member state subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law, be of good reputation and have a minimum rating of BBB; and

(B) the Sub-Fund must be able, at any time, to terminate the agreement or recall any securities subject to a repurchase agreement. Fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Sub-Fund.

4.7 Collateral policy

This section sets out the policy adopted by the Management Company for the management of collateral received for the benefit of each Sub-Fund in the context of OTC financial derivatives instruments and efficient portfolio management techniques (securities lending, repurchase and reverse repurchase transactions). All assets received by a Sub-Fund in the context of efficient portfolio management techniques will be considered as collateral for the purposes of this section. Such collateral will be safe-kept with the Depositary.

4.7.1 Eligible collateral

Collateral received for the benefit of a Sub-Fund may be used to reduce its counterparty risk exposure if it complies with the conditions set out in applicable laws and regulations. In particular, collateral received for the benefit of a Sub-Fund should comply with the following conditions:

(A) collateral should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

(B) collateral should be valued at least on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place, as further specified below;

(C) collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

(D) collateral should be sufficiently diversified in terms of country, markets and issuers. The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the Net Asset Value of the Sub-Fund. By way of derogation, this limit may be exceeded and up to 100% of the collateral received by a Sub-Fund may consist in Transferable Securities and Money Market Instruments issued or guaranteed by one or several Member States, their local authorities, member States of the OECD or the Group of Twenty (G20), by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China or public international bodies to which one or more Member States belong, provided that

such securities or instruments are part of a basket of collateral comprised of securities or instruments of at least six different issues and that securities or instruments from any one issue do not account for more than 30% of the Net Asset Value of the Sub-Fund.

(E) where there is a title transfer, collateral received should be held by the Depositary. For other types of collateral arrangement, collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral;

(F) collateral should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.

Where applicable, collateral received should also comply with the control limits set out in section 4.4 (Control limits) above.

4.7.2 Level of collateral

The level of collateral required for OTC financial derivatives transactions and efficient portfolio management techniques will be determined as per the agreements in place with the individual counterparties, taking into account factors including the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. At all times the counterparty exposure not covered by collateral will remain below the applicable counterparty risk limits set out in this Prospectus.

It is expected that the amount of collateral posted by a counterparty in favour of each Sub-Fund will be such that the net exposure of the relevant Sub-Fund to that counterparty arising from OTC financial derivatives transactions and efficient portfolio management techniques is aimed to be zero percent (0%) of its Net Asset Value on each Valuation Day.

4.7.3 Haircut policy

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which may be determined for each asset class based on the haircut policy adopted by the Management Company in accordance with the Circular 14/592. The policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out under normal and exceptional liquidity conditions.

Unless otherwise specified in the respective Sub-Fund's Supplements, the haircut policy for a Sub-Fund is the following:

When entering into securities lending and borrowing transactions, the Sub-Fund must receive, in principle, a guarantee the value of which is, during the lifetime of the lending agreement, at least equivalent to 105% of the global valuation (interests, dividends and other possible rights included) of the securities lent, depending on the degree of risk that the market value of the assets included in the guarantee may fall:

- Government bonds with maturity up to 1 year: Haircut between 0 and 2%
- Government bonds with maturity of more than 1 year: Haircut between 0% and 5%
- Corporate bonds: Haircut between 6% and 10%

When entering into OTC financial derivative transactions the Sub-Fund must receive or pay a guarantee managed by the Credit Support Annex (CSA) to the ISDA in place with each counterparty and it will obtain the following collateral covering at least the market value of the financial instrument object of the OTC transaction:

- Government bonds with maturity up to 1 year: Haircut between 0 and 2%
- Government bonds with maturity of more than 1 year: Haircut between 0 and 5%

Any haircuts applicable to collateral are agreed conservatively with each OTC financial derivative counterparty on case-by-case basis. They will vary according to the terms of each collateral agreement negotiated and prevailing market practice and conditions. Collateral received or paid by the Fund shall predominantly be limited government bonds according to the CSA.

All assets received in the context of management of collateral for OTC financial derivative transactions and efficient portfolio management techniques in accordance with the Circular 14/592 will be considered as collateral and will comply with the criteria set up above.

4.7.4 Stress tests

Where a Sub-Fund receives collateral for at least 30% of its assets, regular stress tests will be carried out under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral. The liquidity stress testing policy includes, without limitation, (i) design of stress test scenario analysis including calibration, certification and sensitivity analysis; (ii) empirical approach to impact assessment, including back-testing of liquidity risk estimates; (iii) reporting frequency and limit/loss tolerance thresholds; and (iv) mitigation actions to reduce loss, including haircut policy and gap risk protection.

4.7.5 Reinvestment of collateral

Non-cash collateral received for the benefit of a Sub-Fund may not be sold, re-invested or pledged.

4.8 Global exposure limits

4.8.1 General

In accordance with Luxembourg laws and regulations, the Management Company has adopted and implemented a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Sub-Fund.

The global exposure of a Sub-Fund to financial derivative instruments and efficient portfolio management techniques may not exceed the Net Asset Value of the Sub-Fund. Global exposure is calculated, at least on a daily basis, using either the commitment approach or the value-at-risk or “VaR” approach, as further explained below. Global exposure is a measure designed to limit either the incremental exposure and leverage generated by a Sub-Fund through the use of financial derivative instruments and efficient portfolio management techniques (where the Sub-Fund uses the commitment approach) or the market risk of the Sub-Fund’s portfolio (where the Sub-Fund uses the VaR approach). The method used by each Sub-Fund to calculate global exposure is mentioned in its Supplement.

4.8.2 Commitment approach

Under the commitment approach, all financial derivative positions of the Sub-Fund are converted into the market value of the equivalent position in the underlying assets. Netting and hedging arrangements may be taken into account when calculating global exposure, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure. Under this approach, the global exposure of a Sub-Fund is limited to 100% of its Net Asset Value.

4.8.3 VaR approach

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Fund is subject to periodic stress tests.

VaR limits are set using an absolute or relative approach. The Management Company will decide which VaR approach is the most appropriate methodology given the risk profile and investment strategy of the Sub-Fund. The VaR approach selected for each Sub-Fund using VaR is specified in its Supplement.

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark for the Sub-Fund (for instance, where the Sub-Fund has an absolute return target). Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Sub-Fund. Based on the above calculation parameters, the absolute VaR of each Sub-Fund is limited to 20% of its Net Asset Value. The Management Company may set a lower limit if appropriate.

The relative VaR approach is used for Sub-Funds where a leverage-free VaR benchmark or reference portfolio may be defined, reflecting the investment strategy of the Sub-Fund. The relative VaR of a Sub-Fund is expressed as a multiple of the VaR of the defined benchmark or reference portfolio and is limited to no more than twice the VaR on that benchmark or reference portfolio. The VaR benchmark or reference portfolio of the Sub-Fund, which may be different from the benchmark used for other purposes, is specified in its Supplement.

4.9 Leverage

Unless otherwise indicated in its Supplement, a Sub-Fund may use leverage to increase its exposure through the use of financial derivative instruments. Leverage may be used at the discretion of the Investment Manager in accordance with the investment objective and policy of each Sub-Fund and its defined risk profile. Leverage involves certain risks for the Sub-Fund, as further described in section 5 (General Risk Factors) below. Leverage is monitored on a regular basis by the Management Company.

Under applicable laws and regulations, the level of leverage is defined as the sum of the absolute value of the notional amount of all financial derivative instruments used by the Sub-Fund, as well as any additional exposure generated by the reinvestment of cash collateral in relation to efficient portfolio management techniques. The expected level of leverage, expressed as a percentage of the Net Asset Value of the Sub-Fund, is disclosed for each Sub-Fund in its Supplement.

The “sum of notionals” methodology, which is mandatory under applicable laws and regulations, does not allow for the offset of hedging transactions and other risk mitigation strategies involving financial derivative instruments, such as currency hedging or duration management. Similarly, the “sum of notionals” methodology does not allow for the netting of derivative positions and does not take into account the underlying assets’ volatility or make any distinction between short term and long term assets. As a result, strategies that aim to reduce risks may contribute to an increased level of leverage for the Sub-Fund.

In order to take into account the specific use of financial derivative instruments and their contribution to the risks of the Sub-Fund, the expected level of leverage disclosed in the Supplement, based on the “sum of notionals” methodology, may be supplemented by expected leverage figures calculated on the basis of the commitment approach, as described above, which takes into account hedging and netting arrangements.

4.10 Breach of investment limits

The Sub-Funds need not comply with the limits set out above in this section 4 when exercising subscription rights attached to Transferable Securities and Money Market Instruments which form part of its assets.

If the limits set out above in this section 4 are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective in its sales transactions the remedying of that situation, taking due account of the interest of investors.

5. GENERAL RISK FACTORS

The performance of the Shares depends on the performance of the investments of the Sub-Fund, which may increase or decrease in value. The past performance of the Shares is not an assurance or guarantee of future performance. The value of the Shares at any time could be significantly lower than the initial investment and investors may lose a portion or even the entire amount originally invested.

Investment objectives express an intended result only. Unless otherwise specified in a Supplement, the Shares do not include any element of capital protection and the Fund gives no assurance or guarantee to any investors as to the performance of the Shares. Depending on market conditions and a variety of other factors outside the control of the Fund, investment objectives may become more difficult or even impossible to achieve. The Fund gives no assurance or guarantee to any investors as to as to the likelihood of achieving the investment objective of a Sub-Fund.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisors to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax and accounting consequences which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

Investors should also carefully consider all of the information set out in this Prospectus and the Supplement of the Sub-Fund before making an investment decision with respect to Shares of any Sub-Fund or Share Class. The following sections are of general nature and describe certain risks that are generally relevant to an investment in Shares of any Sub-Fund or Share Class. Other risks may be described in the Supplement. This section and the Supplements do not purport to be a complete explanation of all risks involved in an investment in the Shares of any Sub-Fund or Share Class and other risks may also be or become relevant from time to time.

5.1 Market risk

Market risk is understood as the risk of loss for a Sub-Fund resulting from fluctuation in the market value of positions in its portfolio attributable to changes in market variables, such as general economic conditions, interest rates, foreign exchange rates, or the creditworthiness of the issuer of a financial instrument. This is a general risk that applies to all investments, meaning that the value of a particular investment may go down as well as up in response to changes in market variables. Although it is intended that each Sub-Fund will be diversified with a view to reducing market risk, the investments of a Sub-Fund will remain subject to fluctuations in market variables and the risks inherent in investing in financial markets.

5.1.1 Economic risk

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular, industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes

may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

5.1.2 Interest rate risk

The performance of a Sub-Fund may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instruments will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. In particular, Duration Hedged Share Classes seek to limit the impact of interest rate movements by reference to a specified duration. However, it may not be possible or practical to hedge or reduce such risk at all times.

5.1.3 Foreign exchange and currency risk

Each Sub-Fund investing in securities denominated in currencies other than its Reference Currency may be subject to foreign exchange risk. As the assets of each Sub-Fund are valued in its Reference Currency, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in such other currencies. Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the Reference Currency. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

In addition, a Share Class that is denominated in a Reference Currency other than the Reference Currency of the Sub-Fund exposes the investor to the risk of fluctuations between the Reference Currency of the Share Class and that of the Sub-Fund. Currency Hedged Share Classes seek to limit the impact of such fluctuations through currency hedging transactions. However, there can be no assurance that the currency hedging policy will be successful at all times.

Unless otherwise provided in the Supplement, provision is made for the amount of the hedging to be between 95% and 105% of the total net assets of a Share Class in foreign currency. Changes in the market value of a Sub-Fund’s portfolio, as well as in Subscriptions and Redemptions of Shares in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Fund and the Investment Manager will then take all the necessary steps to bring the hedging back within the aforementioned limits. The hedging described has no effect on possible currency risks resulting from investments denominated in a currency other than the respective Sub-Fund's currency of account. This exposure is in addition to foreign exchange risk, if any, incurred by the Sub-Fund with respect to investments denominated in other currencies than its Reference Currency, as described above.

5.1.4 Credit risk

Sub-Funds investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk,

whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

When assessing the credit risk of a bond issue, the best rating among those provided by the rating agencies should be taken into consideration. When the rating of a bond issue is not available, the issuer's rating is taken into consideration, unless differently specified in the respective Supplement.

5.1.5 Volatility

The volatility of a financial instrument is a measure of the variations in the price of that instrument over time. A higher volatility means that the price of the instrument can change significantly over a short time period in either direction. Each Sub-Fund may make investments in instruments or markets that are likely to experience high levels of volatility. This may cause the Net Asset Value per Share to experience significant increases or decreases in value over short periods of time.

5.1.6 Leverage

Leverage refers to the use of borrowed funds or financial derivative instruments to increase exposure to an asset in excess of the capital amount invested in that asset. Each Sub-Fund is subject to strict restrictions on borrowings which are generally not permitted for investment purposes. However, in accordance with its investment objective and policy, a Sub-Fund may use financial derivative instruments to gain additional market exposure to underlying assets in excess of its Net Asset Value, thereby creating a leverage effect. While leverage presents opportunities for increasing gains of a Sub-Fund, it also has the effect of potentially increasing losses incurred by the Sub-Fund. The maximum expected level of leverage of each Sub-Fund calculating its global exposure under the VaR approach is disclosed in the Supplement. For regulatory purposes, leverage must be calculated by reference to the gross notional amounts of the derivatives use. A relatively high notional amount may be required in order to achieve the desired level of exposure to the underlying assets. This may be the case in particular for short-term interest rate derivatives to the extent their sensitivity to interest rate changes is low relative to other assets.

5.1.7 Short positions

Certain Sub-Funds may use financial derivative instruments in order to obtain a short exposure to certain securities or other assets. A synthetic short position replicates the economic effect of a transaction in which a fund sells a security or asset it does not own but has borrowed, in anticipation that the market price of that security or asset will decline. When a Sub-Fund initiates such a synthetic short position in a security or asset that it does not own, it enters into a derivative-based transaction with a counterparty or broker-dealer and closes that transaction on or before its expiry date through the receipt or payment of any gains or losses resulting from the transaction. If the price of the security or asset on which the synthetic short position is written increases between the time of the initiation of the synthetic short position and the time at which the position is closed, the Sub-Fund will incur a loss; conversely, if the price declines, the Sub-Fund will realise a gain. Any gain will be decreased and any loss increased by transactional costs and fees. Although a Sub-Fund's gain is limited to the price at which it opened the synthetic short position, its potential loss may be substantially higher. Stop loss

policies are typically employed to limit losses. Each Sub-Fund is required to maintain sufficiently liquid assets to cover any obligations arising from its short positions at any time.

5.1.8 Liquidity risk

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In principle, each Sub-Fund will only make investments for which a liquid market exists or which can otherwise be sold, liquidated or closed at any time within a reasonable period of time. However, in certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments.

In addition, a Sub-Fund may invest in financial instruments traded over-the-counter or OTC, which generally tend to be less liquid than instruments that are listed and traded on exchanges. Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

5.1.9 Counterparty risk

Counterparty risk refers to the risk of loss for a Sub-Fund resulting from the fact that the counterparty to a transaction entered into by the Sub-Fund may default on its contractual obligations. There can be no assurance that an issuer or counterparty will not be subject to credit or other difficulties leading to a default on its contractual obligations and the loss of all or part of the amounts due to the Sub-Fund. This risk may arise at any time the assets of a Sub-Fund are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. For instance, counterparty risk may arise when a Sub-Fund has deposited cash with a financial institution, invests into debt securities and other fixed income instruments, enters into OTC financial derivative instruments, or enters into securities lending, repurchase and reverse repurchase agreements.

If the Sub-Fund enters into an agreement with a counterparty where the Sub-Fund receives an outstanding amount, there is a counterparty risk. This means a risk that the counterparty breaches the contract and cannot pay. There is also counterparty risk by investing in depositary receipts (such as ADR or GDR).

5.2 Risks associated with investment decisions

5.2.1 Risks associated with investments in Emerging Markets

Emerging markets include almost all countries in Latin America, Asia (but not Japan, Hong Kong and Singapore), Eastern Europe and Africa ("**Emerging Markets**"). Investments in Emerging Markets are associated with particular risks that do not exist to the same extent in the developed markets. This also applies when the issuer of an instrument has its place of business or operates the majority of its business in such a country. Investment in instruments from Emerging Market issuers is therefore often of a more speculative character and should only be made by persons familiar with these risks.

Sub-Funds may invest in both developed and Emerging Markets countries according to the investment policy described in the relevant Supplement. The risks associated therewith are listed in the following. For the reasons mentioned, a Sub-Fund investing in Emerging Markets is particularly suitable for risk-conscious investors.

Certain Emerging Markets countries may be characterised by political instability, relatively uncertain financial markets, relatively uncertain economic developments and equity and bond markets undergoing development. An unstable political system involves an increased risk of sudden and fundamental economic and political changes. Corruption is widespread in several Emerging Market countries. For investors this may have the consequence that assets are nationalised, that ownership of assets is restricted or that state monitoring and control mechanisms are introduced.

Emerging Markets are at an early stage of development and suffer from higher risks of expropriation and nationalisation, as well as social, political and economic instability.

The following is an overview of the general risks associated with investing in the Emerging Markets:

- Counterfeit securities – due to inadequate supervisory structures, it is possible that securities purchased by the relevant Sub-Fund could be counterfeit. It is therefore possible to suffer losses.

- Illiquidity – the buying and selling of securities can be costlier, more time-consuming and generally more difficult than on more developed markets. The market liquidity in Emerging Markets may decline due to economic and political changes or natural disasters. The effect may also be lasting. Difficulties with liquidity can also increase price volatility. Many Emerging Markets are small, have low trading volumes and suffer from low liquidity and high price volatility.

- Volatility – investments in emerging markets may post more volatile performances than those in developed markets.

- Currency, equities and bonds fluctuations – compared to the relevant Sub-Fund's reference currency (EUR), the currencies of countries in which the relevant Sub-Fund invests may be subject to substantial fluctuations after the Sub-Fund has invested in these currencies. Further, equities and bonds from Emerging Markets are often exposed to wide and unforeseen fluctuations.

- Such fluctuations may have a significant impact on the relevant Sub-Fund's income. It is not possible to apply currency risk hedging techniques to all currencies in Emerging Market countries.

- Currency export restrictions – it cannot be ruled out that Emerging Markets may limit or temporarily suspend the export of currencies, as some Emerging Markets countries have either already implemented restrictions with respect to export of currency and equity and bond trading or may do so at short notice. Consequently, it would not be possible for the relevant Sub-Fund to draw any sales proceeds without delays. To minimise the possible impact on redemption applications, the relevant Sub-Fund will invest in a large number of markets.

- Settlement and custody risks – the settlement and custody systems in Emerging Market countries are less well developed than those in developed markets.

Standards are not as high and the supervisory authorities not as experienced. This may cause errors in the settlement and delays in delivery and performance of agreements, and thereby posing disadvantages for liquidity and securities.

- Restrictions on buying and selling – in some cases, Emerging Markets can place restrictions on the purchase of securities by foreign investors. Some equities are thus not available to the relevant Sub-Fund because the maximum number allowed to be held by foreign shareholders has been exceeded. In addition, the participation of foreign investors in the net income, capital and distributions may be subject to restrictions or government approval. Emerging Markets may also limit the sale of securities by foreign investors. Should the relevant Sub-Fund be barred due to such a restriction from selling its securities in an Emerging Market, it will try to obtain an exceptional approval from the relevant authorities or to counter the negative impact of this restriction through its investments in other markets. The relevant Sub-Fund will only invest in markets in which the restrictions are acceptable. However, it is not possible to prevent additional restrictions from being imposed.

- Accounting – the accounting, auditing and reporting standards, methods, practices and disclosures required of companies in emerging markets differ from those in Developed Markets in terms of content, quality and the deadlines for providing information to investors. It may thus be difficult to correctly evaluate the investment options.

- Regulatory and judicial risk – in some Emerging Markets countries there is an increased regulatory and judicial risk. Insufficient supervision of financial markets may mean that legal requirements cannot or can only with difficulty be enforced. Moreover, because of insufficient legal experience, there may be great uncertainty with regard to the matter of law.

5.2.2 Risks associated with investments in China

a) Stock Connect

The Stock Connect (currently comprising of the Shanghai Stock Connect and the Shenzhen Stock Connect), is a securities trading and clearing linked program developed by the Hong Kong Exchanges and Clearing Limited ("**HKEX**"), the Shanghai Stock Exchange ("**SSE**"), the Shenzhen Stock Exchange ("**SZSE**") and ChinaClear with an aim to achieve the mutual stock market access between the People's Republic of China ("**PRC**") and Hong Kong. The Shanghai Stock Connect and the Shenzhen Stock Connect are operated independently from each other, but are similar in respect to the fundamental principles, operational mechanism and regulatory framework.

The Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors, such as the Fund, through its Hong Kong brokers and a securities trading service company established by the Stock Exchange of Hong Kong Limited ("**SEHK**"), respectively in Shanghai (for trading under the Shanghai Stock Connect) and Shenzhen (for trading under the Shenzhen Stock Connect), may be able to trade certain eligible China A-Shares listed on SSE/SZSE by routing orders to SSE/SZSE. Under the Southbound trading link, investors in the PRC will be able to trade certain stocks listed on SEHK. Under a joint announcement issued by the Securities and Futures Commission ("**SFC**") and the China Securities Regulatory Commission ("**CSRC**") on

10 November 2014, the Shanghai Stock Connect commenced trading on 17 November 2014. The Shenzhen Stock Connect commenced trading on 5 December 2016.

Under the Stock Connect, the Fund, through its Hong Kong brokers may trade certain eligible shares listed on SSE/SZSE. As for trading on SSE, the eligible China A-Shares include all the constituent stocks from time to time of the SSE 180 Index and the SSE 380 Index, and all the SSE listed A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK (companies that issue both A-Shares on SSE/SZSE and H-Shares on SEHK are referred to as "A+H Shares Companies"). As for trading on SZSE, the eligible China A-Shares include all constituent shares of the SZSE Constituent Index and the SZSE Small/Mid Cap Innovation Index issued by a company with a market capitalisation of RMB6 billion or above, all eligible shares on the ChiNext markets, and China A-Shares issued by A+H Shares Companies listed on SZSE. SSE/SZSE-listed shares which are not traded in Renminbi ("**RMB**") and SSE/SZSE-listed shares which are included in the "risk alert board" or under suspension of listing are explicitly excluded from the eligible shares under the Stock Connect. It is expected that the list of eligible securities will be subject to review and adjustment (in particular, the adjustment along with the changes of the constituent China A-Shares in the relevant indices).

The Hong Kong Securities Clearing Company Limited ("**HKSCC**"), a wholly-owned subsidiary of HKEX, and ChinaClear are responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A-Shares traded through the Stock Connect are issued in scripless form, and investors will not hold any physical China A-Shares.

Although HKSCC does not claim proprietary interests in the SSE/SZSE securities held in its omnibus stock account in ChinaClear, ChinaClear as the share registrar for SSE/SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE/SZSE securities. Stock Connect trades are settled in RMB and investors must have timely access to a reliable supply of RMB in Hong Kong, which cannot be guaranteed.

In addition to paying trading fees, levies and stamp duties in connection with trading in the China A-Shares, the Sub-Funds investing via the Stock Connect may be subject to new fees arising from trading of the China A-Shares via the Stock Connect which are yet to be determined and announced by the relevant authorities.

Sub-custody risk (Hong Kong)

As it is legally required that the participants of the Stock Connect have a local presence, the Depositary may open accounts with a sub-custodian in Hong Kong. The risks which are associated with investments in China include specific legal risks linked to compulsory requirements of HKSCC and ChinaClear for custody of securities on a cross-border basis. The respective accounts may either be segregated at the level of the Sub-Funds or structured as client assets omnibus accounts of the Depositary with the sub-custodian as further described below. In the case of its insolvency, shareholders are thus exposed to the risk of the sub-custodian not being able to fully meet its obligation to return in a short time frame all assets of the Fund held at the sub-custodian. Shareholders should further note that there may be delays in settlement and/or uncertainty in relation to the ownership of a Sub-Fund's investments which could affect the Sub-Fund's liquidity and which could lead to investment losses.

Liquidity and Volatility Risk

The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, China A-Shares. The price at which securities may be purchased or sold by the relevant Sub-Funds and the Net Asset Value of such Sub-Funds may be adversely affected if trading markets for China A-Shares are limited or absent. The China A-Share market may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention). Market volatility and settlement difficulties in the China A-Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the relevant Sub-Funds.

Suspension Risk

It is contemplated that both SEHK and SSE/SZSE have the right to suspend or limit trading in any security traded on the relevant exchange if necessary for ensuring an orderly and fair market and that risks are managed prudently. In particular, trading in any China A-Share security on SSE/SZSE is also subject to the trading band limits applicable to each China A-Share. Any trading suspension and/or trading band limit may render it impossible for the relevant Sub-Funds to liquidate positions and could thereby expose the Sub-Funds to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Sub-Funds to liquidate positions at a favourable price, which could thereby expose the affected Sub-Funds to significant losses. Finally, where a suspension is effected, the relevant Sub-Funds' ability to access the PRC market will be adversely affected.

Quota and Other Limitations

Although the Stock Connect is the first program allowing non-Chinese investors to trade the China A-Shares without a license and there is no longer an aggregate quota limitation, trading of China A-Shares through the Stock Connect is still subject to a daily quota ("**Daily Quota**"), which limits the maximum net buy value of cross-boundary trades under the Stock Connect each day. Northbound trading and Southbound trading under each of the Shanghai Stock Connect and the Shenzhen Stock Connect will be subject to a separate set of Daily Quota. The Northbound Daily Quota for each of the Shanghai Stock Connect and the Shenzhen Stock Connect is currently and respectively set at RMB52 billion. Quota limitations may prevent the Sub-Funds from purchasing the Stock Connect securities when it is otherwise advantageous to do so. In particular, once the remaining balance of the relevant Daily Quota drops to zero or the Daily Quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance).

Differences in Trading Day

Because Stock Connect trades are routed through Hong Kong brokers and the SEHK, Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it is possible that there are occasions when it is a normal trading day for the PRC market but the relevant Sub-Funds cannot carry out any China A-Shares trading via the Stock Connect. As a result, prices of the relevant China A-Shares may fluctuate at times when the Sub-Funds are unable to add to or exit its position.

Additionally, an investor cannot sell the securities purchased on the current trading day on SSE/SZSE, which may restrict the Sub-Funds' ability to invest in China A-Shares through Stock Connect and to enter into or exit trades where it is advantageous to do so on the same trading day.

Eligibility of Shares

Only certain China A-Shares are eligible to be accessed through Stock Connect. Such securities may lose their eligibility at any time. When a China A-Share is recalled from the scope of eligible shares for trading via the Stock Connect, the China A-Share can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Sub-Funds, for example, if the Adviser wishes to purchase a China A-Share which is recalled from the scope of eligible shares.

Operational Uncertainty

Because Stock Connect is relatively new, its effects on the market for trading China A-Shares are uncertain. In addition, the trading, settlement and IT systems required to operate Stock Connect are relatively new and continuing to evolve. In particular, the Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems do not function properly, trading through Stock Connect could be disrupted and the relevant Sub-Funds' ability to access the China A-Share market may be adversely affected and the Sub-Funds may not be able to effectively pursue their respective investment strategy.

Other Legal and Regulation Risks

Stock Connect is subject to regulation by both Hong Kong and China. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change and there can be no assurance that the Stock Connect will not be abolished. There can be no assurance that further regulations will not affect the availability of securities in the program, the frequency of redemptions or other limitations. Additional shareholder restrictions and disclosure requirements might also be applicable to the Company as a result of their investments in China A-Shares via Stock Connect.

Legal/Beneficial Ownership

In China, Stock Connect securities are held on behalf of ultimate investors (such as the Fund) by the HKSCC as nominee. HKSCC in turn holds the SSE/SZSE shares, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear. While Chinese regulators have affirmed that the ultimate investors hold a beneficial interest in Stock Connect securities, the law surrounding such rights is in its early stages and the mechanisms that beneficial owners may use to enforce their rights are untested and therefore pose uncertain risks. Further, courts in China have limited experience in applying the concept of beneficial ownership and the law surrounding beneficial ownership will continue to evolve as they do so. There is accordingly a risk that as the law is tested and developed, the Company's ability to enforce its ownership rights may be negatively impacted. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE/SZSE shares will be regarded as held for the beneficial ownership of the Sub-Funds or as part of the general assets of HKSCC available for general distribution to its creditors. Furthermore, the Company may not be able to participate in corporate actions affecting Stock Connect securities due to time constraints or for other operational reasons.

Similarly, the Company will not be able to vote in shareholders' meetings except through HKSCC and will not be able to attend shareholders' meetings.

Clearing and Settlement Risk

ChinaClear and HKSCC have established the clearing links and each becomes a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in SSE/SZSE shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Sub-Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

Pre-Trade Requirements and Special Segregated Accounts

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE/SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a Sub-Fund intends to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its broker(s) before the market opens on the day of selling (the "**trading day**"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, a Sub-Fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

In addition, as the broker(s) of the Fund will hold and safekeep the Chinese A-Shares before the trading day, there is a risk that the creditors of the broker(s) will seek to assert that the Chinese A-Shares are owned by the brokers rather than the Sub-Funds if it is not made clear that the broker(s) act as a custodian in respect of the Chinese A-Shares for the benefit of the Sub-Funds.

Alternatively, if a Sub-Fund maintains its SSE/SZSE shares with a custodian which is a custodian participant or general clearing participant participating in the Hong Kong Central Clearing and Settlement System ("**CCASS**"), the Fund may request such custodian to open a special segregated account ("**SPSA**") in CCASS to maintain its holdings in SSE/SZSE shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connect system to verify the holdings of an investor such as a Sub-Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the relevant Sub-Fund's sell order, the Sub-Fund will only need to transfer SSE/SZSE shares from its SPSA to its broker's account after execution and not before placing the sell order and the Sub-Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer of China A-Shares to its brokers in a timely manner.

In addition, these pre-trade requirements may, as a practical matter, limit the number of brokers that the Sub-Funds may use to execute trades. In relation to transactions executing through a SPSA order, the Fund, as the investor, may at most designate 20 brokers currently. While the Sub-Funds may use SPSA in lieu of the pre-trade check, many market participants have yet to fully implement IT systems necessary to complete trades involving securities in such accounts in a timely manner. Market practice as well as governmental policies with respect to SPSA is continuing to evolve.

b) China Interbank Bond Market

China Interbank Bond Market ("**CIBM**") is an OTC market outside the two main stock exchanges in the People's Republic of China ("**PRC**") (i.e. SSE and SZSE) and was established in 1997. On CIBM, institutional investors (including domestic institutional investors but also QFIs as well as other offshore institutional investors, subject to authorization) trade sovereign, government and corporate bonds on a one-to-one quote-driven basis. CIBM accounts for more than 95% of outstanding bond values of total trading volume in the PRC as of 2019.

The main debt instruments traded on CIBM include government bonds, financial bonds, corporate bonds, bond repo, bond lending, People's Bank of China ("**PBOC**") bills, and other financial debt instruments.

CIBM is regulated and supervised by PBOC. PBOC is responsible inter alia for establishing listing, trading, functioning rules applying to CIBM and supervising the market operators of CIBM, and CSRC is responsible for taking enforcement actions against illegal activities on CIBM. CIBM facilitates two trading models: (i) bilateral negotiation and (ii) click-and-deal. Under the China Foreign Exchange Trading System ("CEFTS"), which is the unified trading platform for CIBM, negotiation is applied to all inter-bank products while one-click trading is only applied to spot bonds and interest rate derivatives.

The market-maker mechanism, whereby an entity ensures bilateral quotations for bonds, was officially introduced in 2001 to improve market liquidity and enhance efficiency. Deals through market making can enjoy benefits such as lower trading and settlement costs.

Bond transactions must be conducted by way of bilateral trading through independent negotiations and be concluded on a transaction by transaction basis. Bid and ask prices for primary bond transactions and repurchase interest rates must be determined independently by the parties to the transaction. Both parties to a transaction shall typically, in accordance with the contract, promptly send instructions for delivery of bonds and funds, and shall have sufficient bonds and funds for delivery on the agreed delivery date.

China Central Depository & Clearing Co., Ltd ("**CCDC**") or Shanghai Clearing House ("**SHCH**"), depending on where bonds are deposited, will deliver bonds on time according to the instructions matching with elements sent by both parties to a transaction. Fund clearing banks (e.g. settlement agent banks of foreign institutional investors) will handle the transfer and settlement of bond transaction payments on behalf of participants in a timely manner. CCDC is also the central securities depository (the "**CSD**") for bonds and the only institution authorised by the Chinese Ministry of Finance to act as depository for government securities.

Investors should be aware that trading on CIBM exposes the Fund to increased counterparty, sub-custody and liquidity risks.

In addition to opening an account in China to access the CIBM (the so called "**direct CIBM access**"), some Sub-Funds may invest in the bonds tradable in the PRC ("**Bond Connect**

Securities") through connection between the PRC and Hong Kong financial infrastructure institutions ("**Bond Connect**").

Regulatory risk

Any laws, rules, regulations, policies, notices, circulars or guidelines published or applied by any of the Bond Connect Authorities (as defined below) are subject to change from time to time in respect of Bond Connect or any activities arising from Bond Connect (the "**Applicable Bond Connect Laws and Rules**") and there can be no assurance that Bond Connect will not be abolished. The relevant Fund may be adversely affected as a result of any change in the Applicable Bond Connect Laws and Rules. "Bond Connect Authorities" refers to the exchanges, trading systems, settlement systems, governmental, regulatory or tax bodies which provide services and/or regulate Bond Connect and activities relating to Bond Connect, including, without limitation, the PBOC, the Hong Kong Monetary Authority ("**HKMA**"), the Hong Kong Exchanges and Clearing Limited, CFETS, the Central Moneymarkets Unit of the HKMA ("**CMU**"), CCDC and SHCH and any other regulator, agency or authority with jurisdiction, authority or responsibility in respect of Bond Connect.

No off-market transfer

Pursuant to the Applicable Bond Connect Laws and Rules, the transfer of Bond Connect Securities between two members of CMU and between two CMU sub-accounts of the same CMU Member is not allowed.

No amendment of orders, limited cancellation of orders

Pursuant to the Applicable Bond Connect Laws and Rules, instructions relating to sell and buy orders for Bond Connect Securities may only be cancelled in limited circumstances pursuant to the Applicable Bond Connect Laws and Rules and that instructions may not be amended.

Hedging Activities

Hedging activities are subject to the Applicable Bond Connect Laws and Rules and any prevailing market practice and there is no guarantee that the Fund will be able to carry out hedging transactions at terms which are satisfactory to the Management Company, the relevant Investment Adviser and the relevant Sub-Adviser. The Fund may also be required to unwind its hedge in unfavourable market conditions.

Tax

The treatment of tax under the Applicable Bond Connect Laws and Rules is not entirely clear. Accordingly, where the Applicable Bond Connect Laws and Rules require a custodian/ clearing house / any other agent stipulated by such rules to withhold any tax, or where such custodian / clearing house / any other agent has a reasonable basis for believing that such withholding may be required, the custodian / clearing house / any other agent may do so at the rate required by the regulation, or if in the custodian's opinion the Applicable Bond Connect Laws and Rules are not very clear on the rate, at such rate as the custodian/ clearing house / any other agent may, reasonably determine to be appropriate. Tax may be withheld on a retroactive basis.

Nominee Holding Structure

Bond Connect Securities will be held by CMU, opening two nominee accounts with CCDC and SHCH. While the distinct concepts of "nominee holder" and "beneficial owner" are generally

recognized under the Applicable Bond Connect Laws and Rules, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies or other legal proceedings.

5.2.3 Sustainability Risks

Sustainability Risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability Risks may have an impact on long-term risk adjusted returns for investors. Assessment of Sustainability Risks is complex and may be based on environmental, social, or governance data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed. Consequent impacts to the occurrence of Sustainability Risks can be many and varied according to a specific risk, region or asset class. Generally, when Sustainability Risks occurs for an asset, there will be a negative impact and potentially a total loss of its value and therefore an impact on the net asset value of the concerned Sub-Fund.

Such Sustainability Risks are principally linked to climate-related events resulting from climate change (i.e. physical risks) or to the society's response to climate change (i.e. transition risks), which may potentially affect the Sub-fund's returns. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

In general, where a Sustainability Risk occurs in respect of an asset, there will be a negative impact on, or entire loss of, its value. As such, for a company in which the Sub-fund invests, this may be because of damage to its reputation resulting in a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A company may also suffer the impact of fines and other regulatory sanctions. The time and resources of the company's management team may be diverted from furthering its business into dealing with the Sustainability Risk event, including changes to business practices and dealing with investigations and litigation. Sustainability Risk events may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by companies to which the Sub-Fund is exposed may also be adversely impacted by a Sustainability Risk event.

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country.

5.2.4 Risks associated with certain financial instruments and investment techniques

a) Equities

The risks associated with investments made in equities and other similar transferable securities can be summarised as follows: sharp fluctuations in market price, negative information on issuers or markets and subordination of equities to bonds issued by the same enterprise.

Potential investors should also consider fluctuations in exchange rates, the possibility of controls on foreign exchange currencies and other restrictions.

b) Debt securities and bonds

The risks associated with investments made in bonds and other similar transferable securities can be summarised as follows: interest rate risk, credit risk, liquidity risk and currency risk.

The value of debt securities may change significantly depending on economic and interest rate conditions as well as the credit worthiness of the issuer. Issuers of debt securities may fail to meet payment obligations or the credit rating of debt securities may be downgraded. These risks are typically increased for sub-investment grade debt securities which may also be subject to higher volatility and lower liquidity than investment grade debt securities.

c) High-yield bonds

Investing in debt instruments involves interest-rate, sector, security and credit risk. Compared with investment-grade bonds, high-yield bonds generally attract a lower rating and usually offer higher yields in order to offset the lower credit rating or higher default risk associated with these securities. High-yield bonds involve a greater risk of capital erosion through default or in the case of an effective interest rate that is below the current rate of interest. Economic conditions and changes in the level of interest rates may have a considerable impact on the value of these bonds.

In addition, high-yield bonds may be exposed to greater credit or default risk than bonds with a high rating. These bonds tend to react more to developments affecting market and credit risk than securities with a higher rating. The value of high-yield bonds may be negatively affected by overall economic conditions, such as an economic downturn or a period of rising interest rates. High-yield bonds may be less liquid and more difficult to sell or value at a favourable point in time or price than bonds with a higher rating. In particular, high-yield bonds are often issued by smaller, less creditworthy and more indebted companies that are generally less able to pay capital and interest on schedule than financially sound companies.

d) Units of UCITS and/or other UCIs (including ETFs)

By investing in collective investment vehicles indirectly through a Sub-Fund, the investor will bear not only his proportionate share of the management fee of the Sub-Fund, but also indirectly, the management and administration expenses of the underlying collective investment vehicles. In the case of investment in closed-ended investment vehicles, shares may at times be acquired only at market prices representing premiums to their net asset values. Shares of such collective investment vehicles will be valued at their last available stock market value. Closed-ended investment vehicles which are not subject in their country of origin to permanent supervision by a supervisory authority set up by law in order to ensure the protection of investors may expose the Sub-Fund investing in them to additional risks than if they were investing in collective investment vehicles established in other jurisdictions more protective of the investors (for instance, less frequent opportunities for disposal, delayed payment or non-receipt of settlement monies, or less protective judicial structures).

The Sub-Funds may invest in shares of collective investment schemes including exchange traded funds, closed-ended funds and UCITS – collectively, underlying funds. These funds may be advised or sub-advised by the Investment Manager, an affiliate manager or by an unaffiliated manager. The ability of a Sub-Fund to invest in shares of an underlying fund or funds to achieve its investment objective may be directly related to the ability of the underlying funds to meet their investment objectives. The Sub-Fund will be exposed to the risks to which

the underlying funds are exposed. These risks may include liquidity risk where the ability of the Sub-Fund to meet the liquidity requirements of its investment is directly linked to the ability of the underlying funds to meet their liquidity requirements.

e) Financial derivative instruments traded on a regulated market

Due to the possible use of financial derivative instruments for investment and hedging purposes and in the interest of an efficient management of its assets, investors may be exposed to greater risks and no assurance can be given that the objective sought from such use will be achieved. In particular, the markets in financial derivative instruments can be volatile and the possibility to realise gains, as well as the risk to suffer losses, may be higher than with investments in securities.

While the prudent use of financial derivative instruments may be beneficial, financial derivative instruments are also subject to different risks that, in certain cases, may be greater than the risks associated with more traditional investments. These include: market risk, which is associated with all types of investment; management risk, as the use of financial derivative instruments requires understanding not just of the underlying but also of the financial derivative instrument itself; credit risk, which is the result of the default risk, if the counterparty to the financial derivative instrument fails to respect the terms of the derivatives contract.

The credit risk for financial derivative instruments traded on a regulated market is generally lower than for OTC derivatives, because the clearing agents, which assume the function of issuer or counterparty in relation to each derivative traded over the counter, assume a performance guarantee. This guarantee is provided via the margin deposit requirements for purposes of reducing global credit risk. In the case of financial derivative instruments traded over-the-counter, there is no comparable clearing agent. As a result, the rating of each counterparty must be analysed in order to evaluate the potential credit risk.

The other risks associated with using financial derivative instruments include the valuation risk or the impossibility of perfectly correlating financial derivative instruments with the underlying assets and indices.

f) OTC financial derivative instruments

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC financial derivative instruments (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC financial derivative instruments may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not *bona fide*) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to a Fund.

The Fund may enter into OTC financial derivative instruments cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC financial derivative instruments, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly report to the particular Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation 648/2012 on OTC financial derivative instruments, central counterparties and trade repositories (also known as the "**European Market Infrastructure Regulation**" or "**EMIR**") requires certain eligible OTC financial derivative instruments to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC financial derivative instruments which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Fund. More precisely, the Fund will generally, to the extent required by law, require the counterparty to an OTC financial derivative instrument to post collateral in favour of a Sub-Fund representing, at any time during the lifetime of the agreement, up to 100% of a Sub-Fund's exposure under the transaction, and the Fund will be required to do so vice-versa. This guarantee is provided via the margin deposit requirements for purposes of reducing global credit risk. As a result, the rating of each counterparty must be analysed in order to evaluate the potential credit risk.

Investors should be aware that the regulatory changes arising from EMIR and other applicable laws requiring central clearing of OTC financial derivative instruments may in due course adversely affect the ability of the Sub-Funds to adhere to their respective investment policies and achieve their investment objective.

Investments in OTC financial derivative instruments may be subject the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC financial derivative instruments, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded financial derivative instruments, which are standardised with respect to their terms and conditions, OTC financial derivative instruments are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC financial derivative instruments may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

g) Securities lending, repurchase and reverse repurchase transactions

Securities lending, repurchase or reverse repurchase transactions involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Fund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.

Securities lending, repurchase or reverse repurchase transactions also entail liquidity risks due, *inter alia*, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Sub-Fund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Fund to meet redemption requests. The Sub-Fund may also incur operational risks such as, *inter alia*, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

h) Collateral management

Counterparty risk arising from investments in OTC financial derivative instruments and securities lending, repurchase and reverse repurchase agreements is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Sub-Fund could realise a loss due, *inter alia*, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

i) High-yield bonds

Investing in debt instruments involves interest-rate, sector, security and credit risk. Compared with investment-grade bonds, high-yield bonds generally attract a lower rating and usually offer higher yields in order to offset the lower credit rating or higher default risk associated with these securities. High-yield bonds involve a greater risk of capital erosion through default or in the case of an effective interest rate that is below the current rate of interest. Economic conditions and changes in the level of interest rates may have a considerable impact on the value of these bonds. In addition, high-yield bonds may be exposed to greater credit or default risk than bonds with a high rating. These bonds tend to react more to developments affecting

market and credit risk than securities with a higher rating. The value of high-yield bonds may be negatively affected by overall economic conditions, such as an economic downturn or a period of rising interest rates. High-yield bonds may be less liquid and more difficult to sell or value at a favourable point in time or price than bonds with a higher rating. In particular, high-yield bonds are often issued by smaller, less creditworthy and more indebted companies that are generally less able to pay capital and interest on schedule than financially sound companies.

j) Convertible Bonds

Convertibles bonds ("**Convertible Bonds**") are subject to the risks associated with both bonds and company shares, and to risks specific to the asset class. Their value may change significantly depending on economic and interest rate conditions, the creditworthiness of the issuer, the performance of the underlying company shares and general financial market conditions. In addition, issuers of convertibles may fail to meet payment obligations and their credit ratings may be downgraded. Convertibles may also be less liquid than the underlying company shares.

k) Contingent Convertible Bond

In the framework of the banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent convertible bonds ("**CoCo**" or "**CoCos**"). A CoCo is a hybrid bond that, according to the relevant specific conditions, can either be converted into equity capital at a predetermined price, written off, or written down in value as soon as a predefined trigger event occurs. The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them. CoCos are also subject to trigger level risk. Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and / or accrued interest, or a conversion to equity. These triggering events may include (i) a deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding to inject capital. Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos. The Portfolio Manager of the Sub-Fund may find it difficult to foresee the triggers that would require the debt security to be converted into equity capital.

In addition, CoCos are subject to capital structure inversion risk. In the issuer's capital structure, CoCos are generally classed as subordinate in relation to traditional convertible bonds. In some cases, investors in CoCos may suffer a capital loss, while shareholders are only affected later or not at all.

A Sub-Fund investing in CoCos may be subject to industry concentration risk. Concentration in investments at certain times in large positions and in a relatively limited number of securities, sectors or regions will make the concerned Sub-Fund more subject to the risks associated with such concentration. The relevant Sub-Fund could be subject to significant losses if it holds a relatively large position in a single strategy, issuer, industry, market or a particular type of securities that declines in value and the losses could increase even further if the investments

cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

Also, investing in Cocos includes a potential liquidity risk as in certain circumstances finding a buyer on the spot for Cocos may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it and as further described under section 5.1.8. above.

It should also be noted that the use of CoCos is subject to return or valuation risk. The value of such instruments may be impacted by the mechanism through which the instruments are converted into equity or written-down which may vary across different securities which may have varying structures and terms. CoCo structures may be complex and terms may vary from issuer to issuer and bond to bond. The valuation of CoCos is influenced by many unforeseeable factors, e.g. the creditworthiness of the issuer and fluctuations in his capital ratios, the supply and demand for CoCos, the general market conditions and the available liquidity, or economic, financial and political events that have an impact on the issuer, the market in which he operates, or the financial markets in general.

CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative risk of different CoCos will depend on the difference between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written-down or converted into equity. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios.

Furthermore, CoCos are subject to the risk of coupon payment suspensions. Coupon payments on CoCos are at the discretion of the issue or its regulator, who may suspend such payments in full or in part, at any time and for whatever reason, for an indefinite period, without prior notice to bondholders.

Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right to claim the payment of any foregone interest which may impact the value of the relevant Sub-Fund.

Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos.

Coupon cancellation may also be mandatory under certain European directives and related applicable laws and regulations. This mandatory deferral may be at the same time that equity dividends and bonuses may also be restricted, but some CoCo structures allow the bank at least in theory to keep on paying dividends whilst not paying CoCo holders. Mandatory deferral is dependent on the amount of required capital buffers a bank is asked to hold by regulators.

The arbitrary suspension of payments is not deemed as payment default. It is not possible to call for the reintroduction of coupon payments or the subsequent payment of suspended payments. Coupon payments may also be subject to approval by the supervisory authority of the issuer and may be suspended if insufficient distributable reserves are available. As a result of the uncertainty regarding coupon payments, CoCos are volatile. A suspension of coupon

payments may result in drastic price drops. CoCos are also subject to a call extension risk. CoCos are perpetual instruments and may only be terminated on predetermined dates after approval by the competent supervisory authority. There is no guarantee that the capital that the Sub-Fund has invested in CoCos will be returned.

CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency and / or the access of the issuer to liquidity of the issuing financial institution.

Finally, CoCos are subject to unknown risk, since these instruments are relatively new and, as a result, the market and the regulatory environment for these instruments are still evolving. It is therefore uncertain how the CoCo market overall would react to a trigger or a coupon suspension relating to an issuer. Shareholders should be aware that there still is some uncertainty as to how CoCos may perform in a stressed environment. Depending on how the market views certain triggering events, as outlined above, there is the potential for price contagion and volatility across the entire asset class. Furthermore, this risk may be increased depending on the level of underlying instrument arbitrage and in an illiquid market, price formation may be increasingly difficult.

l) Asset-Backed/ Mortgage-Backed Securities (ABS/MBS)

Asset-backed securities (ABS) are securities issued by special purpose vehicles (SPV) and are backed by a pool of assets, such as corporate loans, auto, student, home equity and other loans, credit card receivables or similar that provide funds for interest payments to the ABS investors and for the repayment of the invested principal. In case of mortgage-backed securities (MBS), the securities are backed by a pool of mortgages. The SPV is established with the sole purpose to issue and administer the ABS/MBS and is fully independent from the entity granted the underlying receivables ("off-balance sheet"). One of the main purposes of ABS/MBS is to reallocate credit and prepayment risks among investors which is achieved by creating different tranches within the securities that have a senior-subordinated structure as regards the credit and pre-payment risks. The attention of the investors is drawn to the fact that the structure of the ABS/MBS and the pools backing them are often intransparent and the Sub-Fund may expose a greater credit and prepayment risks (extension or contraction risks) depending on which tranche of ABS/MBS is purchased by the Sub-Fund.

m) Structured products

Structured products, such as certificates, credit-linked notes, equity-linked notes or other similar products involve an issuer structuring the product whose value is intended to replicate, to track, to peg or to be linked in any other way to another security, a basket of securities, an index or to a direct or a synthetic position. To be eligible, the structured products must be sufficiently liquid and issued by first-class financial institutions (or by issuers that offer investor protection comparable to that provided by first-class financial institutions). Structured products must qualify as securities pursuant to Article 41 (1) of the 2010 Law and must be valued regularly and transparently on the basis of independent sources. If the source for valuation is not independent or done by the issuer itself, the Fund or an agent duly appointed by the Fund shall verify the valuation provided.

Different types of risk may apply to structured products since the term encompasses a broad scope of different structuring possibilities. Given that structured products are often unsecured and are only backed by the credit of the issuer, they are subject to credit risk of the issuer. In addition, the structured products may be highly customised. Accordingly, particular attention

shall be paid to whether the envisaged structured product is eligible for an investment and suits the Fund's investment objective and investment policy appropriately.

n) Real Estate Investment Trust

The risks of investing in Real Estate Investment Trusts ("**REITs**") include certain risks similar to those associated with the direct ownership of real estate and the real estate industry in general, including losses from casualty or condemnation, changes in local and general economic conditions, vacancy rates, interest rates, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, zoning laws, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences in addition to acts that destroy real property.

Some REITs may invest in a limited number of properties, in a narrow geographic area or in a single property type, which increases the risk that a fund could be unfavourably affected by the poor performance of a single investment or investment type. These companies are also sensitive to the management skill and creditworthiness of the issuer. Many issuers of real estate related securities are highly leveraged, which increases the risk to holders of such securities. The value of the securities the Fund buys will not necessarily track the value of the underlying investments of the issuers of such securities. In addition, REITs may also be affected by tax and regulatory requirements in that a REIT may not qualify for preferential tax treatments or exemptions.

o) Depositary Receipts

Depositary receipts such as ADR and GDR are instruments that represent shares in companies trading outside the markets in which the depositary receipts are traded. Accordingly whilst the depositary receipts are traded on recognised exchanges, there may be other risks associated with such instruments to consider, for example the shares underlying the instruments may be subject to political, inflationary, exchange rate or custody risks.

5.2.5 Risks associated with unrated securities

Unrated securities are financial instruments — such as bonds, notes, or other debt obligations — that do not have a credit rating assigned by an internationally recognized credit rating agency i.e. Moody's, Standard & Poor's or Fitch. Generally, these securities haven't been evaluated for creditworthiness by agencies and are perceived to be riskier due to the lack of transparency. Such securities are often found in private or less liquid markets where issuers choose not to pay for a rating. Unrated securities are more likely to react to developments affecting market and credit risk (as defined below) than more highly rated securities, which react primarily to movements in the general level of interest rates.

Investing in unrated securities carries several risks due to the absence of a formal credit rating such as:

Credit risk – without a rating, it's harder to assess the issuer's ability to repay. The issuer may have poor financial health or limited operating history and thus be unable to meet principal and interest payments on the obligations.

Market risk – unrated securities are subject to a higher price volatility due to their sensitivity towards interest rates, the market perception of the creditworthiness of the issuer and general market liquidity.

Liquidity risk – as the secondary market for unrated securities is concentrated in relatively few market makers, unrated securities are often less liquid and it may be difficult to sell them quickly or at a fair price. Under adverse market or economic conditions, the secondary market for unrated securities could contract further, independent of any specific adverse changes in the condition of a particular issuer.

Information asymmetry – limited public information makes due diligence more challenging. There may be access restrictions to full financial disclosures.

Higher default risk – issuers may be unable to service their debt obligations or to repay their obligations upon maturity. Many unrated securities are issued by smaller or less established entities wherein such issuers may be more vulnerable to economic downturns or recession.

5.3 Operational risk

Operational risk means the risk of loss for the Fund resulting from inadequate internal processes and failures in relation to people and systems of the Fund, the Management Company and/or its agents and service providers, or from external events, and includes legal and documentation risk and risk resulting from the trading, settlement and valuation procedures operated on behalf of the Fund.

5.3.1 Valuation

Certain Sub-Funds may hold investments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market. In addition, in certain circumstances, investments may become less liquid or illiquid. Such investments will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or liquidation prices of investments.

5.3.2 Laws and regulations

The Fund may be subject to a number of legal and regulatory risks, including contradictory interpretations or applications of laws, incomplete, unclear and changing laws, restrictions on general public access to regulations, practices and customs, ignorance or breaches of laws on the part of counterparties and other market participants, incomplete or incorrect transaction documents, lack of established or effective avenues for legal redress, inadequate investor protection, or lack of enforcement of existing laws. Difficulties in asserting, protecting and enforcing rights may have a material adverse effect on the Sub-Funds and their operations.

5.3.3 FATCA

FATCA provisions and related intergovernmental agreements ("**IGAs**"), including the IGA entered into between the U.S. and Luxembourg on March 28th, 2014 implemented into ("**FATCA Law**"), generally require certain Financial Institutions ("FIs") to report information concerning U.S. persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities. Such reporting is either made directly to the U.S. Internal Revenue Service or, in the case of an applicable IGA, directly to the IGA partner jurisdiction. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) as well as penalties.

The basic terms of the U.S.-Luxembourg IGA and the FATCA Law currently appear to include the Fund as an FI, such that in order to comply, the Fund may require all shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned FATCA Law.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Fund shall have the right to in example:

- Require any shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Fund in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;

- Divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority;

- Divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income;

Subscribers are informed that they are required to provide the UCI Administrator of the Fund with such information as is specified in the application form to enable the Fund or the designated service provider to assess the status of subscribers under FATCA, in order for any subscription or subsequent subscription application to be accepted for any Sub-Fund. The Fund or the designated service provider may require subscribers to provide any additional document it deems necessary to effect such assessment.

In case of delay or failure by a subscriber to provide the documents required, the application for subscription may not be accepted. Neither the Fund nor the UCI Administrator has any liability for delays or failure to process deals as a result of the subscriber providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated documents from time to time pursuant to ongoing client due diligence requirements under FATCA.

Investors should contact their own tax advisors regarding the application of FATCA to their particular circumstances.

5.3.4 CRS

Capitalized terms used in this section should have the meaning as set forth in the CRS Law, unless provided otherwise herein.

The Fund may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "**Standard**") and its Common Reporting Standard (the "**CRS**") as set out in the CRS-Law.

Under the terms of the CRS-Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions, the Fund will be required to annually report to the Luxembourg tax authority (the "**LTA**") personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors qualifying as Reportable Persons and (ii) Controlling Persons of certain non-financial entities ("**NFEs**") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS-Law (the "**Information**"), will include personal data related to the Reportable Persons.

The Fund's ability to satisfy its reporting obligations under the CRS-Law will depend on each investor providing the Fund with the Information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS-Law. The investors undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

The investors are further informed that the Information related to Reportable Persons within the meaning of the CRS-Law will be disclosed to the LTA annually for the purposes set out in the CRS-Law. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA.

Similarly, the investors undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data be not accurate. The investors further undertake to inform the Fund within thirty (30) days of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.
Any investor that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such investor's failure to provide the Information.

5.3.5 Base Erosion and Profit Shifting / Anti-Tax Avoidance Directives

It should be noted that fiscal policy and practice is constantly evolving and at present the pace of evolution has been quickened due to a number of developments. In particular, the Organisation for Economic Co-operation and Development together with the G20 countries have committed to address abusive global tax avoidance, referred to as base erosion and profit shifting ("BEPS") through 15 actions detailed in reports released on 5 October 2015. As part of the BEPS project, new rules dealing inter alia with the abuse of double tax treaties, the definition of permanent establishments, controlled foreign companies, a restriction on the deductibility of excessive interest and hybrid mismatch arrangements, are being introduced into respective domestic law of BEPS member states via EU directives and a multilateral instrument.

The Council of the European Union has adopted two Anti-Tax Avoidance Directives (being, Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market ("ATAD I") and Directive 2017/952/EU of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries ("ATAD II") that address many of the above-mentioned issues. The measures included in ATAD I were implemented into Luxembourg law on 21 December 2018 (the "ATAD I Law") and almost all of these measures are applicable since 1 January 2019. On 19 December 2019, the Luxembourg Parliament adopted the Luxembourg law implementing ATAD II ("ATAD II Law"). The ATAD II provisions apply as from fiscal years starting on or after 1 January 2020 (except for the provision targeting reverse hybrid mismatches, which apply as from fiscal years closing in 2022). The ATAD I Law and the ATAD II Law may have a material impact on how returns to shareholders for the Fund are taxed.

Furthermore, the "Multilateral Convention to Implement Tax Treaty Related Measures to prevent Base Erosion and Profit Shifting" ("MLI") was published by the OECD on 24 November 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing the results from the BEPS project into more than 2,000 double tax treaties worldwide. A number of jurisdictions (including Luxembourg) have signed the MLI. Luxembourg ratified the MLI through the law dated 7 March 2019 and deposited its instrument of ratification with the OECD on 9 April 2019. As such the MLI entered into force for

Luxembourg on 1 August 2019. Its application per double tax treaty concluded with Luxembourg will depend on the ratification by the other contracting state and on the type of tax concerned. Subsequent changes in tax treaties negotiated by Luxembourg could adversely affect the returns from the Fund to its shareholders.

5.3.6 Segregation of Sub-Funds

The Fund is a single legal entity incorporated as an "umbrella fund" comprised of separate Sub-Funds. Under Luxembourg law, each Sub-Fund represents a segregated pool of assets and liabilities. By operation of the law, the rights and claims of creditors and counterparties of the Fund arising in respect of the creation, operation or liquidation of a Sub-Fund will be limited to the assets allocated to that Sub-Fund meaning that the assets of a Sub-Fund can only be used to offset the liabilities which the Sub-Fund concerned has assumed. However, while these provisions are binding in a Luxembourg court, these provisions have not been tested in other jurisdictions, and a creditor or counterparty might seek to attach or seize assets of a Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds. Moreover, under Luxembourg law, there is no legal segregation of assets and liabilities between Share Classes of the same Sub-Fund. There is therefore a risk that, under certain circumstances, currency hedging transactions in relation to share classes which have "hedged" in their name could result in liabilities which might affect the net asset value of the other share classes of the same Sub-Fund. In the event that, for any reason, assets allocated to a Share Class become insufficient to pay for the liabilities allocated to that Share Class, the assets allocated to other Share Classes of the Sub-Fund will be used to pay for those liabilities. As a result, the Net Asset Value of the other Share Classes may also be reduced.

5.3.7 Cybersecurity related risks

With the reliance on data network and information systems and services, the Fund, the Management Company and/or any other service provider of the Fund might be subject to cybersecurity related risks. A cybersecurity related risk is the probability of exposure or loss resulting from a cyber-incident occurring on the Fund and/or any other service provider of the Fund. Cyber-incidents are breaches of the information security systems affecting the confidentiality, integrity and/or availability of data caused by external or internal threat actors or third parties.

Cyber incidents include, without limitation, cyberattack (e.g. identity fraud, service-session hijacking, malware and viruses, unsolicited email, data breach, denial of service attacks (DoS/DDoS), abuse of information leakages, compromising confidential information, manipulation of hardware and software, manipulation of information, abuse of authorisations, abuse of personal data, unauthorised activities, social engineering, remote activities, exploitation of software bugs), physical attack (e.g. sabotage, thefts, frauds, information leakages and sharing, unauthorised physical access to premises, briberies and corruptions, vandalism, bomb attacks), damage and loss of IT assets (e.g. damage caused by a third party, damages resulting from penetration testing, loss of information, loss of integrity of sensitive data, loss of reputation, loss, destruction of devices, storage media, power surges), failures and malfunctions (failure of parts of the devices, failure of devices or systems, failures or disruptions of communication links or networks, failures or disruptions of service providers, failures or disruptions of the power supply, malfunctions of parts of devices, malfunctions of devices or systems, software bugs, configuration errors) and unintentional damages and disasters (e.g. information sharing or leakages, erroneous use or administration of devices and systems, using information from unreliable sources, unintentional changes of data in an information system, inadequate designs and planning or lack of adaptations, natural disasters and environmental disasters).

Cyber incidents may adversely unable the Fund, the Management Company and/or any other service provider of the Fund to normally operate due to the unavailability and/or inaccessibility of information systems and/or loss of data. More generally, cyber incidents may notably result in financial losses, violation of applicable laws and regulations, fines, reputational damage, reimbursement or other compensation costs, and/or other additional compliance costs. The Fund may incur additional costs for cybersecurity risk management and remediation purposes.

In addition, cybersecurity related risks may also impact issuers of assets in which the Fund may invest, which may cause the Fund's investments in such issuers to lose value. There can be no assurance that the Fund will not suffer losses caused by cyber incidents in the future.

6. MANAGEMENT AND ADMINISTRATION

6.1 The Board of Directors

The members of the Board of Directors will be elected by the general meeting of Shareholders subject to the approval of the CSSF. The Board of Directors is vested with the broadest powers to act on behalf of the Fund and to take any actions necessary or useful to fulfil the Fund's corporate purpose, subject to the powers expressly assigned by law or the Articles of Association to the general meeting of Shareholders.

The Board of Directors is responsible for conducting the overall management and business affairs of the Fund in accordance with the Articles of Association. In particular, the Board of Directors is responsible for defining the investment objective and policy of the Sub-Funds and their risk profile, subject to the principle of risk diversification, and for the overall supervision of the management and administration of the Fund, including the selection and supervision of the Management Company and the general monitoring of the performance and operations of the Fund.

The Board of Directors has adopted and implemented a Code of Conduct which sets out the general governance principles and rules of conduct which the directors seek to apply in carrying out their duties.

For the current composition of the Board of Directors, please refer to the Directory.

6.2 The Management Company

The Fund has appointed the Management Company as its management company in accordance with the provisions of the 2010 Law pursuant to the Management Company Agreement.

UBS Asset Management (Europe) S.A. has been incorporated in Luxembourg on 1 July 2010 in the legal form of a public limited company (*société anonyme*) for unlimited duration. It is registered with the R.C.S. Luxemburg under number 154.210. Its registered office is in 33A, avenue J.F. Kennedy, L-1855 Luxembourg.

The articles of incorporation of the Management Company have been published by reference on 16 August 2010 in the Mémorial C.

The consolidated version of the articles of incorporation may be consulted at the Register of Trade and Companies (*Registre du commerce et des sociétés*) in Luxembourg. The corporate object of the Management Company is, inter alia, the management of Luxembourg undertakings for collective investment as well as the issue and redemption of shares of these products. At the date of this sales prospectus, in addition to the Company, the Management Company also manages other undertakings for collective investment. An up-to-date list of all UCITS currently managed by the Management Company is available on the following webpage: https://www.ubs.com/lu/en/asset_management.html. The share capital of the Management Company amounts to 13,750,000 EUR and is fully paid-in.

The Management Company is authorised and regulated by the CSSF in Luxembourg under Luxembourg law. The Management Company is an affiliated company of UBS AG. Its main business activity is to provide collective portfolio management services to the Fund and other funds and perform the functions of a UCITS management company in accordance with Luxembourg law. A list of the UCITS funds managed by the Management Company is available upon request at its registered office.

The relationship between the Fund and the Management Company is subject to the terms of the Management Company Agreement. Under the terms of the Management Company Agreement, the Management Company is responsible for the investment management and administration of the Fund as well as the marketing of the Shares, subject to the overall supervision of the Board of Directors. The Management Company is in charge of the day-to-day business activities of the Fund. The Management Company has authority to act on behalf of the Fund within its function.

For the purpose of a more efficient conduct of its business, the Management Company may delegate to third parties the power to carry out some of its functions on its behalf, in accordance with applicable laws and regulations of Luxembourg. The delegated functions shall remain under the supervision and responsibility of the Management Company and the delegation shall not prevent the Management Company from acting, or the Fund from being managed, in the best interests of the investors. The delegation to third parties is subject to the prior approval of the CSSF.

In conducting its activities, the Management Company shall act honestly and fairly, with due skill, care and diligence, in the best interests of the Fund, its investors, and the integrity of the market. In accordance with applicable laws and regulations, the Management Company has adopted and maintains sound internal governance, administrative and accounting procedures. It maintains effective, permanent and independent compliance and internal audit functions. The Management Company is organised in such a way as to minimise the risk of the Fund's interests being prejudiced by conflicts of interest between the Management Company and/or its clients.

The Management Company Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than 3 (three) calendar months' prior written notice. The Management Company Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Management Company Agreement contains provisions exempting the Management Company from liability and indemnifying the Management Company in certain circumstances. However, the liability of the Management Company towards the Fund will not be affected by any delegation of functions by the Management Company.

6.3 The Investment Manager

The Management Company has appointed Valori Asset Management Sa as Investment Manager of the Sub-Funds.

Valori Asset Management Sa, having its registered address at Viale Alessandro Volta 16, 6830, Chiasso, Switzerland, is authorized to act as investment manager under the prudential supervision of the Swiss regulator, *Eidgenössische Finanzmarktaufsicht* (FINMA) for collective investment in and outside Switzerland.

The relationship between the Management Company and the Investment Manager is subject to the terms of the Investment Management Agreement in place with the Investment Manager. Under the terms of the Investment Management Agreement, the Investment Manager has full discretion, subject to the overall review and control of the Management Company and, ultimately, the Board of Directors, to manage the assets of each Sub-Fund on a discretionary basis, in accordance with the investment objective and policy of the Sub-Funds and any additional investment restrictions or guidelines imposed by the Board of Directors. Within this function, the Investment Manager has authority to act on behalf of the respective Sub-Funds it manages.

The Investment Management Agreement has no fixed duration and each party may, in principle, terminate the Investment Management Agreement on not less than three (3) calendar months' prior written notice. The Investment Management Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Investment Management Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors.

The Investment Management Agreement contains provisions exempting the Investment Manager from liability and indemnifying the Investment Manager in certain circumstances. In particular, the Investment Manager will not be responsible for any loss of assets and investments of the Fund, except to the extent that such loss is due to the Investment Manager's negligence, wilful default or fraud or that of any of its directors, officers, employees or agents.

When explicitly specified in the respective Supplements, the Investment Manager may be provided with investment suggestions by an Investment Advisor, taking into account the investment objectives, the investment policy and the investment limits of the Sub-Funds. The Investment Advisor has no decision-making power in terms of the implementation of these investment suggestions.

6.4 The Global Distributor

The Management Company has appointed Valori Asset Management Sa as the Global Distributor of the Fund pursuant to the Global Distribution Agreement.

Valori Asset Management Sa, whose registered office is at Via Alessandro Volta 16, 6830 Chiasso, Switzerland, is a public limited company incorporated under the laws of Switzerland. The Global Distributor is authorised and regulated by the Swiss regulator, *Eidgenössische Finanzmarktaufsicht* (FINMA) in Switzerland.

The relationship between the Management Company and the Global Distributor is subject to the terms of the Global Distribution Agreement. Under the terms of the Global Distribution Agreement, the Global Distributor is responsible for the marketing and distribution of the Shares. The Global Distributor has the authority to appoint distributor(s) and sales agents on behalf of the Fund to market and distribute the Shares.

The Global Distribution Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) calendar months' prior written notice, unless otherwise specified in the Global Distribution Agreement. The Global Distribution Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Global Distribution Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The Global Distribution Agreement contains provisions exempting the Global Distributor from liability and indemnifying the Global Distributor in certain circumstances. However, the liability of the Global Distributor towards the Management Company will not be affected by any delegation of functions by the Global Distributor.

The Fund and the Management Company expect that, in relation to Shares to be offered to investors, the Global Distributor and any other relevant Distributor(s) will offer to enter into arrangements with the relevant investors to provide nominee services to those investors in relation to the Shares or arrange for third party nominee service providers to provide such nominee services to the underlying investors.

All Distributor(s) that are entitled to receive subscription monies and/or subscription, redemption or conversion orders on behalf of the Fund and nominee service providers must be (i) professionals of the financial sector of a FATF member country which are subject under their local regulations to anti money laundering rules equivalent to those required by Luxembourg law or (ii) professionals established in a non-FATF member State provided they are a subsidiary of a professional of the financial sector of a FATF member State and they are obliged to follow anti money laundering and terrorism financing rules equivalent to those required by Luxembourg law because of internal group policies. Whilst and to the extent that such arrangements subsist, such underlying investors will not appear in the Register and will have no direct right of recourse against the Fund.

Any Distributor(s) or nominee service providers holding their Shares through Euroclear or Clearstream or any other relevant clearing system as an accountholder also will not be recognised as the registered Shareholder in the Register. The relevant nominee of Euroclear or Clearstream or the other relevant clearing system will be recognised as the registered Shareholder in the Register in such event, and in turn would hold the Shares for the benefit of the relevant accountholders in accordance with the relevant arrangements. A Securities will be issued in physical, certificated form only and will not be eligible for clearance or settlement through Euroclear or Clearstream or any other relevant clearing system.

The terms and conditions of the distribution agreements with arrangements to provide nominee services will have to allow that an underlying investor who (i) has invested in the Company through a nominee and (ii) is not a Restricted Person, may at any time, require the transfer in his name of the Shares subscribed through the nominee. After this transfer, the investor will receive evidence of his shareholding at the confirmation of the transfer from the nominee.

Investors may subscribe directly to the Fund without having to go through the Global Distributor, Distributor(s) or a nominee.

A copy of the Global Distribution Agreement is available at the registered office of the Company as well as at the registered office of the Global Distributor during their respective normal business hours on any Business Day.

The Global Distributor, with regard to the distribution of certain Classes are entitled to a fee payable by the Company as set out below under section 9.6 (Fees of the Global Distributor) and as specified for each Sub-Fund in the respective Supplement. This fee is accrued on each Valuation Day and paid monthly in arrears. The Global Distributor has the right, at its discretion to reallocate such fee, in whole or in part, to Distributor(s) or agents.

6.5 The Depositary, Paying Agent, Domiciliation and Corporate Services Agent

Pursuant to a depositary and paying agent agreement (the "**Depositary Agreement**"), UBS Europe SE, Luxembourg Branch has been appointed as Depositary of the Fund (the "**Depositary**"). UBS Europe SE, Luxembourg Branch will also provide paying agency as well as domiciliation agency and corporate secretary services to the Fund.

The Depositary is a Luxembourg established branch of UBS Europe SE, a European Company (Societas Europaea), having its registered office in Frankfurt am Main, Germany, registered with the German Trade Register under number HRB 107046. UBS Europe SE, Luxembourg Branch has its address at 33A, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Company Register under number B 209.123.

Pursuant to the Depositary Agreement, the Depositary has been appointed for the safe-keeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Fund as well as to ensure for the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the 2010 Law and the Depositary Agreement. Assets held in custody by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been delegated, for their own account, unless such reuse is expressly allowed by the 2010 Law.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law, the Prospectus and the Articles of Association, (ii) the value of the Shares is calculated in accordance with Luxembourg law, the Prospectus and the Articles of Association, (iii) the instructions of the Management Company or the Fund are carried out, unless they conflict with applicable Luxembourg law, the Prospectus and/or the Articles of Association, (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits, and (v) the Fund's incomes are applied in accordance with Luxembourg law, the Prospectus and the Articles of Association.

In compliance with the provisions of the Depositary Agreement and the 2010 Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more sub-custodian(s), as they are appointed by the Depositary from time to time.

Prior to the appointment of any sub-custodian and sub-delegate and on an ongoing basis based on applicable laws and regulations as well as its conflict of interests policy the Depositary shall assess potential conflicts of interests that may arise from the delegation of safekeeping functions. The Depositary is part of the UBS Group, a worldwide, full-service private banking, investment banking, asset management and financial services organization which is a major participant in the global financial markets. As such, potential conflicts of interest from the delegation of its safekeeping functions could arise as the Depositary and its affiliates are active in various business activities and may have differing direct or indirect interests. Investors may obtain additional information free of charge by addressing their request in writing to the Depositary.

Irrespective of whether a given sub-custodian or sub-delegate is part of the UBS Group or not, the Depositary will exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant sub-custodian or sub-delegate. Furthermore, the conditions of any appointment of a sub-custodian or sub-delegate that is member of the UBS Group will be negotiated at arm's length in order to ensure the interests of the Fund and its Shareholders. Should a conflict of interest occur and in case such conflict of interest cannot be mitigated, such conflict of interest as well as the decisions taken will be disclosed to Shareholders. An up-to-date description of any safekeeping functions delegated by the Depositary, an up-to-date list of these delegates and sub-delegate (s) can be found on the following webpage: https://www.ubs.com/global/en/legalinfo2/luxembourg.html.

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the 2010 Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements. In order to ensure that its tasks are only delegated to sub-custodians providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law in the selection and

the appointment of any sub-custodian to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any sub-custodian to which it has delegated parts of its tasks as well as of any arrangements of the sub-custodian in respect of the matters delegated to it. In particular, any delegation is only possible when the sub-custodian at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the sub-custodian in accordance with the 2010 Law. The Depositary's liability shall not be affected by any such delegation, unless otherwise stipulated in the 2010 Law and/or the Depositary Agreement.

The Depositary is liable to the Fund or its Shareholders for the loss of a financial instrument held in custody within the meaning of article 35 (1) of the 2010 Law and article 12 of the Commission Delegated Regulation of the European Commission (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regard to obligations of depositaries (the "Fund Custodial Assets") by the Depositary and/or a sub-custodian (the "Loss of a Fund Custodial Asset").

In case of Loss of a Fund Custodial Asset, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the 2010 Law, the Depositary will not be liable for the Loss of a Fund Custodial Asset, if such Loss of a Fund Custodial Asset has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

Without prejudice to the special liability of the Depositary in case of a Loss of a Fund Custodial Asset, the Depositary will be liable for any loss or damage suffered by the Fund resulting directly from the Depositary's gross negligence or wilful misconduct in the execution of the services under the Depositary Agreement, except in respect of the Depositary's duties under the 2010 Law for which the Depositary will be liable for any loss or damage suffered by the Fund resulting directly from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the 2010 Law.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving 3 (three)months' prior written notice. The Depositary Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. Pending the appointment of a new depositary, which must take place at the latest within a period of 2 (two) months after the termination of the Depositary Agreement becomes effective, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Fund investors. If the Fund does not name a successor depositary in time the Depositary may notify the CSSF of the situation.

The Depositary is entitled to receive out of the net assets of the Fund a remuneration for its services as agreed in the Depositary Agreement and as specified in section 9.5 (Fees of the Depositary and the Paying Agent). In addition, the Depositary is entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

The Depositary is not involved, directly or indirectly, with the business affairs, organization or management of the Fund and is not responsible for the content of this document and thus accepts no responsibility for the accuracy of any information contained herein or the validity of the structure and investments of the Fund. The Depositary has no decision-making discretion nor any advice duty relating to the Fund's investments and is prohibited from meddling in the management of the Fund's investments. The Depositary does not have any investment decision-making role in relation to the Fund.

In case the Depositary receives investors' data, such data might be accessible and/or transferred by the Depositary to other entities controlled by the UBS Group AG currently or in the future as well as third-party service providers (the "**UBS Partners**"), in their capacity as service providers on behalf of the Depositary. UBS Partners are domiciled in the EU or in countries located outside the EU but with an adequate level of data protection (on the basis of an adequacy decision by the European Commission) such as Switzerland. Data could be made available to UBS entities located in Poland, the UK, Switzerland, Monaco, and Germany as well as other branches of UBS Europe SE (in Austria, France, Italy, Spain, Denmark, Sweden, Switzerland and Poland), for the purpose of outsourcing certain infrastructure (e.g. telecommunication, software) and/or other tasks in order to streamline and/or centralize a series of processes linked to the finance, operational, back-office, credit, risk, or other support or control functions. Further information about the outsourcing and processing of personal data by the Depositary is available at https://www.ubs.com/lux-europe-se.

The Fund has appointed UBS Europe SE, Luxembourg Branch as its Domiciliation and Corporate Services Agent, pursuant to the Domiciliation & Corporate Services Agreement. In such capacity, UBS Europe SE, Luxembourg Branch is entrusted with the domiciliation of the Fund and shall, in particular, allow the Fund to establish its registered office at the registered office of UBS Europe SE, Luxembourg Branch and provide facilities in the course of the day-to-day administration of the Fund including the preparation of the board and general meetings. The Domiciliation and Corporate Services Agent is entitled to charge commission in line with the scale of fees customarily applied at the financial center of Luxembourg as further determined under section 9.9 (Operating and Administrative Expenses).

The Domiciliation and Corporate Services Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) calendar months' prior written notice. The Domiciliation and Corporate Services Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Domiciliation and Corporate Services Agreement contains provisions exempting the Domiciliation and Corporate Services Agent from liability and indemnifying the Domiciliation and Corporate Services Agent in certain circumstances.

6.6 The UCI Administrator

The Management Company has appointed Northern Trust Global Services SE, with registered office at 10, rue du Château d'Eau, L-3364 Leudelange, as UCI Administrator of the Fund pursuant to the UCI Administration Agreement.

The UCI Administrator is authorised and regulated by the CSSF in Luxembourg under the 1993 Law. The relationship between the Management Company and the UCI Administrator is subject to the terms of the UCI Administration Agreement. Under the terms of the UCI Administration Agreement, the UCI Administrator will carry out all general administrative duties related to the administration of the Fund required by Luxembourg law, namely (i) calculate the Net Asset Value per Share, maintain the accounting records of the Fund and perform accounting services, (ii) perform registrar services such as the maintenance of books and records of the Fund as well as process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of Shareholders and (iii) perform the client communication services such as disseminating distribution notices and distributing audited financial statements to Shareholders. In addition, as registrar and transfer agent of the Fund, the UCI Administrator is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The UCI Administrator is not responsible for any investment decisions of the Fund or the effect of such investment decisions on the performance of the Fund.

The UCI Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) calendar months' prior written notice. The UCI Administration Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The UCI Administration Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The UCI Administration Agreement contains provisions exempting the UCI Administrator from liability and indemnifying the UCI Administrator in certain circumstances. However, the liability of the UCI Administrator towards the Management Company and the Fund will not be affected by any delegation of functions by the UCI Administrator.

The Management Company reserves the right to change the administration arrangements described above by agreement with the UCI Administrator and/or to appoint another service provider in Luxembourg to carry out the functions of UCI administrator. Investors will be notified in due course.

6.7 The Auditor

The Fund has appointed Ernst & Young S.A. as its approved statutory auditor (*réviseur d'entreprises agréé*) within the meaning of the 2010 Law. The Auditor is elected by the general meeting of Shareholders. The Auditor will inspect the accounting information contained in the Annual Report and fulfil other duties prescribed by the 2010 Law.

6.8 Conflicts of interest

The Board of Directors, the Management Company, the Investment Manager, the Depositary, the UCI Administrator and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Management Company, the Fund, the Investment Manager, the UCI Administrator and the Depositary have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

The Management Company, the Depositary and the securities lending agent and borrower are part of the UBS Group (the "**Affiliated Person**").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

The Affiliated Person including its subsidiaries and branches may act as counterparty and in respect of financial derivative contracts entered into by the Fund.

A potential conflict may further arise because the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Person's various business activities and the Fund or its investors. The Affiliated Person strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, the Affiliated Person has implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Investors may obtain additional information on the Management Company's and the Fund's policy related to conflicts of interest free of charge by addressing their request in writing to the Management Company.

Notwithstanding its due care and best effort, there is a risk that the organisational or administrative arrangements made by the Management Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its Shareholders will be prevented. In such case, these non-mitigated conflicts of interest as well as the decisions taken will be reported to investors on the following website of the Management Company under https://www.ubs.com/global/en/asset_management/investor_information.html. Respective information will also be available free of charge at the registered office of the Management Company.

In addition, it has to be taken into account that the Management Company and the Depositary are members of the same group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interests arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest.

Where a conflict of interest arising out of the group link between the Management Company and the Depositary cannot be avoided, the Management Company or the Depositary will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the Shareholders.

A description of the safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates of the Depositary can be found on the following webpage: https://www.ubs.com/global/en/legalinfo2/luxembourg.html, and up-to-date information in relation thereto will be made available to investors upon request.

6.9 Best execution

Both the Management Company and the Investment Manager have adopted a "best execution" policy with the objective of obtaining the best possible result for the Fund when executing decisions to deal on behalf of the Fund or placing orders to deal on behalf of the Fund with other entities for execution. Further information on the best execution policies may be obtained from the internet website of the Management Company and the Investment Manager.

7. SHARES

7.1 Shares, Sub-Funds and Share Classes

7.1.1 Shares

The share capital of the Fund is represented by fully paid up Shares of no par value. The share capital of the Fund is at all times equal to the Net Asset Value of the Fund, which is the total Net Asset Value of all Sub-Funds expressed in the Reference Currency of the Fund. The share capital of the Fund must at all times be at least equal to the minimum required by the 2010 Law, which is currently 1,250,000 EUR.

The Shares will be issued in registered form only. Written confirmation of registration will be issued upon request and at the expense of the requesting shareholder. The registration of a shareholder in the register of shareholders of the Fund evidences the shareholder's ownership right towards the Fund.

Shares may also be eligible for clearing and settlement by Clearstream and/or other recognised securities clearing and settlement systems. In such case, Shares may be held and transferred through securities accounts maintained within such systems, in accordance with applicable laws and regulations, and the operating rules of the systems.

The Fund will recognise only one single shareholder per Share. In case a Share is owned by several persons, they must appoint a single representative who will represent them towards the Fund. The Fund has the right to suspend the exercise of all rights attached to that Share until such representative has been appointed.

The Shares carry no preferential or pre-emptive rights: the Fund is authorised without limitation to issue an unlimited number of fully paid up Shares on any Valuation Day without reserving to existing investors a preferential or pre-emptive right to subscribe for the Shares to be issued.

Each Share entitles the shareholder to one (1) vote at all general meetings of shareholders of the Fund and at all meetings of the Sub-Fund or Share Class concerned.

Fractions of Shares will be issued up to three (3) decimal places. Such fractional Shares will be entitled to participate on a *pro rata* basis in the net assets attributable to the Sub-Fund or Share Class to which they belong in accordance with their terms, as set out in this Prospectus. Fractions of Shares do not confer any voting rights on their holders. However, if the sum of the fractional Shares held by the same shareholder in the same Share Class represents one or more entire Shares, such shareholder will benefit from the corresponding voting right attached to the number of entire Shares.

Shares are each entitled to participate in the net assets allocated to the relevant Sub-Fund or Share Class in accordance with their terms, as set out in the Supplements. Shares will be issued on each Subscription Day immediately after the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class as of that point, as described in more detail in section 7.4 (Subscription for Shares) below. Shares will be redeemed on each Redemption Day at the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class until and including that point, as described in more detail in section 7.5 (Redemption of Shares) below.

Shares redeemed will generally be cancelled unless the Fund decides otherwise.

7.1.2 Sub-Funds

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Each Share issued by the Fund is a share in a specific Sub-Fund. Each Sub-Fund has a specific investment objective and policy as further described in its Supplement. A separate portfolio of assets is maintained for each Sub-Fund and invested for its exclusive benefit in accordance with its investment objective and policy.

With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it. As a consequence, the assets of each Sub-Fund may only be used to meet the debts, liabilities and obligations attributable to that Sub-Fund. In the event that, for any reason, the liabilities arising in respect of the creation, operation and liquidation of a Sub-Fund exceed the assets allocated to it, creditors will have no recourse against the assets of any other Sub-Fund to satisfy such deficit. Assets and liabilities are allocated to each Sub-Fund in accordance with the provisions of the Articles of Association, as set out in section 8.2 (Valuation procedure) below.

Each Sub-Fund may be established for an unlimited or limited duration as specified in its Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Sub-Fund once or several times. Investors will be notified at each extension. At the expiry of the duration of a Sub-Fund, the Fund will redeem all the Shares in that Sub-Fund. The Supplement will indicate the duration of each Sub-Fund and its extension, where applicable.

Additional Sub-Funds may be established from time to time without the consent of investors in other Sub-Funds. A new Supplement will be added to this Prospectus for each new Sub-Fund established.

7.1.3 Share Classes

The Sub-Funds may offer several Share Classes, as set out in the Supplements. Each Share Class within a Sub-Fund may have different features such as the fee structure, minimum subscription or holding amounts, currency, different hedging techniques or distribution policy or other distinctive features, or be offered or reserved to different types of investors. Investors will be able to choose the Share Class with the features most suitable to their individual circumstances.

Each Share Class may be created for an unlimited or limited duration, as specified in the Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Share Class once or several times. Investors will be notified at each extension. At the expiry of the duration of a Share Class, the Fund will redeem all the Shares in that Share Class. The Supplement will indicate the duration of each Share Class and its extension, where applicable.

Additional Share Classes may be established in any Sub-Fund from time to time without the approval of investors. New Share Classes will be added to the relevant Supplement. Such new Share Classes may be issued on terms and conditions that differ from the existing Share Classes. The list and details of the Share Classes established within each Sub-Fund, if any, are set out in the Supplements. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company or the UCI Administrator or the Global Distributor or the Investment Manager upon request and on www.fundinfo.com.

7.1.4 Change of rights, restrictions and characteristics of Sub-Funds and Share Classes

The rights and restrictions attached to Shares may be modified from time to time, subject to the provisions of the Articles of Association. Any changes to the Articles of Association will require a resolution of the general meeting of shareholders, as further described in section 10.2 (Meetings of shareholders) below.

Subject to the above, the Board of Directors may change the characteristics of any existing Sub-Fund, including its objective and policy, or any existing Share Class, without the consent of investors. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of any proposed material changes in order for them to request the redemption of their Shares should they disagree. This Prospectus will be updated as appropriate.

7.2 Dividend distribution policy

Each Sub-Fund may comprise distributing Shares and non-distributing Shares. The Supplement shall indicate whether Shares confer the right to dividend distributions (Distribution Shares) or do not confer this right (Capitalisation Shares). Distribution Shares and Capitalisation Shares issued within the same Sub-Fund will be represented by different Share Classes.

Capitalisation Shares capitalise their entire earnings whereas Distribution Shares pay dividends. Whenever dividends are distributed to holders of Distribution Shares, their Net Asset Value per Share will be reduced by an amount equal to the amount of the dividend per Share distributed, whereas the Net Asset Value per Share of Capitalisation Shares will remain unaffected by the distribution made to holders of Distribution Shares.

The Fund shall determine how the earnings of Distribution Shares shall be distributed and may declare distributions from time to time, at such time and in relation to such periods as the Fund shall determine, in the form of cash, in accordance with the dividend distribution policy adopted for such Distribution Shares as described in the Supplement**.**

The dividend distribution policy may vary between Distribution Shares within the same or different Sub-Funds. Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2010 Law which is currently 1,250,000 EUR.

Unless otherwise requested by an investor, dividends will be paid in the form of cash and investors will be advised of the details by a dividend statement by the UCI Administrator.

No interest shall be paid on dividend distributions declared by the Fund which have not been claimed. Dividends not claimed within five years of their declaration date will lapse and revert to the relevant Share Class.

7.3 Eligible Investors

Shares may only be acquired or held by investors who satisfy all eligibility requirements for a specific Sub-Fund or Share Class, if any, as specified for the Sub-Fund or Share Class in the Supplement (an Eligible Investor). Certain Sub-Funds or Shares Classes may indeed be reserved to specified categories of investors such as Institutional Investors, investors investing

through a specified distribution channel or investors who are residents of or domiciled in specific jurisdictions.

The Board of Directors has decided that any investor not qualifying as an Eligible Investor will be considered as a Prohibited Person, in addition to those persons described in section 7.10 (Prohibited Persons) below. The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons in accordance with the procedure set out in this Prospectus - see section 7.10 (Prohibited Persons) below.

7.4 Subscription for Shares

Applications for subscriptions can be submitted for each Subscription Day provided that a complete application is submitted by the Cut-Off Time for that Subscription Day. Applications will be processed, if accepted, at the Subscription Price applicable to that Subscription Day. The Subscription Price (plus any Subscription Fee) must be settled by the end of the Subscription Settlement Period. The subscription procedure is further described below. Shares will be issued on the Subscription Day and entitled to participate in the Net Asset Value of the Share Class from their issue. The Subscription Day, Cut-Off Time, and Subscription Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

7.4.1 Subscription application

Shares in any new Sub-Fund or Share Class may be available for subscription during an Initial Offer and will be issued on the first Subscription Day following the Initial Offer at the Initial Offer Price. Information on the Initial Offer and the Initial Offer Price of any new Sub-Fund or Share Class will be set out in the Supplement and be available from the UCI Administrator upon request. The Fund may reschedule the Initial Offer and/or amend the Initial Offer Price.

Shares will be available for subscription on each Subscription Day at a Subscription Price equal to the Net Asset Value per Share for that Subscription Day rounded up or down to two (2) decimal places. The Net Asset Value per Share for the Subscription Day at which an application will be processed is unknown to the investors when they place their subscription applications.

The Fund may charge a Subscription Fee on subscriptions for Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below, which will be added to the Subscription Price. The Subscription Fee is equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.

The Fund will only process subscription applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications. No interest will be paid to investors on subscription proceeds received by the Fund prior to receiving clear and complete applications.

Applications must be submitted to the UCI Administrator by the Cut-Off Time for the Subscription Day, as specified in the Supplement, in order for such applications to be

processed, if accepted, at the Subscription Price applicable to that Subscription Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Subscription Day. However, the Fund may accept subscription applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The Fund reserves the right to accept or refuse any application in whole or in part at its discretion. Without limitation, the Fund may refuse an application for subscription where the Fund determines that the Shares would or might be held by, on behalf or for the account or benefit of, Prohibited Persons. In such event, subscription proceeds received by the Fund will be returned to the applicant as soon as practicable, at the risks and costs of the applicant, without interest.

The issue of Shares of a Sub-Fund or Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended by the Fund, as described in section 8.4 (Temporary suspension of the Net Asset Value calculation) below. The issue of Shares of a Share Class may also be suspended at the discretion of the Board of Directors, in the best interest of the Fund, notably under other exceptional circumstances.

7.4.2 Settlement of Subscription

The Subscription Price (plus any Subscription Fee) must be paid in the Reference Currency of the Share Class or, at the request of the investor, in any other currency accepted by the Fund. In the latter case, the Fund will have the subscription proceeds in the other currency converted into the Reference Currency of the Sub-Fund or Share Class, at the risks and costs of the investor, taking into account prevailing currency exchange rates. The Fund may charge a fee for this conversion service. The Fund will process the subscription application by reference to the net proceeds of the conversion into the Reference Currency of the Sub-Fund or Share Class.

Cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) must be received by the Fund by the end of the Subscription Settlement Period specified in the Supplement. Settlement details are available in the Subscription Form.

If the payment of the Subscription Price (plus any Subscription Fee) has not been received by the end of the Subscription Settlement Period, any pending application for Shares may be rejected or, if the application had previously been accepted by the Fund, any allocation of Shares made on the basis of the application may be cancelled by a compulsory redemption of the Shares at the applicable Redemption Price (less any Redemption Fee). The UCI Administrator will inform the applicant that the application has been rejected or the subscription cancelled, as applicable, and the money received after the end of the Subscription Settlement Period, if any, will be returned to the applicant at its risks and costs, without interest.

The Fund reserves the right to require indemnification from the applicant against any losses, costs or expenses arising as a result of any failure to settle the Subscription Price (plus any Subscription Fee) by the end of the Subscription Settlement Period. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor’s other Shares, if any, in order to pay for such losses, costs or expenses.

7.4.3 Subscription in kind

The Fund may agree to issue Shares as consideration for a "contribution in kind" of assets with an aggregate value equal to the Subscription Price (plus any Subscription Fee), provided that such assets comply with the investment objective and policy of the Sub-Fund and any restrictions and conditions imposed by applicable laws and regulations. In accepting or rejecting such a contribution at any given time, the Fund shall take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. To the extent required by applicable laws and regulations, any contribution in kind will be valued independently in a special report issued by the Auditor or any other authorised statutory auditor (*réviseur d'entreprises agréé*) agreed by the Fund. The Fund and the contributing investor will agree on specific settlement procedures. Any costs incurred in connection with a contribution in kind, including the costs of issuing a valuation report, shall be borne by the contributing investor or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all investors of the Sub-Fund.

7.5 Redemption of Shares

Applications for redemptions can be submitted by investors for each Redemption Day provided that a complete application is submitted by the Cut-Off Time for that Redemption Day. Applications will be processed, if accepted, at the Redemption Price applicable to that Redemption Day. The Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period. The redemption procedure is further described below. Shares will be redeemed on the Redemption Day and entitled to participate in the net assets of the Sub-Fund or Share Class until their redemption. The Redemption Day, Cut-Off Time, and Redemption Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

7.5.1 Redemption application

Investors may apply for redemption of all or any of their Shares on each Redemption Day at a Redemption Price equal to the Net Asset Value per Share for that Redemption Day. The Net Asset Value per Share for the Redemption Day at which an application will be processed is unknown to the investors when they place their redemption applications.

The Fund may charge a Redemption Fee on redemptions of Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below, which will be deducted from the payment of the Redemption Price. The Redemption Fee is equal to a maximum percentage of the Redemption Price or such other amount as specified for each Sub-Fund or Share Class in the Supplement, where applicable.

The Fund will only process redemption applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the UCI Administrator by the Cut-Off Time for the Redemption Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Redemption Price applicable to that Redemption Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Redemption Day. However, the Fund may accept redemption applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The redemption of Shares of a Sub-Fund or Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended by the Fund, as described in section 8.4 (Temporary suspension of the Net Asset Value calculation) below. The redemption of Shares of a Sub-Fund or Share Class may also be suspended in other exceptional cases where the circumstances and the best interest of the investors so require.

7.5.2 Settlement of redemption

Redemption proceeds equal to the full amount of the Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period specified in the Supplement. Different settlement procedures may apply in certain jurisdictions in which Shares are distributed due to constraints under local laws and regulations. Investors should contact their local paying agent for further information. The Fund is not responsible for any delays or charges incurred at any receiving bank or clearing system.

Payment of redemption proceeds will be made by wire transfer on the bank account of the redeeming investor and at its risks and costs. Redemption proceeds will be paid in the Reference Currency of the Sub-Fund or the Share Class or, at the request of the investor, in any other currency accepted by the Fund. In the latter case, the Fund will have the net redemption proceeds converted into the other currency at the risks and costs of the investor, taking into account prevailing currency exchange rates. The Fund may charge a fee for this conversion service. The Fund will pay to the investor the net proceeds of the conversion into the other currency.

7.5.3 Extension of notice periods

The Management Company or Board of Directors may activate the extension of notice periods applicable to redemption applications made by Shareholders when redeeming their Shares, for up to 10 business days, when the Management Company or Board of Directors determines in its own discretion the activation to be necessary to protect the Sub-Fund's and the investors' best interest due to periods of market stress, liquidity problem, unusual redemption activity or any other exceptional circumstances.

The extended notice period covers the period between the receipt of the redemption application by the Sub-Fund and its execution.

The extended notice period does not include the time required for the settlement process. The extension of the notice period does not have any impact on the redemption frequency of the Sub-Fund.

7.5.4 Redemption in kind

Investors may, independently from any measures undertaken by the Management Company or Board of Directors in the context of liquidity management, at their own initiative place an application for a redemption in kind, or agree to a redemption in kind offered by the Management Company or Board of Directors. Where the application for a redemption in kind has been made by an investor, the decision to satisfy or not satisfy such application will be taken by way of considering the best interests of the entirety of investors, as well as, in the event the investor applying for a redemption in kind qualifies as retail investor, the financial sophistication level of that redeeming investor. Where, in view of the aforementioned elements, paying the redeeming investor out in kind does not appear to be appropriate, the investor will be paid out in cash.

The Management Company or Board of Directors may also activate redemption in kind as a liquidity management tool to meet redemptions applications by professional investors:

- to prevent the sale of sizable blocks of securities in response to redemption applications, where such sale would be likely to result in significant transaction costs and market price impacts to its investors;

- in other circumstances as determined by the Management Company or Board of Directors.

A redemption in kind will correspond to the transfer of assets held by the Sub-Fund to redeeming investors instead of cash to meet redemption applications. The transfer of assets to investors may be direct, or indirect via intermediaries.

When using redemption in kind at any given time, the Management Company or Board of Directors will take into account the interest of other investors of the Sub-Fund and the principle of fair treatment.

Any redemption in kind will be valued independently in a special report issued by the Auditor or any other independent auditor (*réviseur d'entreprises agréé*). Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, will be borne by the redeeming investor or by such other third party as determined by Management Company or Board of Directors or in any other way which the Management Company or Board of Directors considers fair to all investors of the Sub-Fund.

Upon request of an investor, the Investment Manager may agree to establish an account outside of the Fund, in the name of the investor, into which the portfolio of assets can be transferred. The account will be used to sell the assets and pay the sales proceeds to the redeeming investor in cash. Any costs and expenses relating to the opening and maintenance of the account will be borne by the redeeming investor. Investors may incur brokerage and/or local tax charges on the sale of the assets. There may be a difference between the net amount of the sales proceeds paid to the investor and the Redemption Price (less any Redemption Fee) for the Shares redeemed, due to market conditions and/or the difference between the prices used to calculate the Net Asset Value and bid prices received on the sale of the assets.

7.6 Conversion of Shares

Applications for conversions of Shares of any Share Class (called the Original Shares) into Shares of another Share Class of the same or another Sub-Fund (called the New Shares) can be submitted for each Conversion Day provided that a complete application is submitted by the Cut-Off Time for that Conversion Day. The number of New Shares issued upon a conversion will be based on the respective Net Asset Values per Share of the Original Shares and the New Shares for the Conversion Day (which, for the avoidance of doubt, may be a different day for the Original Shares and the New Shares). The Original Shares will be redeemed and the New Shares will be issued on the Conversion Day. The conversion procedure is further described below.

7.6.1 Conversion application

Unless set out otherwise in the Supplement, investors may apply for conversion of Original Shares into New Shares on each Conversion Day. However, the right to convert the Original Shares is subject to compliance with any investor eligibility requirements applicable to the New Shares. In addition, conversion applications are subject to the provisions on the minimum

initial or additional subscription amounts applicable to the New Shares and the minimum holding amount applicable to the Original Shares.

The number of New Shares issued upon a conversion will be based upon the respective Net Asset Values of the Original Shares and the New Shares for the Conversion Day. These Net Asset Values are unknown to the investors when they place their conversion application.

The Fund may charge a Conversion Fee on conversions of Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below and specified in the Supplement. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

The Fund will only process conversion applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the UCI Administrator by the Cut-Off Time for the Conversion Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at a conversation rate based on the respective Net Asset Values of the Original Shares and the New Shares on the Conversion Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Conversion Day. However, the Fund may accept conversion applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The Fund reserves the right to reject any application for conversion of Shares into New Shares, in whole or in part, including, without limitation, where the Fund decides to close the Sub-Fund or Share Class to new subscriptions or new investors. In any event, no conversion application will be processed unless and until cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) for the Original Shares has been received by the Fund.

The conversion of Shares shall be suspended whenever the determination of the Net Asset Value per Share of the Original Shares or the New Shares is suspended by the Fund in accordance with section 8.4 (Temporary suspension of the Net Asset Value calculation) below, or when the redemption of Original Shares or the subscription for New Shares is suspended in accordance with the Articles of Association and this Prospectus.

7.6.2 Conversion rate

The rate at which the Original Shares are converted into New Shares is determined on the basis of the following formula:

$A = (B \times C \times D) / E$

where:

A is the number of New Shares to be allocated;

B is the number of Original Shares to be converted into New Shares;

C is the Net Asset Value per Share of the Original Shares for the Conversion Day;

D is the exchange rate, as determined by the Fund, between the Reference Currency of the Original Shares and that of the New Shares. Where the Reference Currencies are the same, D equals one (1); and

E is the Net Asset Value per Share of the New Shares for the Conversion Day.

A Conversion Fee may be applied, if and to the extent set out in the Supplement. The Conversion Fee is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such lower amount as specified for each Share Class in the Supplement, where applicable.

7.7 Transfer of Shares

7.7.1 Conditions and limitations on transfer of Shares

Shares are freely transferable subject to the restrictions set out in the Articles of Association and this Prospectus. In particular, the Fund may deny giving effect to any transfer of Shares if it determines that such transfer would result in the Shares being held by, on behalf or for the account or benefit of, Prohibited Persons.

Subject to the above, the transfer of Shares will normally be given effect by the Fund by way of declaration of transfer entered in the register of shareholders of the Fund following the delivery to the UCI Administrator of an instrument of transfer duly completed and executed by the transferor and the transferee, in a form accepted by the Fund.

The Fund will only give effect to Share transfers that it considers clear and complete. The UCI Administrator may require from the transferor and/or the transferee all of the information and supporting documentation it deems necessary to give effect to the transfer. Investors are advised to contact the UCI Administrator prior to requesting a transfer to ensure that they have all the correct documentation for the transaction. The Fund may delay the acceptance of unclear or incomplete transfer orders until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete transfer orders may lead to delays in their execution. The Fund will not accept liability for any loss suffered by transferors and/or transferees as a result of unclear or incomplete transfer orders.

Shares which are eligible for clearing and settlement by Clearstream and/or other recognised securities clearing and settlement systems may also be transferred through securities accounts maintained within such systems in accordance with applicable laws and regulations, and the operating rules of the systems.

7.7.2 Trading of Shares on a stock exchange

Shares of certain Share Classes may be listed and admitted to trading on the Luxembourg Stock Exchange or other market segments or stock exchanges as the Fund may determine from time to time. The Supplement will specify if Shares are or are intended to be listed. Although the Shares must be freely negotiable and transferable upon their listing and admission to trading on such stock exchanges (and trades carried out on such stock exchanges cannot be cancelled by the Fund) the restrictions of ownership and conditions on holding Shares (as set out in this Prospectus and the Articles of Association) will nevertheless apply to any person to which Shares are transferred on such stock exchanges. The holding at

any time of any Shares by, on behalf of or for the account or benefit of, a Prohibited Person may result in the compulsory redemption of such Shares in accordance with the provisions of this Prospectus and the Articles of Association.

Listed Shares will be eligible for clearing and settlement by Clearstream and/or other recognised securities clearing and settlement systems**.** The Fund does not expect that an active secondary market will develop in the listed Shares on the Luxembourg Stock Exchange. The listing and admission to trading on such stock exchanges does not constitute a warranty or representation by the stock exchange as to the competence of the service providers to or any other party connected with the Fund or the suitability of the Fund for investment or for any other purpose.

7.8 Special considerations

7.8.1 Minimum and maximum subscription and holding amounts

The subscription for Shares may be subject to a minimum and/or maximum initial subscription amount and/or additional subscription amount, as specified for each Share Class in the Supplement. The Fund may reject any application for subscription for or conversion into Shares of a Share Class which does not meet the applicable minimum and/or maximum initial subscription amount or additional subscription amount for that Share Class, if any.

In addition, the holding of Shares may be subject to a minimum holding amount, as specified for each Share Class in the Supplement. The Fund may treat any application for redemption or conversion of part of a holding of Shares in a Share Class as a deemed application for redemption or conversion of the entire holding of the redeeming investor in that Share Class if, as a result of such application, the Net Asset Value of the Shares retained by the investor in that Share Class would fall below the applicable minimum holding amount. Alternatively, the Fund may grant a grace period to the investor so as to allow him to increase his holding to at least the minimum holding amount.

The Fund may further deny giving effect to any transfer of Shares if, as a result of such transfer, the Net Asset Value of the Shares retained by the transferor in a Share Class would fall below the minimum holding amount for that Share Class, or if the Net Asset Value of the Shares acquired by the transferee in a Share Class would be less than the minimum initial or additional subscription amounts, as applicable. In such cases, the Fund will notify the transferor that it will not give effect to the transfer of the Shares.

Alternatively, the Fund has the discretion, from time to time, to waive any applicable minimum and/or maximum initial subscription amount, minimum additional subscription amount and/or minimum holding amount provided that investors are treated fairly.

7.8.2 Minimum or maximum level of assets under management

The Fund may decide to cancel the launch of a Sub-Fund or Share Class before the end of the Initial Offer where that Sub-Fund or Share Class has not reached the minimum or expected level of assets under management for such Sub-Fund or Share Class to be operated in an economically efficient manner. In such event, applications for subscription will be refused and subscription proceeds previously received by the Fund will be returned to the applicant.

Where applications for redemptions or conversions out of a Sub-Fund or Share Class on a particular Redemption Day or Conversion Day represent the total number of Shares in issue in that Sub-Fund or Share Class, or the remaining number of Shares in issue after such redemptions or conversions would represent a total Net Asset Value below the minimum level

of assets under management required for such Sub-Fund or Share Class to be managed and/or administered in an efficient manner, the Fund may decide to terminate and liquidate the Sub-Fund or Share Class in accordance with the procedure set out in section 10.9 (Liquidation) below. In such a case, all remaining Shares of the Sub-Fund or Share Class will be redeemed.

The Fund may also decide to close a Sub-Fund or Share Class to new subscriptions or new investors where that Sub-Fund or Share Class has reached its maximum or expected level of assets under management. In such event, applications for subscription will be refused, in whole or in part, and subscription proceeds previously received by the Fund will be returned to the applicant.

7.8.3 Suspension of issue, repurchase, redemption and/or conversion of Shares

The issue, repurchase, redemption and/or conversion of Shares in a Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Share Class is suspended by the Fund in accordance with section 8.4 (Temporary suspension of the Net Asset Value calculation).

In addition, the Management Company or Board of Directors may suspend the issue, repurchase, redemption and/or conversion of Shares simultaneously, for the same period and for all investors and Share Classes.

The Management Company or Board of Directors will not suspend redemptions without simultaneously suspending the issue, repurchase and/or conversion of Shares. The suspension of the issue, repurchase, redemption and/or conversion of Shares will apply to all the Share Classes of the Sub-Fund.

The suspension of the issue, repurchase, redemption and/or conversion of Shares will be temporary, strictly limited to the period necessary to address the exceptional circumstances that justify that suspension, including but not limited to:

- asset valuation difficulties;
- severe liquidity issues;
- critical cyber incidents;
- unforeseen market closures, trading restrictions or closure of trading venues;
- severe financial or political crises;
- identification of significant fraud;
- natural disasters.

Suspended subscriptions, repurchases, redemptions and/or conversions will be treated as deemed applications for subscriptions, repurchases, redemptions or conversions in respect of the first Subscription Day, repurchase day, Redemption Day and/or Conversion Day following the end of the suspension period unless the investors have withdrawn their applications for subscription, repurchase, redemption and/or conversion by written notification received by the Fund before the end of the suspension period.

7.8.4 Redemption gate

The Management Company or Board of Directors may decide to activate redemption gates. The use of redemption gates causes a temporary and partial restriction of the right of investors to redeem their Shares, so that investors can only redeem a certain portion of their Shares.

When activated, those redemption gates will apply uniformly to all investors. The purpose of a redemption gate is to avoid being forced to realise assets at an unfavourable price.

The redemption gate will have an activation threshold, and will be activated once the threshold has been exceeded. The activation threshold is based on the total net redemption applications of the Sub-Fund received for a given dealing date, and is expressed as a proportion to the Net Asset Value of the Sub-Fund.

The activation threshold will be triggered when net redemption applications on a dealing date exceed 10% of the Net Asset Value.

The activation threshold is set at the level of the Sub-Fund and applies equally to all investors of the Sub-Fund.

Where the Management Company or Board of Directors decides to activate a redemption gate, it will execute on a *pro rata* basis the redemption applications from all investors for a given dealing date for an amount that corresponds to at least the level of the activation threshold. Redemption applications which have been deferred by the Management Company or Board of Directors, will be processed on the next following Valuation Day, in accordance with this paragraph and in priority to any other redemption applications which have been received. Such redemptions requests will be redeemed at the Net Asset Value per Share prevailing as at the Valuation Day on which they are redeemed.

The Management Company or Board of Directors will calibrate the activation threshold in order to ensure that it operates effectively, taking into account:

- the Net Asset Value calculation frequency;
- the investment objective of the Sub-Fund;
- the liquidity of the underlying assets;
- the current market conditions;
- the expected cash flows.

The Fund also reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period in accordance with the provisions set out in section 7.5 (Redemption of Shares) above.

As an alternative to deferring applications for redemptions, the Fund may propose to an investor, who accepts, to settle a redemption application, in whole or in part, by a distribution in kind of certain assets of the Sub-Fund or Share Class in lieu of cash, subject to the conditions set out in section 7.5 (Redemption of Shares) above.

7.9 Late trading, market timing and other prohibited practices

The Fund does not permit late trading practices as such practices may adversely affect the interests of investors. In general, late trading is to be understood as the acceptance of a subscription, redemption or conversion order for Shares after the Cut-Off Time for a Subscription, Redemption or Conversion Day and the execution of such order at a price based on the Net Asset Value applicable to such same day. However, as mentioned above, the Fund may accept subscription, conversion or redemption applications received after the Cut-Off Time, in circumstances where the subscription, redemption or conversion applications are dealt with on an unknown Net Asset Value basis, provided that it is in the interest of the Sub-Fund and that investors are fairly treated. In particular, the Fund may waive the Cut-Off Time where the Global Distributor or any Distributor submits the application to the UCI Administrator after the Cut-Off Time provided that such application has been received by the Global Distributor or the respective Distributor from the investor in advance of the Cut-Off Time.

Subscriptions and conversions of Shares should be made for investment purposes only. The Fund does not permit market timing or other excessive trading practices. Market timing is to be understood as an arbitrage method by which an investor systematically subscribes and redeems or converts Shares of the same Sub-Fund or Share Class within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value. Excessive, short-term (market timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Fund and other investors, the Fund has the right to reject any subscription or conversion order, or levy in addition to any Subscription Fee, Redemption Fee or Conversion Fee which may be charged according to the Supplement, a fee of up to two percent (2%) of the value of the order for the benefit of the Sub-Fund or Share Class, from any investor who is engaging or is suspected of engaging in excessive trading, or has a history of excessive trading, or if an investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to the Fund. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control.

The Fund also has the power to compulsorily redeem all Shares held by, on behalf or for the account or benefit of, an investor who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, in accordance with the procedure set out in this Prospectus. The Board of Directors considers such persons as Prohibited Persons.

The Fund will not be held liable for any loss resulting from rejected orders or compulsory redemptions.

7.10 Prohibited Persons

The Articles of Association give powers to the Board of Directors to restrict or prevent the legal or beneficial ownership of Shares or prohibit certain practices such as late trading and market timing by any person (individual, corporation, partnership or other entity), if in the opinion of the Board of Directors such ownership or practices may (i) result in a breach of any provisions of the Articles of Association, the Prospectus or the laws or regulations of any jurisdiction, or (ii) require the Fund, the Management Company or the Investment Manager to be registered under any laws or regulations whether as an investment fund or otherwise, or cause the Fund to be required to comply with any registration requirements in respect of any of its Shares, whether in the United States of America or any other jurisdiction, or (iii) may cause the Fund, the Management Company or the Investment Manager or the investors any legal, regulatory, taxation, administrative or financial disadvantages which they would not have otherwise incurred (a Prohibited Person).

The Shares have not been registered under any United States stock exchange law. The Fund represents and warrants that its Shares will not be offered, sold or delivered to US investors ("**US Person**"). A US Person is any person who (i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, (ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k)), (iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv)), (iv) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended, or (v) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the Fund.

The Board of Directors has also decided that any person not qualifying as an Eligible Investor will be considered as a Prohibited Person.

Furthermore, the Board of Directors has decided that any person who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, directly or indirectly, as described in section 7.9 (Late trading, market timing and other prohibited practices) above, will be considered as a Prohibited Person.

The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may require at any time any investor or prospective investor to provide the Fund with any information, together with supporting documentation, which the Fund may consider necessary for the purpose of determining whether the issue or transfer would result in Shares being held by, on behalf or for the account or benefit of, a Prohibited Person.

The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons. In such cases, the Fund will notify the investor of the reasons which justify the compulsory redemption of Shares, the number of Shares to be redeemed and the indicative Redemption Day on which the compulsory redemption will occur. The Redemption Price shall be determined in accordance with section 7.5 (Redemption of Shares) above.

The Fund may also grant a grace period to the investor for remedying the situation causing the compulsory redemption, for instance by transferring the Shares to one or more investors who are not Prohibited Persons and do not act on behalf or for the account or benefit of, Prohibited Persons, and/or propose to convert the Shares held by any investor who fails to satisfy the investor eligibility requirements for a Shares Class into Shares of another Share Class available for such investor.

The Fund reserves the right to require the investor to indemnify the Fund against any losses, costs or expenses arising as a result of any Shares being held by, on behalf or for the account or benefit of, a Prohibited Person. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor's other Shares, if any, in order to pay for such losses, costs or expenses.

7.11 Prevention of money laundering

Pursuant to the applicable provisions of Luxembourg laws and regulations in relation to the fight against money laundering and terrorist financing ("**AML/CFT**"), obligations have been imposed on the Fund as well as on other professionals of the financial sector to prevent the use of funds for money laundering and financing of terrorism purposes.

The Fund and the Management Company will ensure their compliance with the applicable provisions of the relevant Luxembourg laws and regulations, including but not limited to the 2004 Law, the Grand-Ducal Regulation of 1 February 2010 providing detail on certain provisions of the 2004 Law (the "**2010 AML/CFT Regulation**"), CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing ("**CSSF Regulation 12-02**") and relevant CSSF Circulars in the field of AML/CFT, including but not limited to CSSF Circular 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law (the "**CSSF Circular 18/698**" and the above collectively referred to as the "**AML/CFT Rules**").

In accordance with the AML/CTF Rules, the Fund and the Management Company are required to apply due diligence measures on the investors (including on their ultimate beneficial owner(s)), their delegates and the assets of the Fund in accordance with their respective policies and procedures put in place from time to time. Where Shares of the Fund are subscribed through an intermediary acting on behalf of the investor, enhanced customer due diligence measures for this intermediary will be applied in accordance with the 2004 Law and the CSSF Regulation 12-02.

Among others, the AML/CTF Rules require a detailed verification of a prospective investor's identity. In this context, the Fund and the Management Company, or the UCI Administrator or the Global Distributor or any Distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Fund and the Fund will require prospective investors to provide them with any information, confirmation and documentation deemed necessary in their reasonable judgment, applying a risk-based approach, to proceed such identification.

The Fund and the Management Company reserve the right to request such information as is necessary to verify the identity of a prospective or current investor. In the event of delay or failure by a prospective investor to produce any information required for verification purposes, the Fund and the Management Company are entitled to refuse the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documents have been completed.

The Fund and the Management Company moreover reserve the right to reject an application, for any reason, in whole or in part in which event the application monies (if any) or any balance thereof will, to the extent permissible, be returned without unnecessary delay to the prospective investor by transfer to the prospective investor's designated account or by post at the prospective investor's risk, provided the identity of the prospective investor can be properly verified pursuant to the AML/CTF Rules. In such event, the Fund and the Management Company will not be liable for any interest, costs or compensation.

In addition, the Fund and the Management Company, or the UCI Administrator or the Global Distributor or any Distributor, nominee or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Fund and the Management Company, may request investors to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under the AML/CTF Rules, and investors shall be required and accept to comply with such requests.

Failure to provide proper information, confirmation or documentation may, among others, result in (i) the rejection of subscriptions, (ii) the withholding of redemption proceeds by the Fund or (iii) the withholding of outstanding dividend payments. Moreover, prospective or current investors who fail to comply with the above requirements may be subject to additional administrative or criminal sanctions under applicable laws, including but not limited to the laws

of the Grand Duchy of Luxembourg. None of the Fund, the Management Company, the UCI Administrator or the Global Distributor or any Distributor, nominee or any other type of intermediary (as the case may be) has any liability to an investor for delays or failure to process subscriptions, redemptions or dividend payments as a result of the investor providing no or only incomplete documentation. The Fund and the Management Company moreover reserve all rights and remedies available under applicable law to ensure their compliance with the AML/CTF Rules.

Based on article 3 (7) of the 2004 Law, the Fund as well as the Management Company is also required to apply precautionary measures regarding the assets of the Fund.

Pursuant to the Luxembourg law of 13 January 2019 on the register of beneficial owners (the "**RBO Law**"), the Fund is required to collect and make available certain information on its beneficial owner(s) (as defined in the AML/CTF Rules). Such information includes, among others, first and last name, nationality, country of residence, personal or professional address, national identification number and information on the nature and the scope of the beneficial ownership interest held by each beneficial owner in the Fund. The Fund is further required, among others, (i) to make such information available upon request to certain Luxembourg national authorities (including the CSSF, the *Commissariat aux Assurances*, the *Cellule de Renseignement Financier*, Luxembourg tax and other national authorities as defined in the RBO Law) and upon motivated request of other professionals of the financial sector subject to the AML/CFT Rules, and (ii) to register such information in a publicly available central register of beneficial owners (the "**RBO**").

That being said, the Fund or a beneficial owner may however, on a case by case basis and in accordance with the provisions of the RBO Law, formulate a motivated request with the administrator of the RBO to limit the access to the information relating to them, e.g. in cases where such access could cause a disproportionate risk to the beneficial owner, a risk of fraud, kidnapping, blackmail, extortion, harassment or intimidation towards the beneficial owner, or where the beneficial owner is a minor or otherwise incapacitated. The decision to restrict access to the RBO does, however, not apply to the Luxembourg national authorities, nor to credit instructions, financial institutions, bailiffs and notaries acting in their capacity as public officers, which can thus always consult the RBO.

In light of the above RBO Law requirements, any persons willing to invest in the Fund and any beneficial owner(s) of such persons (i) are required to provide, and agree to provide, the Fund and the case being the Management Company, the UCI Administrator or the Global Distributor or their Distributor, nominee or any other type of intermediary (as the case may be), with the necessary information in order to allow the Fund to comply with its obligations in terms of beneficial owner identification, registration and publication under the RBO Law (regardless of applicable rules regarding professional secrecy, banking secrecy, confidentiality or other similar rules or arrangements), and (ii) accept that such information will be made available among others to Luxembourg national authorities and other professionals of the financial sector as well as to the public, with certain limitations, through the RBO.

Under the RBO Law, criminal sanctions may be imposed on the Fund in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Fund.

8. VALUATION AND NET ASSET VALUE CALCULATION

The Net Asset Value of each Sub-Fund and Share Class is determined by performing a valuation of the assets and liabilities of the Fund and allocating them to the Sub-Funds and Share Classes, in order to calculate the Net Asset Value per Share of each Share Class of each Sub-Fund. The method for the valuation of the assets and liabilities, the allocation to the Sub-Funds and Share Classes, and the calculation of the Net Asset Value is set out in the Articles of Association and is also described in this section of the Prospectus.

8.1 Calculation of the Net Asset Value

The Net Asset Value per Share shall be determined by the UCI Administrator as of each Valuation Day (as specified for each Sub-Fund in the Supplement) and at least twice a month. It shall be calculated by dividing the Net Asset Value of the Share Class of a Sub-Fund by the total number of Shares of such Share Class in issue as of that Valuation Day. The Net Asset Value per Share shall be expressed in the Reference Currency of the Share Class and may be rounded up or down to two (2) decimal places.

The Net Asset Value of a Share Class is equal to the value of the assets allocated to such Share Class within a Sub-Fund less the value of the liabilities allocated to such Share Class, both being calculated as of each Valuation Day according to the valuation procedure described below.

The Net Asset Value of a Sub-Fund is equal to the value of the assets allocated to such Sub-Fund less the value of the liabilities allocated to such Sub-Fund, both calculated as of each Valuation Day in the Reference Currency of the Sub-Fund according to the valuation procedure described below.

The Net Asset Value of the Fund will at all times be equal to the sum of the Net Asset Values of all Sub-Funds expressed in the Reference Currency of the Fund. The Net Asset Value of the Fund must at all times be at least equal to the minimum share capital required by the 2010 Law which is currently 1,250,000 EUR, except during the first six (6) months after the approval of the Fund by the CSSF.

8.2 Valuation procedure

8.2.1 General

The assets and liabilities of the Fund will be valued in accordance with the Articles of Association and the provisions outlined below.

The Board of Directors may apply, in good faith and in accordance with generally accepted valuation principles and procedures, other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realisation value of any asset if applying the rules described below appears inappropriate or impracticable.

The Board of Directors may adjust the value of any asset if the Board of Directors determines that such adjustment is required to reflect its fair value taking into account its denomination, maturity, liquidity, applicable or anticipated interest rates or dividend distributions or any other relevant considerations.

If, after the time of determination of the Net Asset Value but before publication of the Net Asset Value for a Valuation Day, there has been a material change affecting the exchanges or markets on which a substantial portion of the investments of a Sub-Fund are quoted, listed or

traded, the Board of Directors may cancel the first valuation and carry out a second valuation in order to safeguard the interest of investors. In such a case, the Net Asset Value used for processing subscription, redemption and conversion applications for that Valuation Day will be based on the second calculation.

For the purpose of calculating the Net Asset Value in accordance with the valuation principles set out below, the Board of Directors has authorised the UCI Administrator to rely in whole or in part upon valuations provided by available pricing sources for the relevant asset, including data vendors and pricing agencies (such as Bloomberg or Reuters), fund administrators, brokers, dealers and valuation specialists, provided that such pricing sources are considered reliable and appropriate and provided that there is no manifest error or negligence in such valuations. In the event that valuations are not available or valuations may not correctly be assessed using such pricing sources, the UCI Administrator will rely upon valuation methods and determinations provided by the Board of Directors.

The Board of Directors and the UCI Administrator may consult with and seek the advice of the Investment Manager in valuing the Fund's assets. Where the Board of Directors considers it necessary, it may seek the assistance of a valuation committee whose task will be the prudent estimation of certain assets' values in good faith.

In the absence of fraud, bad faith, gross negligence or manifest error, any decision taken in accordance with the Articles of Association and the Prospectus by the Board of Directors or any agent appointed by the Board of Directors in connection with the valuation of the Fund's assets and the calculation of the Net Asset Value of the Fund, a Sub-Fund or a Share Class, the Net Asset Value per Share will be final and binding on the Fund and on all investors, and neither the Board of Directors nor any agent appointed by the Board of Directors shall incur any individual liability or responsibility for any determination made or other action taken or omitted by them in this connection.

8.2.2 Assets of the Fund

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the assets of the Fund shall include the following:

1) all cash on hand or on deposit, including any outstanding accrued interest;

2) all bills and any types of notes or accounts receivable, including outstanding proceeds of any disposal of financial instruments;

3) all securities and financial instruments, including shares, bonds, notes, certificates of deposit, debenture stocks, options or subscription rights, warrants, money market instruments and all other investments belonging to the Fund;

4) all dividends and distributions payable to the Fund either in cash or in the form of stocks and shares (which will normally be recorded in the Fund's books as of the ex-dividend date, provided that the Fund may adjust the value of the security accordingly);

5) all outstanding accrued interest on any interest-bearing instruments belonging to the Fund, unless this interest is included in the principal amount of such instruments;

6) the formation expenses of the Fund or a Sub-Fund, to the extent that such expenses have not already been written off; and

7) all other assets of any kind and nature including expenses paid in advance.

8.2.3 Liabilities of the Fund

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the liabilities of the Fund shall include the following:

1) all loans, bills or accounts payable, accrued interest on loans (including accrued fees for commitment for such loans);

2) all known liabilities, whether or not already due, including all contractual obligations that have reached their term, involving payments made either in cash or in the form of assets, including the amount of any dividends declared by the Fund but not yet paid;

3) a provision for any tax accrued to the Valuation Day and any other provisions authorised or approved by the Fund; and

4) all other liabilities of the Fund of any kind recorded in accordance with applicable accounting rules, except liabilities represented by Shares. In determining the amount of such liabilities, the Fund will take into account all expenses, fees, costs and charges payable by the Fund as set out in section 9 (Fees and expenses) below.

Adequate provisions shall be made for unpaid administrative and other expenses of a regular or recurring nature based on an estimated amount accrued for the applicable period. Any off-balance sheet liabilities shall duly be taken into account in accordance with fair and prudent criteria.

The fees and expenses incurred in connection with the formation of the Fund will be borne by the Fund and may be amortised over a period of up to five (5) years. The formation expenses of each new Sub-Fund will be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. New Sub-Funds created after the incorporation and launch of the Fund will participate in the non-amortised costs of establishment of the Fund.

8.2.4 Valuation principles

In accordance with the Articles of Association, the valuation of the assets of the Fund will be conducted as follows:

1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.

2) Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or regulated market will be valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded

on an exchange or regulated market, will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, Money Market Instruments not traded on a stock exchange or on another regulated market open to the public will be valued on the basis of the relevant curves. Curve-based valuations are calculated from interest rates and credit spreads. The following principles are applied in this process: the interest rate nearest the residual maturity is interpolated for each money market instrument. Thus calculated, the interest rate is converted into a market price by adding a credit spread that reflects the creditworthiness of the underlying borrower. This credit spread is adjusted if there is a significant change in the borrower's credit rating.

4) Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available settlement price or, if such settlement price is not available, the last available bid price, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

5) Financial derivative instruments which are traded "over-the-counter" (OTC) will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the Board of Directors which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.

6) Notwithstanding paragraph 2) above, shares or units in target investment funds (including UCITS and UCI) will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the Board of Directors is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the target investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the target investment fund. Alternatively, shares or units in target investment funds which are quoted, listed or traded on an exchange or regulated market may be valued in accordance with the provisions of paragraph 2) above.

7) The value of any other asset not specifically referenced above will be the probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

8.2.5 Allocation of assets and liabilities to Sub-Funds and Share Classes

Assets and liabilities of the Fund will be allocated to each Sub-Fund and Share Class in accordance with the provisions of the Articles of Association, as set out below, and the Supplement of the Sub-Fund.

1) The proceeds from the issue of Shares of a Sub-Fund or Share Class, all assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets attributable to or deriving from such investments, as well as all increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. The assets allocated to each Share Class of the same Sub-Fund will be invested together in accordance with the investment objective, policy, and strategy of that Sub-Fund, subject to the specific features and terms of issue of each Share Class of that Sub-Fund, as specified in its Supplement (see section 7.1 (Shares, Sub-Funds and Share Classes) above)

2) All liabilities of the Fund attributable to the assets allocated to a Sub-Fund or Share Class or incurred in connection with the creation, operation or liquidation of a Sub-Fund or Share Class will be charged to that Sub-Fund or Share Class and, together with any increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. In particular and without limitation, the costs and any benefit of any Share Class specific feature will be allocated solely to the Share Class to which the specific feature relates.

3) Any assets or liabilities not attributable to a particular Sub-Fund or Share Class may be allocated by the Board of Directors in good faith and in a manner which is fair to investors generally and will normally be allocated to all Sub-Funds or Share Classes *pro rata* to their Net Asset Value.

Subject to the above, the Board of Directors may at any time vary the allocation of assets and liabilities previously allocated to a Sub-Fund or Share Class.

8.2.6 Additional rules for assets and liabilities of the Fund

In calculating the Net Asset Value of each Sub-Fund or Share Class the following principles will apply.

1) Each Share agreed to be issued by the Fund on each Subscription Day will be deemed to be in issue and existing immediately after the time of valuation on the Subscription Day. From such time and until the Subscription Price is received by the Fund, the assets of the Sub-Fund or Share Class concerned will be deemed to include a claim of that Sub-Fund or Share Class for the amount of any cash or other property to be received in respect of the issue of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be increased by such amount immediately after the time of valuation on the Subscription Day.

2) Each Share agreed to be redeemed by the Fund on each Redemption Day will be deemed to be in issue and existing until and including the time of valuation on the Redemption Day. Immediately after the time of valuation and until the Redemption Price is paid by the Fund, the liabilities of the Sub-Fund or Share Class concerned will be deemed to include a debt of that Sub-Fund or Share Class for the amount of any cash or other property to be paid in respect of the redemption of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount immediately after the time of valuation on the Redemption Day.

3) Following a declaration of dividends for Distribution Shares on a Valuation Day determined by the Fund to be the distribution accounting date, the Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount as of the time of valuation on that Valuation Day.

4) Where assets have been agreed to be purchased or sold but such purchase or sale has not been completed at the time of valuation on a given Valuation Day, such assets will be included in or excluded from the assets of the Fund, and the gross purchase price payable or net sale price receivable will be excluded from or included in the assets of the Fund, as if such purchase or sale had been duly completed at the time of valuation on that Valuation Day, unless the Fund has reason to believe that such purchase or sale will not be completed in accordance with its terms. If the exact value or nature of such assets or price is not known at the time of valuation on the Valuation Day, its value will be estimated by the Fund in accordance with the valuation principles described above.

5) The value of any asset or liability denominated or expressed in a currency other than the Reference Currency of the Fund, Sub-Fund or Share Class will be converted, as applicable, into the Reference Currency of the Fund, Sub-Fund or Share Class at the prevailing foreign exchange rate at the time of valuation on the Valuation Day concerned which the Board of Directors considers appropriate.

8.3 Publication of the Net Asset Value

The publication of the Net Asset Values will take place on the next Business Day after a Valuation Day unless otherwise provided for in the Supplement. The Net Asset Value per Share of each Share Class within each Sub-Fund will be available from the UCI Administrator during normal business hours.

The Net Asset Value per Share of any Share Class or Sub-Fund which is listed on the Luxembourg Stock Exchange or any other exchange will be notified to such exchange upon calculation.

8.4 Temporary suspension of the Net Asset Value calculation

The Board of Directors, upon consultation with the Management Company, may temporarily suspend the calculation and publication of the Net Asset Value per Share of any Share Class in any Sub-Fund in the following cases:

1) when any exchange or regulated market that supplies the price of the assets of a Sub-Fund is closed for reasons other than for ordinary holidays, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute in volumes allowing the determination of fair prices;

2) when the information or calculation sources normally used to determine the value of the assets of a Sub-Fund are unavailable;

3) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of a Sub-Fund, or which is required to calculate the Net Asset Value per Share;

4) when exchange, capital transfer or other restrictions prevent the execution of transactions of a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;

5) when exchange, capital transfer or other restrictions prevent the repatriation of assets of a Sub-Fund for the purpose of making payments on the redemption of Shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;

6) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;

7) when there is a suspension of the Net Asset Value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which a Sub-Fund is invested;

8) following the suspension of the Net Asset Value calculation and/or the issue, repurchase, redemption and/or conversion at the level of a Master Fund in which a Sub-Fund invests as a Feeder Fund;

9) when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;

10) in the event of a notice to shareholders of the Fund convening an extraordinary general meeting of shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Share Class, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Share Class;

11) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;

12) during any period when the dealing of the Shares of a Sub-Fund or Share Class on any relevant stock exchange where such Shares are listed is suspended or restricted or closed; and

13) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or Share Class, in compliance with the principle of fair treatment of investors in their best interests.

In the event of exceptional circumstances which could adversely affect the interest of investors or where significant requests for subscription, repurchase, redemption and/or conversion of Shares are received for a Sub-Fund or Share Class, the Board of Directors reserves the right to determine the Net Asset Value per Share for that Sub-Fund or Share Class only after the Fund has completed the necessary investments or divestments in securities or other assets for the Sub-Fund or Share Class concerned.

The issue, repurchase, redemption and/or conversion of Shares in the any Share Class will also be suspended during any such period when the Net Asset Value of such Share Class is not calculated and published.

Any decision to suspend the calculation and publication of the Net Asset Value per Share and/or where applicable, the issue, repurchase, redemption and/or conversion of Shares of a Share Class, will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed and posted on the website of the Management Company, the UCI Administrator, the Global Distributor, the Distributor or the Investment Manager.

The suspension of the calculation of the Net Asset Value and/or, where applicable, of the subscription, repurchase, redemption and/or conversion of Shares in any Sub-Fund or Share Class will have no effect on the calculation of the Net Asset Value and/or, where applicable, of the subscription, repurchase, redemption and/or conversion of Shares in any other Sub-Fund or Share Class.

Suspended subscription, repurchase, redemption and/or conversion applications will be treated as deemed applications for subscriptions, repurchases, redemptions and/or conversions in respect of the first Subscription Day, repurchase day, Redemption Day and/or Conversion Day following the end of the suspension period unless the investors have withdrawn their applications for subscription, repurchase, redemption and/or conversion by written notification received by the UCI Administrator before the end of the suspension period.

9. FEES AND EXPENSES

9.1 Subscription Fee and Redemption Fee

Subscriptions for Shares may be subject to a Subscription Fee and redemptions of Shares may be subject to a Redemption Fee both calculated as specified in the Supplement, where applicable. Conversions of Shares may be subject to a Conversion Fee calculated as specified in the Supplement, where applicable. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any. The Subscription Fee will either be paid directly to the Fund or may also be paid in whole or in part to the Global Distributor, Distributor(s) or any intermediary acting in relation to the distribution of Shares. No different rates of the Subscription Fee or Redemption Fee will apply for subscriptions or redemptions of the same Subscription Day or Redemption Day.

In case the amount of the redemption leads to a rebalancing of the portfolio and additional workload is required to the investment manager, the Redemption Fee will be paid to the Investment Manager and/or the Sub-Fund upon request and/or approval of the Board of Directors for the respective Sub-Fund. The Fund may pay all or part of such fees received to the Global Distributor or any Distributor(s) as commissions or other fee arrangements. The Fund may in its discretion waive all or part of the Subscription Fee, Redemption Fee or Conversion Fee.

Should a Sub-Fund qualify as a Master Fund, no Subscription Fee, Redemption Fee or Conversion Fee will be charged in respect of subscription, redemption or conversion requests of any Feeder Fund of that Master Fund.

Banks and other financial intermediaries appointed by or acting on behalf of the investors may charge administration and/or other fees or commissions to the investors pursuant to arrangements between those banks or other financial intermediaries and the investors. The Fund has no control over such arrangements.

9.2 Management Company Fee

The Management Company will be entitled to a Management Company Fee for Management Company and UCI Administration services equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class subject to a minimum fee per Sub-Fund or Share Class. The Management Company fee will be calculated on the Net Asset Value of each Sub-Fund, subject to a maximum rate of 8.50 bps p.a. and subject to a minimum annual fee per Sub-Fund of 30,000 EUR p.a. in year 1 after the launch and EUR 50,000 p.a. from year 2 after the launch onwards. The Management Company Fee will be calculated by reference to the Net Asset Value of each Sub-Fund calculated on each Valuation Day and be payable on a monthly basis in arrears. The Management Company will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties. These fees will be paid directly out of the respective Sub-Fund's assets to the Management Company.

The Management Company Fee covers the fees in relation with the Risk Management and the UCI Administration and Transfer Agency, in addition to the supervision of the delegated functions. For the avoidance of doubt, the Management Company Fee does not cover investment management, depositary as well as domiciliation and corporate secretary services, marketing and distribution services performed respectively by the Investment Manager, the Depositary, the Domiciliation and Corporate Secretary Agent and the Global Distributor.

9.3 Investment Manager Fee

The Investment Manager will be entitled to receive from the Fund a customary fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class, as set out in the Supplement for each Sub-Fund or Share Class. The Investment Manager fee will be calculated by reference to the Net Asset Value of each Sub-Fund or Share Class and will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of each Sub-Fund. The Investment Manager may from time to time, at its sole discretion, decide to waive all or part of its fee.

The Investment Manager Fee remunerates the Investment Manager, the Investment Advisor, if any, and the financial adviser, if any, of the Sub-Fund's Shares; it is calculated on the average value of the net assets of each Class determined on each Valuation Day and payable monthly.

In view of having a carefully chosen selection of appropriate (ESG) investment research services, competitively priced and assessed in terms of their benefit to specific individual investment strategies, the Investment Manager set a Research Payment Account ("**RPA**"). It is generally not expected that the research budget applicable to the RPA will exceed EUR 190,000 per annum. In particular, Sustainalytics B.V., a private company with limited liability, incorporated under the laws of the Netherlands, the ESG data service provider, is entitled to receive a fixed fee of EUR 53,600 out of the RPA in consideration of its services (mainly including ESG research and independent ESG audits) (the "**ESG Data Provider Fee**"). The ESG Data Provider Fee will be paid by each Sub-Fund promoting environmental and/or social characteristics or pursuing a sustainable objective in proportion to their respective assets under management.

9.4 Performance Fee

The Investment Manager may be entitled to receive a Performance Fee with respect to certain Sub-Funds or Share Classes. The payment and size of the Performance Fee depends on the performance of the Sub-Fund or Share Class over a specified time period. The Performance Fee is calculated and accrued at each Valuation Day on the basis of the Net Asset Value after deducting all fees and expenses, including the Management Company Fee and the Investment Manager Fee (but not the Performance Fee) and adjusting for subscriptions and redemptions during the performance period so these will not affect the calculation of the Performance Fee. The Performance Fee is paid out of the assets of the Fund to the Management Company and allocated to the relevant Sub-Funds and Share Classes as described in section 8.2 (Valuation procedure) above. The Management Company will pay such fee to the Investment Manager.

Details regarding the calculation and payment of Performance Fees are contained in the Supplement.

9.5 Fees of the Depositary and the Paying Agent

The Depositary and Paying Agent will be entitled to receive out of the assets of each Sub-Fund a fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class subject to a minimum fee per Sub-Fund or Share Class.

The Depositary fee will be calculated on the Net Asset Value of each Sub-Fund, subject to a maximum rate of 4.25 bps p.a. and subject to a minimum of maximum 15,000 EUR p.a. per Sub-Fund. The Depositary fee is charged to the Sub-Funds on a pro rata basis on each Valuation Day and paid on a monthly basis in arrears to the Depository out of the Sub-Fund's

assets. Further fees may be payable to the Depositary in consideration of ancillary services rendered to the Sub-Funds and relating to the core services of the Depositary. These fees will be paid directly out of the relevant Sub-Fund's assets to the Depositary. The Depositary will also be entitled to transaction fees charged on the basis of the investments made by each Sub-Fund consistent with market practice in Luxembourg. Fees paid to the Depositary may vary depending on the nature of the investments of each Sub-Fund and the countries and/or markets in which the investments are made. The Depositary will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties upon approval by the Management Company.

9.6 Fees of the Global Distributor

To the extent permitted under applicable laws and regulations, the Global Distributor will be entitled to receive a fee in consideration of the marketing and distribution of certain Sub-Funds or Share Classes equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class, as specified in the Supplements. The Global Distributor Fee will accrue on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each Sub-Fund or Share Class as specified in the relevant Supplement.

9.7 Administrator and Transfer Agent Fee

The UCI Administrator and Transfer Agent will be paid by the Management Company out of the Management Company Fee.

9.8 Directors' fees and expenses

The members of the Board of Directors are entitled to receive a fee in consideration for their function. The Fund will also reimburse the members of the Board of Directors for appropriate insurance coverage and expenses and other costs incurred by the members of the Board of Directors in the performance of their duties, including reasonable out-of-pocket expenses, traveling costs incurred to attend meetings of the Board of Directors, and any costs of legal proceedings unless such costs are caused by intentional or grossly negligent conduct by the member of the Board of Directors in question. The Fund may also pay fees and expenses to members of any committee established by the Board of Directors, where applicable.

9.9 Operating and Administrative Expenses

The Fund bears all ordinary operating costs and expenses incurred in the operation of the Fund or any Sub-Fund or Share Class ("**Operating and Administrative Expenses**") including but not limited to costs and expenses incurred in connection with:

1) preparing, producing, printing, depositing, publishing and/or distributing any documents relating to the Fund, a Sub-Fund or Share Class that are required by applicable laws and regulations (such as the Articles of Association, this Prospectus, PRIIPs KID (or UCITS KIID, where relevant), financial reports (including, but not limited to, the Annual Report) and notices to investors) or any other documents and materials made available to investors (such as explanatory memoranda, statements, reports, factsheets and similar documents, etc.);

2) any fees incurred by service providers of the Fund in relation to the establishment and launch of the Fund and/or any Sub-Fund (Formation Expenses);

3) organising and holding general meetings of shareholders and preparing, printing, publishing and/or distributing notices and other communications to shareholders;

4) professional advisory services (such legal, tax, accounting, compliance, auditing and other advisory services) taken by the Fund or the Management Company on behalf of the Fund;

5) investment services taken and/or data obtained by the Fund or the Management Company on behalf of the Fund (including fees and expenses incurred in obtaining investment research, systems and other services or data utilised for portfolio and risk management purposes);

6) the authorisation of the Fund, the Sub-Funds and Share Classes, regulatory compliance obligations and reporting requirements of the Fund (such as administrative fees, filing fees, insurance costs and other types of fees and expenses incurred in the course of regulatory compliance), and all types of insurance obtained on behalf of the Fund and/or the members of the Board of Directors;

7) initial and ongoing obligations relating to the registration and/or listing of the Fund, a Sub-Fund or Share Class and the distribution of Shares in Luxembourg and abroad (such as fees charged by and expenses payable to financial regulators, distributors, correspondent banks, representatives, listing agents, paying agents, fund platforms, and other agents and/or service providers appointed in this context, as well as advisory, legal, and translation costs);

8) due diligence fees and fees for the update of procedures charged by the Management Company to the Fund;

9) fees for MLRO and UBO services provided and charged by the Management Company (where applicable);

10) fees for domiciliation and corporate secretary services;

11) any other fees related to professional services provided to the Fund such as securities lending, proxy voting, etc., where applicable;

12) the determination and publication of tax factors for the EU/EEA Member States and/or any other countries where distribution licences and/or private placements exist, according to the actual expenditure incurred at market rates;

13) memberships or services provided by international organisations or industry bodies such as the Association of the Luxembourg Fund Industry (ALFI);

14) taxes, charges and duties payable to governments and local authorities (including the Luxembourg annual subscription tax (*taxe d'abonnement*) and any other taxes payable on assets, income or expenses) and any value added tax (VAT) or similar tax associated with any fees and expenses paid by the Fund;

15) the reorganisation or liquidation of the Fund, a Sub-Fund or Share Class; and

16) costs of operational management and supervision of the Fund's business activity, sales support, licence fees.

9.10 Transaction costs

Each Sub-Fund bears the costs and expenses arising from buying and selling portfolio assets and entering into other transactions in securities or other financial instruments, such as

brokerage fees and commissions, fees for research services (e.g. investment analyses) provided by brokers, including an analysis fee for the performance of investment analyses paid for by the Fund to the Investment Manager to the RPA (as further described under section 9.3 (Investment Manager Fee)), and all other fees, expenses, commissions, charges, premiums and interest paid to banks, brokers, execution agents or securities lending agents and/or incurred in participating in any repurchase, reverse repurchase and securities lending programs, collateral management fees and associated costs and charges, handling and transactions fees (up to 25 EUR) chargeable by the Investment Manager, exchange fees, taxes, levies and stamp duties chargeable in connection with transactions in securities or other financial, and any other transaction-related expenses.

9.11 Extraordinary expenses

In order to safeguard the interests of the Fund and its investors, the Fund or any Sub-Fund may bear any extraordinary expenses including, without limitation, expenses related to litigation and regulatory investigations (including penalties, fines, damages and indemnifications) and the full amount of any tax, levy, duty or similar charge imposed on the Fund or Sub-Fund that would not be considered as ordinary Operating and Administrative Expenses.

9.12 Formation expenses

The fees and expenses incurred in connection with the formation of the Fund will be borne by the Fund and may be amortised over a period of up to five (5) years from the date of incorporation of the Fund. The formation expenses of each new Sub-Fund will be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. New Sub-Funds created after the incorporation and launch of the Fund will participate in the non-amortised formation expenses of the Fund.

10. GENERAL INFORMATION

10.1 Reports and financial statements

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP.

The financial year of the Fund will begin on 1 January of each year and end on 31 December of the same year. Each year, the Fund will issue an Annual Report as of the end of the previous financial year comprising, *inter alia*, the audited financial statements of the Fund and each Sub-Fund and a report of the Board of Directors on the activities of the Fund. The Fund will also issue a Semi-Annual Report as of 30 June of the current financial year. The first financial year will end on 31 December 2022 and the first Annual Report will be issued as of 31 December 2022.

The Annual Report shall be made available to investors within six (6) months following the end of the reporting period and the Semi-Annual Report will be made available to investors within two (2) months following the end of the reporting period. Investors may obtain, upon request, a copy of the latest financial reports from the Management Company free of charge and on https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling-solutions/fund-management-company-services/fml-investor-notifications.html.

The Reference Currency of the Fund is the Euro. The Annual Report will comprise consolidated accounts of the Fund expressed in Euro as well as individual information on each Sub-Fund expressed in the Reference Currency of such Sub-Fund.

10.2 Meetings of shareholders

The annual general meeting of shareholders will be held each year in Luxembourg in order to approve the financial statements of the Fund for the previous financial year. The annual general meeting of shareholders will be held within six (6) months of the end of each financial year of the Fund in the Grand Duchy of Luxembourg at the registered office of the Fund or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting.

Other general meetings of shareholders may be held at such place and time as indicated in the convening notice in order to decide on any other matters relating to the Fund.

General meetings of shareholders of any Sub-Fund or any Share Class within a Sub-Fund may be held at such time and place as indicated in the convening notice in order to decide on any matters which relate exclusively to such Sub-Fund or Share Class.

Notices of all general meetings may be made through announcements filed with the Luxembourg Trade and Companies Register (RCS) and published at least fifteen (15) calendar days before the general meeting, on the Recueil électronique des sociétés et associations, and in a Luxembourg newspaper. In such case, notices by mail shall be sent at least eight (8) calendar days before the meeting to the registered shareholders by ordinary mail (lettre missive). Alternatively, the notices may be exclusively sent at least eight (8) calendar days before the meeting, by registered mail, or if the addressees have individually agreed to receive the convening notices by another means of communication ensuring access to the information, by such means of communication. Convening notices will also be published and/or communicated to investors as required by applicable laws and regulations in other jurisdictions where the Shares are distributed and posted on https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling-solutions/fund-management-company-services/fml-investor-notifications.html.

Notices will include the agenda and will specify the time and place of the meeting, the conditions of admission, and the quorum and voting requirements.

The requirements as to attendance, quorum, and majorities at all general meetings will be those laid down in the Articles of Association and in the 1915 Law. All shareholders may attend general meetings in person or by appointing another person as his proxy in writing or by facsimile, electronic mail or any other similar means of communication accepted by the Fund. A single person may represent several or even all shareholders of the Fund, a Sub-Fund or Share Class. Each Share entitles the shareholder to one (1) vote at all general meetings of shareholders of the Fund, and at all meetings of the Sub-Fund or Share Class concerned to the extent that such Share is a Share of such Sub-Fund or Share Class.

10.3 Investors' rights

Upon the issue of the Shares, the person whose name appears on the register of Shares will become a shareholder of the Fund in relation to the relevant Sub-Fund and Share Class. The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general shareholders' meetings, if the investor is himself a shareholder of the Fund. In cases where an investor invests in the Fund through an intermediary who invests into the Fund in his own name but on behalf of the investor, (i) it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund and (ii) the investor's right to be compensated in case of significant Net Asset Value calculation errors and/or other errors at the level of the Fund (including any Sub-Fund) may be affected. Investors are advised to seek advice in relation to their rights.

The Articles of Association are governed by, and construed in accordance with, the laws currently into force in Luxembourg. The Subscription Form is expressed to be governed by, and construed in accordance with, the laws currently into force in Luxembourg, and contains a choice of international competence of the courts of the Grand-Duchy of Luxembourg.

There are no legal instruments in Luxembourg required for the recognition and enforcement of judgments rendered by a Luxembourg court. If a foreign, i.e. non-Luxembourg court, on the basis of mandatory domestic provisions, renders a judgment against the Fund, the rules of the Brussels I Regulation (regarding judgments from EU Member States) or the rules of the Lugano Convention or of the private international law of Luxembourg (regarding judgments from non-EU Member States) concerning the recognition and enforcement of foreign judgments apply. Investors are advised to seek advice, on a case-by-case basis, on the available rules concerning the recognition and enforcement of judgments.

Absent a direct contractual relationship between the investors and the service providers mentioned in section 6 (Management and Administration) above, the investors will generally have no direct rights against service providers and there are only limited circumstances in which an investor can potentially bring a claim against a service provider. Instead, the proper claimant in an action in respect of which a wrongdoing is alleged to have been committed against the Fund by a service provider is, *prima facie*, the Fund itself.

10.4 Changes to this Prospectus

The Board of Directors, in close cooperation with the Management Company, may from time to time amend this Prospectus to reflect various changes it deems necessary and in the best interest of the Fund, such as implementing changes to laws and regulations, changes to a Sub-Fund's objective and policy or changes to fees and costs charged to a Sub-Fund or Share Class. Any amendment of this Prospectus will require approval by the CSSF prior to taking

effect. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of any proposed material changes in order for them to request the redemption of their Shares should they disagree.

10.5 Documents available

Investors may, upon request, obtain a copy of the Articles of Association, this Prospectus, the applicable PRIIPs KID, the latest Annual Report or Semi-Annual Report from the Fund free of charge on each Business Day during normal business hours at the Fund's registered office and may review the agreements with the Management Company, the UCI Administrator, the Investment Manager, the distributor(s) and the Depositary and Paying Agent at the registered office of the Fund.

Starting as of 1 January 2023 and in accordance the PRIIPs Regulation, a PRIIPs KID is published for each share class where such share class is available to retail investors in the EEA. A retail investor within the meaning of the preceding paragraph means any person who is a retail client as defined in article 4(1), point (11), of MiFID II.

A PRIIPs KID is made available to retail investors and professional investors, where shares are made available, offered or sold in the EEA and certain other States (where required), in good time prior to their subscription in the relevant Sub-Fund.

The link where the PRIIPs KID can be found is available on the website https://www.ubs.com/ame. Furthermore, the PRIIPs KID will be supplied to shareholders on request and free of charge from the registered office of the Fund.

For the share classes of certain Sub-Funds offered in certain other States, a UCITS KIID will continue to be made available where required by the applicable local legal and regulatory requirements of those States.

Prospective shareholders must consult the PRIIPs KID (or UCITS KIID, where relevant) for the relevant class and Sub-Fund in which they intend to invest.

The Management Company and the Investment Manager have adopted a “best execution” policy with the objective of obtaining the best possible result for the Fund when executing decisions to deal on behalf of the Fund or placing orders to deal on behalf of the Fund with other entities for execution. Further information on the best execution policy may be obtained from the Management Company upon request.

The Management Company has a strategy for determining when and how voting rights attached to ownership of a Sub-Fund’s investments are to be exercised for the exclusive benefit of the Sub-Fund. A summary of this strategy as well as the details of the actions taken on the basis of this strategy in relation to each Sub-Fund may be obtained from the Management Company upon request and on http://www.ubs.com/ame-regulatorydisclosures.

10.6 Complaints

Any investor having a complaint to make about the operations of the Fund may file a complaint by writing to the Management Company. Details on the complaints handling procedure may be obtained from the Management Company upon request and on http://www.ubs.com/ame-regulatorydisclosures.

10.7 Data protection

In accordance with the applicable Luxembourg data protection law and, as of 25 May 2018, the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**Data Protection Law**"), the Fund, as data controller, collects, stores and processes, by electronic or other means, the data supplied by investors for the purpose of fulfilling the services required by the investors and complying with its legal and regulatory obligations. The data processed includes in particular the name, contact details (including postal or email address), banking details, invested amount and holdings in the Fund of investors ("**Personal Data**"). The investor may at his/her discretion refuse to communicate Personal Data to the Fund. In this case, however, the Fund may reject a request for Shares. Each investor has a right to access his/her Personal Data and may ask for Personal Data to be rectified where it is inaccurate or incomplete by writing to the Fund at its registered office, as indicated in the Directory.

Personal Data supplied by investors is processed in order to subscribe for Shares in the Fund, for the legitimate interests of the Fund and to comply with the legal obligations imposed on the Fund. In particular, the Personal Data supplied by investors is processed for the purposes of processing subscriptions, redemptions and conversions of Shares and payments of dividends to investors, account administration, client relationship management, performing controls on excessive trading and market timing practices, tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS) and compliance with applicable anti-money laundering rules. Data supplied by shareholders is also processed for the purpose of maintaining the register of shareholders of the Fund. In addition, Personal Data may be processed for the purposes of marketing. Each investor has the right to object to the use of its Personal Data for marketing purposes by writing to the Fund.

The Personal Data may also be processed by the Fund's data processors (the "**Processors**") which, in the context of the above mentioned purposes, refer to the Management Company, the Depositary, the UCI Administrator, the Paying Agent, the Investment Manager, the Distributors, the Auditor and the legal adviser. The Processors may be located either inside or outside the European Union and, in particular, in the United States of America, Norway and Switzerland. Any transfer of Personal Data to the Processors located in the United States of America, Norway and Switzerland relies on adequacy decisions of the EU Commission pursuant to which the United States of America, Norway and Switzerland are considered to offer an adequate level of protection for Personal Data. The Fund may also transfer Personal Data to third- parties such as governmental or regulatory agencies, including tax authorities, in or outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may acting as data controller, disclose the same to foreign tax authorities.

In accordance with the conditions laid down by the Data Protection Law, the investors acknowledge their right to:

- access their Personal Data;
- correct their Personal Data where it is inaccurate or incomplete;
- object to the processing of their Personal Data;
- ask for erasure of their Personal Data; and
- ask for Personal Data portability.

The investors may exercise the above rights by writing to the Fund at the following address: 33A, avenue J. F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

The investors also acknowledge the existence of their right to lodge a complaint with the National Commission for Data Protection ("**CNPD**") at the following address: 1, avenue du Rock'n'Roll, L-4361Esch-sur-Alzette, Grand Duchy of Luxembourg.

Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable legal minimum retention periods.

10.8 Merger and reorganisation

10.8.1 Merger of the Fund or a Sub-Fund with other UCITS

The Board of Directors may decide to proceed with a merger (within the meaning of the 2010 Law) of the Fund with one or several other Luxembourg or foreign UCITS or sub-funds thereof. The Board of Directors may also decide to proceed with a merger (within the meaning of the 2010 Law) of one or several Sub-Funds with one or several other Sub-Funds within the Fund, or with one or several other Luxembourg or foreign UCITS or sub-funds thereof. In accordance with the provisions of the 2010 Law, a merger does not require the prior consent of investors except where the Fund is the absorbed entity, which thus ceases to exist as a result of the merger: in such case, the general meeting of shareholders of the Fund must decide on the merger and its effective date. The general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of the Fund or any Sub-Fund, as applicable, may also decide on any of the mergers described above as well as on the effective date thereof by resolution taken by the general meeting of shareholders of the Fund or Sub-Fund. The convening notice will explain the reasons for and the process of the proposed merger.

In any case, the merger will be subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the common draft terms of the merger to be established by the Board of Directors and the information to be provided to investors.

10.8.2 Absorption of another UCI by the Fund or a Sub-Fund

The Board of Directors may decide to proceed with the absorption by the Fund or one or several Sub-Funds of one or several sub-funds of another Luxembourg or a foreign UCI (other than a UCITS) irrespective of their form, or any Luxembourg or foreign UCI (other than a UCITS) constituted under a non-corporate form. The exchange ratio between the Shares and the shares or units of the absorbed UCI or sub-funds thereof will be calculated on the basis of the net asset value per share or unit as of the effective date of the absorption.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of the Fund or any Sub-Fund, as applicable, may also decide on any of the absorptions described above as well as on the effective date thereof by resolution taken by the general meeting of shareholders of the Fund or Sub-Fund. The convening notice will explain the reasons for and the process of the proposed absorption.

The Fund may absorb another Luxembourg or foreign UCI (other than a UCITS) incorporated under a corporate form in compliance with the 1915 Law and any other applicable laws and regulations.

10.8.3 Reorganisation of Share Classes

The Board of Directors may decide to reorganise Share Classes, as further described below, in the event that, for any reason, the Board of Directors determines that:

(i) the Net Asset Value of a Share Class has decreased to, or has not reached, the minimum level for that Share Class to be managed and/or administered in an efficient manner;

(ii) changes in the legal, economic or political environment would justify such reorganisation; or

(iii) a product rationalisation would justify such reorganisation.

In such a case, the Board of Directors may decide to re-allocate the assets and liabilities of any Share Class to those of one or several other Share Classes, and to re-designate the Shares of the Share Class concerned as Shares of such other Share Class or Share Classes (following a split or consolidation of Shares, if necessary, and the payment to investors of the amount corresponding to any fractional entitlement).

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, investors may also decide on such reorganisation by resolution taken by the general meeting of shareholders of the Share Classes. The convening notice will explain the reasons for and the process of the proposed reorganisation.

Investors will be informed of the reorganisation by way of a notice. The notice will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed and posted on https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling-solutions/fund-management-company-services/fml-investor-notifications.html. The notice will explain the reasons for and the process of the reorganisation.

10.9 Liquidation

10.9.1 Termination and liquidation of Sub-Funds or Share Classes

The Board of Directors may decide to compulsorily redeem all the Shares of any Sub-Fund or Share Class and thereby terminate and liquidate any Sub-Fund or Share Class in the event that, for any reason, the Board of Directors determines that:

(i) the Net Asset Value of a Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be managed and/or administered in an efficient manner;

(ii) changes in the legal, economic or political environment would justify such liquidation; or

(iii) a product rationalisation would justify such liquidation.

Investors will be informed of the decision to terminate a Sub-Fund or Share Class by way of a notice. The notice will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed and posted on https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling-solutions/fund-management-company-services/fml-investor-

notifications.html. The notice will explain the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of any Sub-Fund or Share Class, as applicable, may also decide on such termination by resolution taken by the general meeting of shareholders of the Sub-Fund or Share Class and have the Fund redeem compulsorily all the Shares of the Sub-Fund or Share Class at the Net Asset Value per Share for the applicable Valuation Day. The convening notice will explain the reasons for and the process of the proposed termination and liquidation.

Actual realisation prices of investments, realisation expenses and liquidation costs will be taken into account in calculating the Net Asset Value applicable to the compulsory redemption. Investors in the Sub-Fund or Share Class concerned will generally be authorised to continue requesting the redemption or conversion of their Shares prior to the effective date of the compulsory redemption, unless the Board of Directors determines that it would not be in the best interest of investors in that Sub-Fund or Share Class or could jeopardise the fair treatment of investors.

All Shares redeemed will generally be cancelled. Redemption proceeds which have not been claimed by investors upon the compulsory redemption will be deposited in escrow at the *Caisse de Consignation* in Luxembourg in accordance with applicable laws and regulations. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.

The termination and liquidation of a Sub-Fund or Share Class will have no influence on the existence of any other Sub-Fund or Share Class. The decision to terminate and liquidate the last Sub-Fund existing in the Fund will result in the dissolution and liquidation of the Fund in accordance with the provisions of the Articles of Association.

10.9.2 Dissolution and liquidation of the Fund

The Fund is incorporated for an unlimited period. It may be dissolved at any time with or without cause by a resolution of the general meeting of shareholders adopted in compliance with applicable laws.

The compulsory dissolution of the Fund may be ordered by Luxembourg competent courts in circumstances provided by the 2010 Law and the 1915 Law.

As soon as the decision to dissolve the Fund is taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited. The liquidation will be carried out in accordance with the provisions of the 2010 Law and 1915 Law. Liquidation proceeds which have not been claimed by investors at the time of the closure of the liquidation will be deposited in escrow at the *Caisse de Consignation* in Luxembourg. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.

10.10 Remuneration policy

The board of directors of the Management Company has adopted a remuneration policy, the objectives of which are to ensure that the remuneration is in line with the applicable regulations, and more specifically with the provisions defined under (i) the UCITS Directive 2014/91/EU, the ESMA final report on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016, (ii) the Alternative Investment Fund Managers (AIFM) Directive 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time, the ESMA guidelines on sound remuneration policies

under the AIFMD published on 11 February 2013 and (iii) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on 1 February 2010; and to comply with the UBS AG Remuneration policy framework. Such remuneration policy is reviewed at least annually.

The remuneration policy promotes a sound and effective risk management environment, is in line with the interests of the investor and discourages risk-taking which is inconsistent with the risk profiles rules or instruments of incorporation of such UCITS and AIFs.

The remuneration policy furthermore fosters compliance with the Management Company's and the UCITS' strategies, objectives, values and interests including measures to avoid conflict of interests.

This approach furthermore focuses amongst others on:

- The assessment of performance which is set in a multi-year framework appropriate to the holding periods recommended to the investors of the Sub-Funds in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.

- The remuneration of all staff members which is appropriately balanced between fixed and variable elements. The fixed component of the remuneration represents a sufficient high proportion of the total remuneration and allows a fully flexible bonus strategy, including the possibility to pay no variable remuneration component. The fixed remuneration is determined by taking into consideration the role of the individual employee, including responsibility and job complexity, performance and local market conditions. It is also to be noted that the Management Company may, on its own discretion, offer fringe benefits to some employees which are an integral component of the fixed remuneration.

Any relevant disclosures shall be made in the annual reports of the Management Company in accordance with the provisions of the UCITS Directive 2014/91/EU.

Investors can find more details about the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available on http://www.ubs.com/ame-regulatorydisclosures. A paper copy of such document is available free of charge from the Management Company upon request.

11. TAXATION

11.1 Preliminary comments

The following Section is a short summary of certain important Luxembourg taxation principles that may be or become relevant with respect to the Fund and its Sub-Funds.

This Section does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in the Fund or any of its Sub-Funds in any other jurisdiction.

Furthermore, this Section does not address the taxation of the Fund or any of its Sub-Funds in any other jurisdiction or the taxation of any legal entity, partnership or undertakings for collective investment without legal personality in which the Fund holds an interest.

Prospective investors are advised to consult their own professional tax advisers in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Shares under the laws of their country of citizenship, residence, domicile or incorporation.

The following summary is based on laws, regulations and practice currently applicable in the Grand Duchy of Luxembourg at the date of this Offering Document and is subject to changes therein, possibly with retroactive effect.

Shareholders of the Fund should be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), the solidarity surcharge (contribution au fonds pour l'emploi), as well as personal income tax (impôt sur le revenu des personnes physiques). Corporate taxpayers may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, net wealth tax and the solidarity surcharge apply to most corporate taxpayers that are resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

11.2 Taxation of the Fund

Under present Luxembourg law and administrative practice, neither the Fund nor any of its Sub-Funds is liable to any Luxembourg corporate income tax, municipal business tax, and net wealth tax. The Fund (or each Sub-Fund) is however liable in Luxembourg to a subscription tax of in principle zero point zero five (0.05) percent per annum computed on its net assets, such tax being payable quarterly on the basis of the value of the aggregate assets of the Fund (or each Sub-Fund) at the end of the relevant calendar quarter. The subscription tax is at a rate of zero point zero one (0.01) percent per annum for

- UCIs whose sole objective is the collective investment in money market instruments and the placing of deposits with credit institutions;
- UCIs whose sole objective is the collective investment in deposits with credit institutions;

- Sub-Funds or individual Share Classes reserved to one or more institutional investors.

Under certain conditions, reduced rates ranging from 0.04% to 0.01% may also be available for the portion of the net assets of Sub-Funds that are invested in sustainable economic activities (as defined in Article 3 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088).

Nevertheless, the Fund (or each Sub-Fund) is exempt from the subscription tax in the following cases:

- The value of assets represented by shares held in other UCIs, provided such shares have already been subject to this tax under the amended law of 13 February 2007, under the 2010 Law or under the amended law of 23 July 2016;
- Sub-Funds

  1) the securities of which are reserved for institutional investors; and

  2) the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions; and

  3) the weighted residual portfolio maturity of which does not exceed 90 days; and

  4) that have obtained the highest possible rating from a recognised rating agency;

- UCIs the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employers' initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits; or
- Sub-Funds whose main objective is the investment in microfinance institutions; or
- Sub-Funds (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public, and (ii) whose sole objective is to replicate the performance of one or more indices.

No other stamp duty or other tax is payable in Luxembourg on the issue of Shares.

The Fund is liable for a flat registration duty of seventy five Euro (75.- EUR) to be paid upon incorporation and upon future modification (if any) of its Articles of Association.

Dividends and interest, if any, received by the Fund or any of its Sub-Funds from investments may be subject to taxes and/or withholding taxes in the countries concerned at varying rates, such (withholding) taxes usually not being recoverable. The Fund and its Sub-Funds may be liable to certain other foreign taxes.

11.3 Taxation of shareholders

Under current law and practice in Luxembourg, the shareholders of the Fund are not liable to any taxation in Luxembourg in relation to the holding, sale, redemption or transfer of the Shares (except for those domiciled, resident or having a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable).

11.4 Withholding Taxes

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or payment made by the Fund to its shareholders under the Shares. There is also no withholding tax on the distribution of liquidation proceeds to the shareholders.

However, the Fund may be subject to withholding tax on dividends and interest payments and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from Luxembourg corporate income tax, withholding tax levied at source, if any, would normally be a final cost.

Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly be applicable to the Fund.

11.5 Value added tax

In Luxembourg, regulated investment funds such as specialized investment fund have the status of taxable persons for value added tax ("**VAT**") purposes. Accordingly, the Fund is considered as a taxable person for VAT purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg. As a result of such VAT registration, the Fund will be in a position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its investors, to the extent such payments are linked to their subscription to the Shares and do, therefore, not constitute the consideration received for taxable services supplied.

11.6 FATCA

Capitalised terms used in this section should have the meaning as set forth in the FATCA Law, unless otherwise provided herein.

The Fund may be subject to the so-called FATCA legislation which generally requires reporting to the US Internal Revenue Service of non-US financial institutions that do not comply with FATCA and direct or indirect ownership by US persons of non-US entities. As part of the process of implementing FATCA, the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

The FATCA Law requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by US Specified Persons, if any, to the LTA.

Given that it is established in Luxembourg and subject to the supervision of the CSSF in accordance with the 2010 Law, the Fund anticipates that it will be treated as a FFI for FATCA purposes.

This status imposes on the Fund the obligation to regularly obtain and verify information on all of its shareholders. On the request of the Fund, each shareholder shall agree to provide certain information, including, in the case of a Non-Financial Foreign Entity ("**NFFE**"), the

information on the Controlling Persons of such NFFEs, along with the required supporting documentation. Similarly, each investor shall agree to actively provide to the Fund within thirty days any information that would affect its status, such as for instance a new mailing address or a new residency address.

FATCA and the FATCA Law may require the Fund to disclose the names, addresses and taxpayer identification numbers (if available) of shareholders as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the LTA under the terms of the FATCA Law. Such information will be relayed by the LTA to the US Internal Revenue Services.

Shareholders qualifying as passive NFFEs undertake to inform their Controlling Persons, if applicable, of the processing of their information by the Fund.

Additionally, the Fund is responsible for the processing of personal data and each shareholder has among others the right to access the data communicated to the LTA and to correct such data (if necessary). Any data obtained by the Fund is to be processed in accordance with the applicable data protection legislation.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the shares held by the shareholders may suffer material losses. The failure of the Fund to obtain such information from each shareholder and to transmit it to the LTA may trigger the 30% withholding tax to be imposed on payments of US source income as well as penalties.

Any shareholder that fails to comply with the Fund's documentation requests may be charged with any taxes and/or penalties imposed on the Fund as a result of such investor's failure to provide the information and the Fund may, at its sole discretion, redeem the shares of such shareholder.

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

Shareholders should consult a US tax advisor or otherwise seek professional advice regarding the above requirements.

11.7 Exchange of Information

Capitalized terms used in this section should have the meaning as set forth in the CRS Law, unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which provides for an automatic exchange of financial account information between Member States ("**DAC Directive**"). The adoption of the aforementioned directive has implemented the CRS and generalized the automatic exchange of information as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg automatically exchanges financial account information

with other participating jurisdictions since 1 January 2016. CRS Law implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution.

As such, the Fund may be required to annually report to the LTA, personal and financial information including, inter alia, the name, address, Member State(s) of residence, tax identification number(s), as well as the date and place of birth of i) each Reportable Person that is an Account Holder, ii) and, in the case of a Passive NFE, of each Controlling Person(s) that is a Reportable Person. This information, as exhaustively set out in Annex I of by the CRS Law (the "**Information**"), will include personal data related to the Reportable Persons.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Fund with the information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law. Upon request of the Fund, each investor shall agree to provide the Fund such information.

Shareholders qualifying as passive NFEs undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

Additionally, the Fund is responsible for the processing of personal data and each shareholder has among others a right to access the data communicated to the LTA and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the applicable data protection legislation.

The shareholders are further informed that the Information related to Reportable Persons will be disclosed to the LTA annually for the purposes set out in the CRS Law. The LTA will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction(s). In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA.

Similarly, the shareholders undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data not be accurate. The investors further undertake to immediately inform the Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes. Although the Fund will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS Law, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a tax or penalty as result of the CRS Law, the value of the Shares held by the investors may suffer material losses.

Any shareholder that fails to comply with the Fund's Information or documentation requests may be charged with any taxes and penalties imposed on the Fund attributable to such investor's failure to provide the information and the Fund may, in its sole discretion, redeem the Shares of such shareholder.

Shareholders should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

11.8 DAC6 – Disclosure requirements for reportable cross-border tax arrangements

On 25 June 2018, Council Directive (EU) 2018/822 ("**DAC6**") entered into force introducing rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements ("**RCBAs**"). DAC6 is intended to provide the tax authorities of EU member states with comprehensive and relevant information about potentially aggressive tax-planning arrangements with the aim that this information will enable the authorities to react promptly against harmful tax practices and close loopholes by enacting legislation or by undertaking adequate risk assessments and carrying out tax audits. The DAC 6 has been implemented into Luxembourg law by the amended law dated 25 March 2020 (the "**DAC6 Law**").

The DAC6 obligations apply from 1 July 2020, but may require reporting of arrangements implemented between 25 June 2018 and 30 June 2020. The DAC6 generally requires EU intermediaries and, in certain cases, the taxpayers to report to their local tax authorities information about RCBAs, including details of the arrangement as well as identification information about the involved intermediaries and relevant taxpayers, i.e. the persons to whom the RCBA is made available. Subsequently, the local tax authorities exchange the information with the tax authorities of other EU member states. As such, the Fund may be legally required to file information that is within its knowledge, possession or control on any RCBA to the respective tax authorities. This legislation is capable of applying to arrangements that do not necessarily constitute aggressive tax planning.

12. SUPPLEMENT I – VALORI SICAV – HEARTH ETHICAL FUND

1. Launch date

The Sub-Fund has been launched on 9 June 2023.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund invests with a medium to long term strategy, aiming at increasing the value of its assets using a sustainable and ethical approach as further described under section 5 (Investment process and sustainability considerations) below.

4. Investment policy and specific restrictions

The investment strategy of the Sub-Fund is mainly to invest in listed shares on stock markets and/or other regulated, regularly functioning, recognized and open markets, in bonds and money market instruments and UCITS and/or other UCIs. Up to 15 % of the Sub-Fund Net Asset Value can be invested in high yield bonds with a Standard & Poor's minimum rating of B- or an equivalent rating issued by another rating agency. The remaining part of the bonds investments under this Sub-Fund will have at least investment grade rating.

For this Sub-Fund, the Investment Manager may, in its total discretion, invest

- from 0% to up to 70% of the Sub-Fund's net assets in equity
- from 0% to up to 70% of the Sub-Fund's net assets in bonds

using a portfolio diversification strategy.

The Sub-Fund may also invest up to 15% of its net assets in Convertible Bonds or CoCos. Due to the sensitivity of Convertible Bonds to the price of underlying equities, the Sub-Fund may be indirectly exposed to the risks associated with investment in equity, as further described above. The Sub-Fund will not invest directly in Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS).

Although this is currently not foreseen, the Sub-Fund's exposure may, depending on the market opportunities, also, to a maximum of 30% of its net assets, include investment positions with exposure to Emerging Markets and Chinese exposure listed in other countries such as Hong Kong including Chinese A and B shares traded via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

The Sub-Fund will not invest more than 10% of its net assets in UCITS and /or other UCIs, including ETFs. This may include investments in Shares of other Sub-Funds of the Fund, under the conditions laid down in section 4.1.6 of the general part of the Prospectus. The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and/or other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company or is linked to such UCITS/UCIs management company within the meaning of Article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The maximum management fees of the target investment funds will be 2.00 % p.a. of the Net Asset Value.

The remaining part of the Sub-Fund's net assets will instead be invested in money market instruments.

In principle, the Sub-Fund may also hold, on a temporarily basis, ancillary liquid assets up to 20 % of the Sub-Fund's net assets. The above-mentioned 20% limit may only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

The Sub-Fund may also make use of financial derivative instruments, such as forwards, futures and options. The use of financial derivative instruments is possible for hedging and for investment purposes.

The Sub-Fund will tend to maintain a leverage effect calculated on the basis of the notional amount of all financial derivative instruments below 100%.

The Reference Currency is EUR. However, the Sub-Fund will potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund’s overall risk profile will not be impacted. The Sub-Fund’s maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund’s expected exposure to securities lending transactions is 25% of its assets. The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management. 10% of the gross revenue generated by re-use of the Sub-Fund’s assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund’s securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm’s length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

Information related to environmental and/or social characteristics is available in Annex I to this document (SFDR RTS Art. 14(2)).

As part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks.

The Investment Manager expects that the Sub-Fund will be exposed to a broad range of Sustainability Risks. Therefore, as part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks. To do so, the investment process is composed of the traditional financial analysis with an additional ESG analysis in view of a better understanding of businesses and the environment in which

issuers operates. The integration of ESG factors aims to improve risk-adjusted performances while (i) identifying the risks and opportunities that a traditional financial analysis may miss and (ii) promoting ESG factors. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Given the Sub-Fund's investment strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low. In assessing these risks, the Investment Manager draws upon a wide variety of internal and external research to assess any potential impact on the value of the assets over the time horizon of the Sub-Fund. Whilst Sustainability Risks vary from company to company, the following Sustainability Risks are particularly relevant to the Sub-Fund: climate change, Greenhouse gas emission, resource efficiency and pollution for Environment, inequality, inclusiveness, social controversy level for Social, independence of the board of directors, bribery issues, complexity of the shareholding structure, controversial business activities, reputational and brand exposure for Governance.

7. Benchmark

The Fund is actively managed and it has no reference Benchmark.

8. Investor profile

The Sub-Fund is suitable for investors with a medium to long term investment horizon and a risk tolerance adjusted for an investment in the global equity and bond markets.

The investor must be able to accept a certain volatility and the possibility of losing a part of the invested amount.

In addition, the Sub-Fund is suitable for investors that favour responsible investing and focus on companies and investments with good corporate governance, that safeguard people, the environment and life.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Liquidity Risks;
- Credit Risks;
- Risks associated with certain financial instruments (equities, debt securities and bonds, high yield bonds, Convertible Bonds, CoCos, units of UCITS and/or other UCIs (including ETFs), financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending);
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China, such as the sub-custody risk; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in Shares of the Sub-Fund. It should be remembered that the Net Asset Value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if Shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in Shares is suitable for them in the light of their own circumstances and financial resources and tax situation.

10. Global exposure

The Management Company uses the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – Hearth Ethical Fund – General Information

The table below list all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AD-EUR	B-EUR	BD-EUR	BH-CHF	BH-USD	CG-EUR
Dividend policy	Capitalisation	Distribution	Capitalisation	Distribution	Capitalisation	Capitalisation	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional	Institutional	Reserved to all entities part of the Generali Group
Share Class Reference Currency	EUR	EUR	EUR	EUR	CHF	USD	EUR
Currency Hedged Share Class	No	No	No	No	Yes (EUR)	Yes (EUR)	No

Subscription Price per Share	100 EUR	100 EUR	100 EUR	100 EUR	100 CHF	USD 100	100 EUR
Minimum Initial Subscription	EUR 1,000	EUR 1,000	EUR 500,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 1,000
Minimum Holding	EUR 1,000	EUR 1,000	EUR 500,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 1,000
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.	n.a.	n.a.
Maximum Redemption Fee	1.00%	1.00%	n.a.	n.a.	n.a.	n.a.	n.a.
Maximum Conversion Fee	1.00%	1.00%	n.a.	n.a.	n.a.	n.a.	n.a.
Investment Manager Fee	1.50% p.a.	1.50% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	0.95% p.a.
Performance Fee[1]	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.
Global Distribution Fee[2]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%	0.01%	0.05%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

[1] Please refer to section 12 (Performance Fee) below.
[2] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for all Share Classes, is equal to 10% p.a., of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Examples:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.20	110.80

Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset

Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the General Section of the Prospectus.

14. Investment Manager

Valori Asset Management Sa has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

13. SUPPLEMENT II – VALORI SICAV – TIKEHON GLOBAL GROWTH & INCOME FUND

1. Launch date

The Sub-Fund has been launched on 19 December 2024.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund's investment objective is to achieve long term capital growth by investing directly or indirectly in a diversified portfolio of equities, including closed-ended Real Estate Investment Trusts (the "**REITS**") within the meaning of Article 41. (1), a), b), c) and d) of the 2010 Law which qualify as transferable securities according to the 2008 Grand-Ducal Regulation, debt securities of any kind, including money market instruments, cash and cash equivalents, financial derivatives instruments provided they are eligible under the 2010 Law.

4. Investment policy and specific restrictions

Indirect investments are made through investments in UCITS and/or other UCIs (including ETFs qualified as UCITS and/or other UCIs), with the aim to gain exposure to the same kind of assets as described above, in compliance with the 2010 Law and with the 2008 Grand-Ducal Regulation.

The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company or is linked to such UCITS/UCIs management company within the meaning of article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The maximum management fees of the target investment funds will be 3.00 % p.a. of their net asset value.

The Sub-Fund may invest in stocks of listed real estate companies and up to 10% of its net assets in closed-ended REITS as defined above, considered as transferable securities according to the 2008 Grand-Ducal Regulation.

The Sub-Fund may invest indirectly up to 20% of its net assets in Asset-Backed Securities (ABS), Mortgage-Backed Securities (MBS) through UCITS and/or UCIs, including ETFs.

The Sub-Fund can invest up to 20% of its net assets in cash and cash equivalents. If justified by exceptional market conditions, the Sub-Fund may invest up to 100% of its net assets in cash and cash equivalents, such as but not limited to money market funds, money market ETFs, high-interest savings account ETFs, ultra short-term bond ETFs or short-term government bonds.

The Sub-Fund can invest directly or indirectly up to 60% of its net assets in equities without any geographical restriction.

The Sub-Fund can be invested directly or indirectly with up to 80% of its net assets in debt securities of any kind without any geographical restriction.

Rated securities must be issued by rated issuers with a Standard & Poor's rating of at least BBB- or an equivalent rating issued by another internationally recognized rating agency.

Should the downgrade of one or more securities affect the rating limit mentioned above, the Investment Manager will have up to six (6) months to rebalance the Sub-Fund. The Investment Manager will use its discretion with regard to the average maturity of the Sub-Fund's portfolio.

Investments in distressed or defaulted securities are not allowed under this Sub-Fund.

Investments in commodities and/or real estate (other than closed-ended REITS as defined above and stocks of listed real estate companies) and/or private equity can make out up to 30% of the Sub-Fund`s net assets, and will be made indirect through transferable securities embedding derivatives and/or UCITS/UCIs, including ETFs, without any geographical restriction, within the limits of the 2010 Law. The diversification of risks will always be respected also at the level of the underlying assets.

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Until 24 September 2026

The Sub-Fund may also gain indirectly, for up to **10%** of its net assets exposure to commodities, including exchange traded commodities (ETC), through investments in eligible certificates and/or eligible exchange traded notes (**"ETN"**) and/or structured financial instruments embedding derivatives on financial indices and/or on equities and/or on debt securities of any kind up to **10%** of the net assets within the limits of the 2010 Law.

From 25 September 2026

The Sub-Fund may also gain indirectly, for up to **20%** of its net assets exposure to commodities, including exchange traded commodities (ETC), through investments in eligible certificates and/or eligible exchange traded notes (**"ETN"**) and/or structured financial instruments embedding derivatives on financial indices and/or on equities and/or on debt securities of any kind up to **20%** of the net assets within the limits of the 2010 Law.

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The investments in structured instruments will always be made in compliance with article 41 (1) of the 2010 Law and the 2008 Grand-Ducal Regulation and such structured products will always comply and fulfil the criteria of article 41 (1) of the 2010 Law and art. 2.1 and 2.2 of the 2008 Grand-Ducal Regulation.

Although this is currently not foreseen, the Sub-Fund's exposure may, depending on the market opportunities, also, to a maximum of 30% of its net assets, include investment positions with exposure to Emerging Markets and Chinese exposure listed in other countries such as Hong Kong including Chinese A and B shares traded via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

The Sub-Fund may, in accordance with the investment restrictions of the Fund, purchase or sell put and call options, financial futures and forward contracts, on financial indices, foreign currencies and transferable securities for hedging and/or investment purposes.

The Reference Currency is EUR. However, the Sub-Fund will potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund's overall risk profile will not be impacted. The Sub-Fund's maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund's expected exposure to securities lending transactions is 25% of its assets. The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management. 10% of the gross revenue generated by re-use of the Sub-Fund's assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund's securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm's length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

The Sub-Fund does not promote environmental and/or social characteristics or pursue a sustainable objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (Taxonomy Regulation Art. 7). The Sub-Fund complies with Article 6 SFDR. As such it does not consider principal adverse impacts on sustainability factors due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)).

Consideration of Sustainability Risks are not integrated due to the investment strategy and the nature of the underlying investments. Sustainability Risks are not currently expected to have a material impact on achieving the return objectives of the Sub-Fund.

7. Benchmark

The Fund is actively managed and it has no reference Benchmark.

8. Investor profile

The Sub-Fund is suitable for investors who seek long-term growth through capital appreciation and are interested in a diversified mix of equities and bonds both directly and indirectly. It is suitable for investors who are comfortable with an average level of investment risk and understand the risks of investing in the stock and bond markets. It is suitable for investors who are willing to accept an investment horizon of four years.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Liquidity Risks;
- Credit Risks;
- Risks associated with certain financial instruments (equities, REITs, units of UCITS and/or other UCIs (including ETFs), debt securities and bonds, financial derivative instruments traded on a regulated market, OTC financial derivative instruments, ABS/MBS, structured products, securities lending);
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China, such as the sub-custody risk; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in Shares of the Sub-Fund. It should be remembered that the Net Asset Value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if Shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in Shares is suitable for them in the light of their own circumstances and financial resources.

10. Global Exposure

The Management Company will use the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – TIKEHON GLOBAL GROWTH & INCOME FUND - General Information

The table below lists all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AD-EUR	B-EUR	BD-EUR	BH-CHF

Dividend policy	Capitalisation	Distribution	Capitalisation	Distribution	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional
Share Class Reference Currency	EUR	EUR	EUR	EUR	CHF
Currency Hedged Share Class	No	No	No	No	Yes (EUR)
Subscription Price per Share	100 EUR	100 EUR	100 EUR	100 EUR	100 CHF
Minimum Initial Subscription	EUR 1,000	EUR 1,000	EUR 50,000	EUR 50,000	CHF 50,000
Minimum Holding	EUR 1,000	EUR 1,000	EUR 50,000	EUR 50,000	CHF 50,000
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.
Maximum Redemption Fee	1.00%	1.00%	n.a.	n.a.	n.a.
Conversion Fee	1.00%	1.00%	n.a.	n.a.	n.a.
Investment Manager Fee	1.50% p.a.	1.50% p.a.	0.65% p.a.	0.65% p.a.	0.65% p.a.
Performance Fee[2]	5% p.a.	5% p.a.	2% p.a.	2% p.a.	2% p.a.
Global Distribution Fee[4]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%

[32] Please refer to section 12 (Performance Fee) below.
[4] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

Share Class name	BH-USD	C-EUR	CG-EUR	S-EUR[3]
Dividend policy	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Institutional	Open to all types of investors	Reserved to all entities part of Generali Group	Opened to the Sub-Fund's seed investors and to other selected investors approved by the Board of Directors of the Fund.
Share Class Reference Currency	USD	EUR	EUR	EUR
Currency Hedged Share Class	Yes (EUR)	No	No	No
Subscription Price per Share	USD 100	100 EUR	100 EUR	100 EUR
Minimum Initial Subscription	USD 500,000	EUR 1,000	EUR 500,000	EUR 1,000
Minimum Holding	USD 500,000	EUR 1,000	EUR 500,000	n.a.
Maximum Subscription Fee	n.a.	n.a.	n.a.	n.a.

[53] The Share class may be created in "seeding" form at the inception of the Sub-Fund and remains open to subscriptions until the occurrence of any event identified by the Board, including, but not limited to: (i) a certain period of time set by the Board has elapsed, (ii) the Sub-Fund has reached a critical size in terms of assets under management determined by the Board or (iii) the Board decides on the basis of reasonable grounds to cease the offering of the "seeding" Share class. The Board reserves the right to modify or terminate the conditions attached to the "seeding" Share class: in such case, the shareholders concerned will be informed in advance and given the possibility to redeem or convert into another Share class their "seeding" Shares without redemption/conversion charges. On an exceptional basis, the Board of Directors may decide to re-open the share class to selected new investors or to existing investors for additional subscription.

Maximum Redemption Fee	n.a.	n.a.	n.a.	n.a.
Conversion Fee	n.a.	n.a.	n.a.	n.a.
Investment Manager Fee	0.65% p.a.	1.00% p.a.	0.95% p.a.	0.05% p.a
Performance Fee[4]	2.00% p.a.	5.00% p.a.	5.00% p.a.	n.a.
Global Distribution Fee	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.01%	0.05%	0.05%	0.05%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for Share Classes A-EUR, AD-EUR, C-EUR and CG-EUR is equal to 5.00% p.a. and 2.00% p.a. for Share Classes B-EUR, BD-EUR, BH-CHF and BH-USD, of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

[4] Please refer to section 12 (Performance Fee) below.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Examples:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.

- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the General Section of the Prospectus.

14. Investment Manager

Valori Asset Management Sa has been appointed by the Management Company as Investment Manager of the Sub-Fund as further described under section 6.3 of the general part of the Prospectus.

14. SUPPLEMENT III – VALORI SICAV – GLOBAL FLEXIBLE BOND

1. Launch date

The Sub-Fund has been launched on 31 May 2023.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund seeks to achieve a superior risk-adjusted total rate of return and capital preservation in the form of interest income and capital appreciation.

The strategy of the Sub-Fund promotes ESG characteristics pursuant to Article 8 (1) of the SFDR through an analysis integrated in the investment process as detailed in section 5 (Investment process and sustainability considerations) below.

4. Investment policy and specific restrictions

The Sub-Fund invests in a globally diversified fixed income portfolio such as covered bonds, perpetual bonds, nominal or inflation-linked bonds, other fixed or floating-rate debt securities and short-term debt securities, issued or guaranteed by sovereign or corporate issuers, as well as bank deposits, money market instruments issued by sovereign, supranational or corporate issuers.

The Sub-Fund may also invest up to 15% of its net assets in Convertible Bonds or CoCos. The Sub-Fund may be indirectly exposed to equity due to the sensitivity of Convertible Bonds influenced by the price of underlying equities. The Sub-Fund may directly hold equities after exercising the conversion option attached to Convertible Bonds or following debt restructuring. Although such direct positions are not intended to be held over the long term, the Sub-Fund is not required to sell them within a predefined period.

The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies or issuers. The Sub-Fund may be exposed to a limited number of issuers. The Sub-Fund's exposure may also include investment positions with exposure to Emerging Markets and Chinese exposure listed in other countries such as Hong Kong including Chinese A and B shares traded via China Interbank Bond Market.

The Investment Manager shall invest in securities with a rating of minimum BBB- by Standard & Poor's Rating Agency or of equivalent agency, or equivalent quality in the opinion of the Investment Manager. The Investment Manager may invest up to 35% of the Sub-Fund's Net Asset Value in debt securities unrated and/or graded below BBB- by Standard & Poor's Rating Agency or of equivalent agency, or equivalent quality in the opinion of the Investment Manager.

Should the downgrade of one or more securities affect the rating limit mentioned above, the Investment Manager will have up to six (6) months to rebalance the Sub-Fund. The Investment Manager will use its discretion with regard to the average maturity of the Sub-Fund's portfolio.

Investments in distressed or defaulted securities are not allowed under this Sub-Fund.

In addition, the Sub-Fund will invest in Convertible Bonds and equities issued by companies worldwide and equity indexes globally, as well as structured financial instruments such as, but not limited to, equity-linked securities, capital protected notes, certificates on indices, structured notes, subject always to section 4. (Investment strategy and restrictions) of the general part of the Prospectus.

Further, the Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs, the main purpose of which is to invest in a broad range of debt securities including emerging markets debt securities of any kind of issue as government, corporate and supranational, high yield bonds, money market instruments, cash and cash equivalents without any geographical restriction. This may include investments in shares of other Sub-Funds of the Fund, under the conditions laid down in section 4.1.6 of the general part of the Prospectus. Taking the above exposure of 10% of its net assets which can be invested in UCITS and/or other UCIs into account, the Sub-Fund may also invest indirectly via an investment in UCITS and/or other UCIs (including ETFs qualifying as UCITS and/or other UCIs) in collateralised securities, such as but not limited to Asset-Backed Securities (the "**ABS**"), Mortgage-Backed Securities (the "**MBS**").

The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company nor is linked to such UCITS/UCIs management company within the meaning of Article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The Sub-Fund shall only invest in target UCITS/UCIs that apply entry and management fees (each of these fees) not exceeding 3% of their net asset value.

The Sub-Fund may also make use of financial derivative instruments, such forwards, futures, options, swaps (including credit default swaps). The use of financial derivative instruments is possible for hedging and for investment purposes.

The Reference Currency is EUR. However, the Sub-Fund will potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund's overall risk profile will not be impacted. The Sub-Fund's maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund's expected exposure to securities lending transactions is 25% of its assets.

The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management.

10% of the gross revenue generated by re-use of the Sub-Fund's assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund's securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm's length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or

commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

Information related to environmental and/or social characteristics is available in Annex III to this document (SFDR RTS Art. 14(2)).

As part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks.

The Investment Manager assesses that the Sub-Fund will be exposed to a broad range of Sustainability Risks. Thus, as part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks. To do so, the investment process is composed of the traditional financial analysis with an additional ESG analysis in view of a better understanding of businesses and the environment in which issuers operates. The integration of ESG factors aims to improve risk-adjusted performances while (i) identifying the risks and opportunities that a traditional financial analysis may miss and (ii) promoting ESG factors. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Given the Sub-Fund's investment strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low. In assessing these risks, the Investment Manager draws upon a wide variety of internal and external research to assess any potential impact on the value of the assets over the time horizon of the Sub-Fund. Whilst Sustainability Risks vary from company to company, the following Sustainability Risks are particularly relevant to the Sub-Fund: geographic exposure to natural disasters for Environment, investment in human capital, safety and security for Social, controversial business activities, recurrent significant breach of international agreements for Governance.

7. Benchmark

The Sub-Fund is actively managed and has no reference Benchmark.

8. Investor profile

The Sub-Fund may be appropriate for investors, who:

- seek capital preservation and interest income over the long term;
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their holdings.

An investment in the Sub-Fund is not a deposit in a bank or other insured depository institution. Investment may not be appropriate for all investors.

The Sub-Fund is not intended to be a complete investment program and investors should consider their long term investment goals and financial needs when making an investment decision about the Sub-Fund.

An investment in the Sub-Fund is intended to be a long-term investment. The portfolio should not be used as a trading vehicle.

Whilst using their best endeavours to attain the Sub-Fund's objectives, the Directors cannot guarantee the extent to which the investment objectives will be achieved.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Risks associated with certain financial instruments (debt securities and bonds, high yield bonds, Convertible Bonds, CoCos, units of UCITS and/or other UCIs (including ETFs), financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending, ABS/MBS, structured products, equities);
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in shares of the Sub-Fund. It should be remembered that the net asset value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources.

10. Global Exposure

The Management Company uses the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – Global Flexible Bond – General Information

The table below lists all Share Classes of the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AD- EUR	B-EUR	BD-EUR	BH-CHF	BH-USD	C-EUR	CG-EUR
Dividend policy	Capitalisation	Distribution	Capitalisation	Distribution	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional	Institutional	Retail & institutional	Reserved to all entities part of Generali Group
Share Class Reference Currency	EUR	EUR	EUR	EUR	CHF	USD	EUR	EUR
Currency Hedged Share Class	No	No	No	No	Yes (EUR)	Yes (EUR)	No	No
Subscription Price per Share	100 EUR	100 EUR	100 EUR	100 EUR	100 CHF	100 USD	100 EUR	100 EUR
Minimum Initial Subscription	1,000 EUR	1,000 EUR	100,000 EUR	100,000 EUR	100,000 CHF	100,000 USD	5,000 EUR	50,000 EUR
Minimum Holding	1,000 EUR	1,000 EUR	100,000 EUR	100,000 EUR	100,000 CHF	100,000 USD	n.a.	50,000 EUR
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.	n.a.	n.a.	3.00%
Maximum Redemption Fee	2.00%	2.00%	n.a.	n.a.	n.a.	n.a.	n.a.	2.00%
Conversion Fee	0.50%	0.50%	n.a.	n.a.	n.a.	n.a.	n.a.	0.50%
Investment Manager Fee	0.84% p.a.	0.84% p.a.	0.65% p.a.	0.65% p.a.	0.25% p.a.	0.65% p.a.	1.40% p.a.	0.60% p.a.
Performance Fee[5]	12% p.a.	12% p.a.	8% p.a.	8% p.a.	8% p.a.	8% p.a.	10% p.a.	8% p.a.

[5] Please refer to section 12. (Performance Fee) below.

Global Distribution Fee[9]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%	0.01%	0.05%	0.05%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for Share Classes A-EUR and AD-EUR is equal to 12% p.a., to 10% for Share Classes C-EUR and to 8% p.a. for Share Classes B-EUR, BD-EUR, BH-CHF, BH-USD and CG-EUR, of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class

[9] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Example with Performance Fee rate 8%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	0.96	111.04
Year 2:	105	111.04	-5.44%	0.00	105.00
Year 3:	114	111.04	2.67%	0.24	113.76
Year 4:	109	113.76	-4.19%	0.00	109
Year 5:	115	113.76	1.09%	0.10	114.90

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 111.04.

Year 2:

- The Net Asset Value per Share performance (-5.44%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.67%) is positive and superior to last High-on-High.
- The excess of performance is 2.67% and generates a Performance Fee equal to 0.24.

- The High-on-High is set to 113.76.

Year 4:

- The Net Asset Value per Share performance (-4.19%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.09%) is positive and superior to last High-on-High.
- The excess of performance is 1.09% and generates a Performance Fee equal to 0.10.
- The High-on-High is set to 114.90.

Example with Performance Fee rate 10%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109.00
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-4.12%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

Example with Performance Fee rate 12%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.44	110.56
Year 2:	105	110.56	-5.03%	0.00	105.00
Year 3:	114	110.56	3.11%	0.41	113.59
Year 4:	109	113.59	-4.04%	0.00	109
Year 5:	115	113.59	1.24%	0.17	114.83

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.44.
- The High-on-High is set to 110.56.

Year 2:

- The Net Asset Value per Share performance (-5.03%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (3.11%) is positive and superior to last High-on-High.
- The excess of performance is 3.11% and generates a Performance Fee equal to 0.41.
- The High-on-High is set to 113.59.

Year 4:

- The Net Asset Value per Share performance (-4.04%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.24%) is positive and superior to last High-on-High.
- The excess of performance is 1.24% and generates a Performance Fee equal to 0.17.
- The High-on-High is set to 114.83.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at

the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the general part of the Prospectus.

14. Investment Manager

Valori Asset Management Sa, has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

15. SUPPLEMENT IV – VALORI SICAV – Subordinated Debt Fund

1. Launch date

The Sub-Fund has been launched on 3 April 2023.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund invests with a medium to long-term strategy for increasing the value of its assets.

The strategy of the Sub-Fund promotes ESG characteristics pursuant to Article 8 (1) of the SFDR through an analysis integrated in the investment process as detailed in section 5 (Investment process and sustainability considerations) below.

4. Investment policy and specific restrictions

The Sub-Fund will invest in bonds of any kind, issued by corporate issuers, governments, and supranational entities, with a focus on subordinated bond markets and hybrids. The Investment Manager will use its discretion about the selection of markets, sectors, size of issuers. The Sub-Fund's exposure may also include investment positions with exposure to Emerging Markets.

The Sub-Fund mainly invests in subordinated and junior subordinated debt securities issued by financial institutions, insurance companies or other corporations. Junior subordinated debt securities include, but are not limited to (CET 1 Instruments, AT1, CoCos, and RT1), and Tier 2 CoCos, hybrids bonds, CMS legacy bonds and perpetual preferred stocks. Investment in convertible bonds, CoCos, AT1, RT1, CET1 Instruments and Tier 2 contingent convertible bonds is limited, in aggregate, to 40% of the Sub-Fund's net assets. The Sub-Fund will not invest more than 3% of its net assets in CoCos issued by the UBS group.

The Sub-Fund can also invest in corporate investment grade and government or supranational bonds. The expected average rating of the Sub-Fund is BBB-, with the possibility to use a higher or lower rating according to the market conditions and in the best interest of the shareholders. Investment in bonds with rating lower than CCC- is not allowed under this Sub-Fund. Should the downgrade of one or more securities affect this restriction, the Investment Manager has up to six (6) months to rebalance the Sub-Fund's portfolio, in the best interest of the shareholders. The Sub-Fund may invest up to 30% of its net assets in not rated bonds. The Investment Manager will use its discretion about the average maturity of the Sub-Fund's portfolio. In addition, the Sub-Fund will invest up to 20% of its net assets in equities issued by companies worldwide and equity indexes globally, as well as structured financial instruments such as, but not limited to, equity-linked securities, capital protected notes, certificates on indices, structured notes, subject always to section 4. (Investment strategy and restrictions) of the general part of the Prospectus. With reference to subordinated bonds and convertible bonds, such debt instruments could be converted directly into equities: in such case the Investment Manager is obliged to sell such equities instruments within six (6) months, if possible, in the best interest of the shareholder.

The Sub-Fund may also make use of financial derivative instruments, such forwards, futures, options, swaps (including credit default swaps). The use of financial derivative instruments is possible for hedging and for investment purposes.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs (including ETFs). This may include investments in shares of other Sub-Funds of the Fund, under the conditions laid down in section 4.1.6 of the general part of the Prospectus. The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company or is linked to such UCITS/UCIs management company within the meaning of Article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The maximum management fees of the target investment funds will be 2.00 % p.a. of their net asset value.

The Reference Currency is EUR. However, the Sub-Fund may potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.
In principle, the Sub-Fund may also hold on a temporarily basis ancillary liquid assets up to 20 % of the Sub-Fund's net assets. The above-mentioned 20% limit can only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund’s overall risk profile will not be impacted. The Sub-Fund’s maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund’s expected exposure to securities lending transactions is 25% of its assets. The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management. 10% of the gross revenue generated by re-use of the Sub-Fund’s assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund’s securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm’s length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

Information related to environmental and/or social characteristics is available in Annex IV to this document (SFDR RTS Art. 14(2)).

As part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks.

The Investment Manager assesses that the Sub-Fund will be exposed to a broad range of Sustainability Risks. Thus, as part of the management process, the Investment Manager

actively monitors Sustainability Risks that represent potential or actual material risks. To do so, the investment process is composed of the traditional financial analysis with an additional ESG analysis in view of a better understanding of businesses and the environment in which issuers operates. The integration of ESG factors aims to improve risk-adjusted performances while (i) identifying the risks and opportunities that a traditional financial analysis may miss and (ii) promoting ESG factors. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Given the Sub-Fund's investment strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low. In assessing these risks, the Investment Manager draws upon a wide variety of internal and external research to assess any potential impact on the value of the assets over the time horizon of the Sub-Fund. Whilst Sustainability Risks vary from company to company, the following Sustainability Risks are particularly relevant to the Sub-Fund: climate change for Environment, investment in human capital for Social, controversial business activities, selling practices, bribery issues for Governance.

7. Benchmark

The Fund is actively managed and it has no reference Benchmark.

8. Investor profile

The Sub-Fund is suitable for investors who seek the benefits of a diversified mix of both debt securities and equities with a specific focus on ESG. It is also suitable for investors who are comfortable with and understand the risks of investing both in the equity and bond markets. The investors must be able to accept temporary losses; thus, the Sub-Fund is suitable for investors who can, ideally, afford to set aside the capital for at least three (3) to five (5) years.

The Sub-Fund may be appropriate for investors who seek a good level of yield in a zero-yield world environment and are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy and can withstand volatility in the value of their holdings. Volatility can be high in certain market phases.

The Sub-Fund is not intended to be a complete investment program and investors should consider their long-term investment goals and financial needs when making an investment decision about the Sub-Fund. An investment in the Sub-Fund is intended to be a long-term investment. The Portfolio should not be used as a trading vehicle.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Risks associated with certain financial instruments (debt securities and bonds, Convertible Bonds, CoCos, units of UCITS and/or other UCIs (including ETFs),

financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending, structured products);
- Risks associated with investments in Emerging Markets; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in shares of the Sub-Fund. It should be remembered that the net asset value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources.

10. Global Exposure

The Management Company will use the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – Subordinated Debt Fund – General Information

The table below list all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AD-EUR	B-EUR	BD-EUR	BH-CHF
Dividend policy	Capitalisation	Distribution	Capitalisation	Distribution	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional
Share Class Reference Currency	EUR	EUR	EUR	EUR	CHF
Currency Hedged Share Class	No	No	No	No	Yes (EUR)

Initial Subscription Price per Share	100 EUR	100 EUR	100 EUR	100 EUR	100 CHF
Minimum Initial Subscription	EUR 1,000	EUR 1,000	EUR 50,000	EUR 50,000	CHF 50,000
Minimum Holding	n.a.	n.a.	n.a.	n.a.	n.a.
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.
Maximum Redemption Fee	1.00%	1.00%	n.a.	n.a.	n.a.
Maximum Conversion Fee	1.00%	1.00%	n.a.	n.a.	n.a.
Investment Manager Fee	0.95% p.a.	0.95% p.a.	0.60% p.a.	0.60% p.a.	0.60% p.a.
Performance Fee[6]	12% p.a.	12% p.a.	8% p.a.	8% p.a.	8% p.a.
Global Distribution Fee[11]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%

[6] Please refer to section 12 (Performance Fee) below.
[11] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

Share Class name	BH-USD	C-EUR	CG-EUR	S-EUR[7]
Dividend policy	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Institutional	Retail & institutional	Reserved to all entities part of Generali Group	Opened to the Sub-Fund's seed investors and to other selected investors approved by the Board of Directors of the Fund.
Share Class Reference Currency	USD	EUR	EUR	EUR
Currency Hedged Share Class	Yes (EUR)	No	No	No
Initial Subscription Price per Share	100 USD	100 EUR	100 EUR	100 EUR
Minimum Initial Subscription	USD 500,000	EUR 5,000	EUR 500,000	EUR 1,000
Minimum Holding	n.a.	n.a.	EUR 500,000	n.a.
Maximum Subscription Fee	n.a.	n.a.	n.a.	n.a.
Maximum Redemption Fee	n.a.	n.a.	n.a.	n.a.
Maximum Conversion Fee	n.a.	n.a.	n.a.	n.a.

[127] The Share class may be created in "seeding" form at the inception of the Sub-Fund and remains open to subscriptions until the occurrence of any event identified by the Board, including, but not limited to: (i) a certain period of time set by the Board has elapsed, (ii) the Sub-Fund has reached a critical size in terms of assets under management determined by the Board or (iii) the Board decides on the basis of reasonable grounds to cease the offering of the "seeding" Share class. The Board reserves the right to modify or terminate the conditions attached to the "seeding" Share class: in such case, the shareholders concerned will be informed in advance and given the possibility to redeem or convert into another Share class their "seeding" Shares without redemption/conversion charges. On an exceptional basis, the Board of Directors may decide to re-open the share class to selected new investors or to existing investors for additional subscription.

Investment Manager Fee	0.60% p.a.	1.40% p.a.	0.60% p.a.	0.50% p.a.
Performance Fee[8]	8% p.a.	10% p.a.	8% p.a.	n.a
Global Distribution Fee	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.01%	0.05%	0.05%	0.05%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for Share Classes A-EUR and AD-EUR is equal to 12% p.a., to 10% for Share Classes C-EUR and to 8% p.a. for Share Classes B-EUR, BD-EUR, BH-CHF, BH-USD and CG-EUR, of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive

[8] Please refer to section 12 (Performance Fee) below.

difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Example with Performance Fee rate 8%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	0.96	111.04
Year 2:	105	111.04	-5.44%	0.00	105.00
Year 3:	114	111.04	2.67%	0.24	113.76
Year 4:	109	113.76	-4.19%	0.00	109
Year 5:	115	113.76	1.09%	0.10	114.90

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 111.04.

Year 2:

- The Net Asset Value per Share performance (-5.44%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.67%) is positive and superior to last High-on-High.
- The excess of performance is 2.67% and generates a Performance Fee equal to 0.24.
- The High-on-High is set to 113.76.

Year 4:

- The Net Asset Value per Share performance (-4.19%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.09%) is positive and superior to last High-on-High.
- The excess of performance is 1.09% and generates a Performance Fee equal to 0.10.
- The High-on-High is set to 114.90.

Example with Performance Fee rate 10%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109.00
Year 5:	115	113. 68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113. 68.

Year 4:

- The Net Asset Value per Share performance (-4.12%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.

The High-on-High is set to 114.87

Example with Performance Fee rate 12%:

	NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee
Year 1:	112	100	12.00%	1.44	110.56
Year 2:	105	110.56	-5.03%	0.00	105.00
Year 3:	114	110.56	3.11%	0.41	113.59
Year 4:	109	113.59	-4.04%	0.00	109
Year 5:	115	113.59	1.24%	0.17	114.83

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.44.
- The High-on-High is set to 110.56.

Year 2:

- The Net Asset Value per Share performance (-5.03%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (3.11%) is positive and superior to last High-on-High.
- The excess of performance is 3.11% and generates a Performance Fee equal to 0.41.
- The High-on-High is set to 113.59.

Year 4:

- The Net Asset Value per Share performance (-4.04%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.24%) is positive and superior to last High-on-High.
- The excess of performance is 1.24% and generates a Performance Fee equal to 0.17.
- The High-on-High is set to 114.83.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of

Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the General Section of the Prospectus.

14. Investment Manager

Valori Asset Management Sa, has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

16. SUPPLEMENT V – VALORI SICAV – ELITE EQUITY FUND

1. Launch date

The Sub-Fund has been launched on 31 August 2023.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund invests with a medium to long-term strategy for increasing the value of its assets.

The strategy of the Sub-Fund promotes ESG characteristics pursuant to Article 8 (1) of the SFDR through an analysis integrated in the investment process as detailed in section 5 (Investment process and sustainability considerations) below.

4. Investment policy and specific restrictions

The Sub-Fund's assets are primarily invested in equities of global issuers, including issuers of Emerging Markets countries, which offer a perspective of increasing dividend yields. The Sub-Fund may invest up to 10% of its total net assets in global listed REITS and listed GDR and listed ADR and in warrants on equities and other equity-type of transferable securities.

The portfolio contains around seventy (70) investment positions, primarily large capitalized companies, which are approximately equal weighted, of companies whose market capitalization is above twenty (20) billion euro. When selecting equities asset quality, profitability, competitive market position and potential for dividend growth, management skills and valuation are analysed.

The Sub-Fund may also make use of financial derivative instruments, such forwards, futures and options. The use of financial derivative instruments is possible for hedging and for investment purposes.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs (including ETFs). This may include investments in shares of other Sub-Funds of the Fund, under the conditions laid down in section 4.1.6 of the general part of the Prospectus. The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company or is linked to such UCITS/UCIs management company within the meaning of Article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The maximum management fees of the target investment funds will be 2.00 % p.a. of their net asset value.

The Reference Currency is EUR. However, the Sub-Fund may potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.

In principle, the Sub-Fund may also hold on a temporarily basis ancillary liquid assets up to 20 % of the Sub-Fund's net assets. The above-mentioned 20% limit can only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable

market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund's overall risk profile will not be impacted. The Sub-Fund's maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund's expected exposure to securities lending transactions is 25% of its assets. The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management. 10% of the gross revenue generated by re-use of the Sub-Fund's assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund's securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm's length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

Information related to environmental and/or social characteristics is available in Annex V to this document (SFDR RTS Art. 14(2)).

As part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks.

The Investment Manager assesses that the Sub-Fund will be exposed to a broad range of Sustainability Risks. Thus, as part of the management process, the Investment Manager actively monitors Sustainability Risks that represent potential or actual material risks. To do so, the investment process is composed of the traditional financial analysis with an additional ESG analysis in view of a better understanding of businesses and the environment in which issuers operates. The integration of ESG factors aims to improve risk-adjusted performances while (i) identifying the risks and opportunities that a traditional financial analysis may miss and (ii) promoting ESG factors. The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. Given the Sub-Fund's investment strategy and risk profile, the likely impact of the Sustainability Risks on the Sub-Fund's returns is expected to be low. In assessing these risks, the Investment Manager draws upon a wide variety of internal and external research to assess any potential impact on the value of the assets over the time horizon of the Sub-Fund. Whilst Sustainability Risks vary from company to company, the following Sustainability Risks are particularly relevant to the Sub-Fund: climate change for Environment, changing customer behaviour for Social, reputation and brand exposure, controversial business activity for Governance.

7. Benchmark

The Fund is actively managed and it has no reference Benchmark.

8. Investor profile

The Sub-Fund is suitable for investors with a medium to long term investment horizon and a risk tolerance adjusted for an investment in the global equity markets.

The investor must be able to accept a certain volatility and the possibility of losing a part of the invested amount.

In addition, the Sub-Fund is suitable for investors that favour responsible investing and focus on companies and investments with good corporate governance, that safeguard people, the environment and life.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Risks associated with certain financial instruments (equity, units of UCITS and/or other UCIs (including ETFs), financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending, REITS, depositary receipts);
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in shares of the Sub-Fund. It should be remembered that the net asset value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources.

10. Global Exposure

The Management Company will use the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – ELITE EQUITY FUND – General Information

The table below lists all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AD-EUR	B-EUR	BD-EUR	BH-CHF	BH-USD	CG-EUR	S-EUR[9]
Dividend policy	Capitalisation	Distribution	Capitalisation	Distribution	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional	Institutional	Reserved to all entities part of Generali Group	Opened to the Sub-Fund's seed investors and to other selected investors approved by the Board of Directors of the Fund.
Share Class Reference Currency	EUR	EUR	EUR	EUR	CHF	USD	EUR	EUR
Currency Hedged Share Class	No	No	No	No	Yes (EUR)	Yes (EUR)	No	No

[9] The Share class may be created in "seeding" form at the inception of the Sub-Fund and remains open to subscriptions until the occurrence of any event identified by the Board, including, but not limited to: (i) a certain period of time set by the Board has elapsed, (ii) the Sub-Fund has reached a critical size in terms of assets under management determined by the Board or (iii) the Board decides on the basis of reasonable grounds to cease the offering of the "seeding" Share class. The Board reserves the right to modify or terminate the conditions attached to the "seeding" Share class: in such case, the shareholders concerned will be informed in advance and given the possibility to redeem or convert into another Share class their "seeding" Shares without redemption/conversion charges. On an exceptional basis, the Board of Directors may decide to re-open the share class to selected new investors or to existing investors for additional subscription.

Subscription Price per Share	100 EUR	100 EUR	100 EUR	100 EUR	100 CHF	USD 100	100 EUR	100 EUR
Minimum Initial Subscription	EUR 1,000	EUR 1,000	EUR 500,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 500,000	EUR 1,000
Minimum Holding	EUR 1,000	EUR 1,000	EUR 500,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 500,000	n.a.
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Maximum Redemption Fee	1.00%	1.00%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Conversion Fee	1.00%	1.00%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Investment Manager Fee	1.50% p.a.	1.50% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	0.95% p.a.	0.50% p.a
Performance Fees[10]	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.
Global Distribution Fee[17]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%	0.01%	0.05%	0.05%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance

[10] Please refer to section 12 (Performance Fee) below.
[17] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for all Share Classes, is equal to 10% p.a. of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Examples:

NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee

Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the general part of the Prospectus.

14. Investment Manager

Valori Asset Management Sa, has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

17. SUPPLEMENT VI – VALORI SICAV – DYNAMIC ALLOCATION FUND

1. Launch date

The Sub-Fund has been launched on 19 May 2025.

2. Reference Currency

The Reference Currency of the Sub-Fund is EUR.

3. Investment objective

The Sub-Fund invests with a medium to long-term strategy for increasing the value of its assets.

4. Investment policy and specific restrictions

The Sub-Fund's net assets will be invested in equities of global issuers and/or UCITS and/or other UCIs, including exchange-traded funds (ETFs), pursuing an equity-type of strategy. The Sub-fund will regularly invest directly and indirectly between 10% and 70% of its Net Asset Value in equity and/or other equity-type of transferable securities.

The remaining part of the Sub-Fund's net assets will be invested directly and indirectly through other UCITS and/or other UCIs, including ETFs, in fixed income instruments issued by corporates, governments and sovereign/supranational entities essentially in OECD countries without any limitation in terms of sector allocation.

The Investment Manager may invest up to 35% of the Sub-Fund's Net Asset Value in debt securities unrated and/or graded below BBB- by Standard & Poor's Rating Agency or of equivalent agency, or equivalent quality in the opinion of the Investment Manager. Should the downgrade of one or more securities affect the rating limit mentioned above, the Investment Manager will have up to six (6) months to rebalance the Sub-Fund. The Investment Manager will use its discretion regarding the average maturity of the Sub-Fund's net assets. The Sub-Fund will not invest in distressed or defaulted securities.

The Sub-Fund will not invest directly in Asset Backed Securities (ABS), Mortgage-Backed Securities (MBS) or Contingent Convertible Bonds (CoCos).

The investment process of the Sub-Fund will dynamically change the asset allocation by adjusting on a flexible basis the equity and fixed income allocation based on the target market as well as the macro and micro economic scenario evolution.

Although this is currently not foreseen, the Sub-Fund's exposure may, depending on the market opportunities, also, to a maximum of 30% of its net assets, include investment positions with exposure to Emerging Markets and Chinese exposure listed in other countries such as Hong Kong including Chinese A and B shares traded via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

For up to 10 % of its net assets, through investment in transferable securities without embedded derivative (in compliance with the Article 41. (1), a), b), c) and d) of the Law of 2010 (i.e. ETC)) and UCITS and/or other eligible UCIs (in compliance with and within the limits of the article 41. (1) e) of the Law of 2010), the Sub-Fund may indirectly be exposed to commodities.

A particular advantage of, inter alia, investing in units of other existing UCITS and/or other UCIs is the efficient risk diversification. Investments in units of other existing UCITS and/or other UCIs also offer investors the opportunity to invest in numerous securities by means of a single product. As far as the Sub-Fund's investments in target funds are concerned, certain fees and expenses may arise at the level of both the Sub-Fund and the target fund and lead to a duplication of fees. Moreover, where the Sub-Fund invests a substantial proportion of its assets in other UCITS and/or other UCIs, the maximum Management Fee that may be charged both to the Sub-Fund and to the target UCITS and/or other UCIs in which the Sub-Fund intends to invest, amounts to up to 2.00% p.a.

The Sub-Fund shall not be charged for subscription fees or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company or is linked to such UCITS and/or other UCIs management company within the meaning of article 46(3) of the 2010 Law.

The Reference Currency is EUR. However, the Sub-Fund may potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure. The Sub-Fund may also make use of financial derivative instruments, such as forwards, futures and options. The use of financial derivative instruments is possible for hedging and for investment purposes.

In principle, the Sub-Fund may also hold, on a temporary basis, ancillary liquid assets up to 20 % of the Sub-Fund's net assets. The 20% limit may temporarily be breached for a period of time strictly necessary if, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors.

5. Securities financing transactions

The Sub-Fund will engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund's overall risk profile will not be impacted. The Sub-Fund's maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund's expected exposure to securities lending transactions is 25% of its assets. The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping. UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management. 10% of the gross revenue generated by re-use of the Sub-Fund's assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund's securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm's length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and (v) total return swaps.

6. Investment process and sustainability considerations

The Sub-Fund does not promote environmental and/or social characteristics or pursue a sustainable objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (Taxonomy Regulation Art. 7). The Sub-Fund complies with Article 6 SFDR. As such, due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)), the Sub-Fund does not consider principal adverse impacts on sustainability factors.

Considerations of Sustainability Risks are not integrated due to the investment strategy and the nature of the underlying investments. Sustainability Risks are not currently expected to have a material impact on achieving the return objectives of the Sub-Fund.

7. Benchmark

The Fund is actively managed and has no reference Benchmark.

8. Investor profile

The Sub-Fund is suitable for investors with a medium to long term investment horizon and a risk tolerance adjusted for an investment in the global equity markets.

The investor must be able to accept a certain volatility and the possibility of losing a part of the invested amount.

In addition, the Sub-Fund is suitable for investors that favour responsible investing and focus on companies and investments with good corporate governance, that safeguard people, the environment and life.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the association.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Liquidity Risks;
- Credit Risks;
- Risks associated with certain financial instruments (units of UCITS and/UCIs (including ETFs), equities, debt securities and bonds, financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending);
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China such as the sub-custody risk; and
- Foreign exchange and currency risk.

The list of risk factors does not purport to be a complete explanation of the risks involved in shares of the Sub-Fund. It should be remembered that the net asset value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if shares are redeemed soon after they have been issued. Prospective investors

should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources.

10. Global Exposure

To determine the global exposure risk of the Sub-Fund, the Management Company will use the commitment approach as provided for in CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum (as an absolute value) of the individual commitments after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – DYNAMIC ALLOCATION FUND - General Information

The table below lists all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	A-EUR	AH-CHF	AH-USD	B-EUR	BH-CHF	BH-USD	CG-EUR
Dividend policy	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Retail	Retail	Retail	Institutional	Institutional	Institutional	Reserved to all entities part of Generali Group
Share Class Reference Currency	EUR	CHF	USD	EUR	CHF	USD	EUR
Currency Hedged Share Class	No	Yes (EUR)	Yes (EUR)	No	Yes (EUR)	Yes (EUR)	No

Subscription Price per Share	100 EUR	100 CHF	100 USD	100 EUR	100 CHF	USD 100	100 EUR
Minimum Initial Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 500,000
Minimum Holding	EUR 1,000	CHF 1,000	USD 1,000	EUR 500,000	CHF 500,000	USD 500,000	EUR 500,000
Maximum Subscription Fee	3.00%	3.00%	3.00%	3.00%	n.a.	n.a.	n.a.
Maximum Redemption Fee	1.00%	1.00%	1.00%	1.00%	n.a.	n.a.	n.a.
Conversion Fee	1.00%	1.00%	1.00%	1.00%	n.a.	n.a.	n.a.
Investment Manager Fee[11]	1.70% p.a.	1.70% p.a.	1.70% p.a.	0.95% p.a.	0.95% p.a.	0.95% p.a.	0.95% p.a.
Performance Fee[12]	20% p.a.	20% p.a.	20% p.a.	10% p.a.	10% p.a.	10% p.a.	20% p.a.
Global Distribution Fee[20]	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.05%	0.01%	0.01%	0.01%	0.05%

12. Performance Fee

The Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Investment Advisor (as defined below) will in turn receive annually up to 20% of the Performance Fee paid to the Investment Manager (if any).

The Performance Fee is crystallised (and paid) on an annual basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net

[1811] The Investment Advisor will receive annually up to 35% of the Investment Manager Fee paid to the Investment Manager.
[12] Please refer to section 12 (Performance Fee) below.
[20] The Global Distribution Fee is calculated based on the Net Asset Value of the Sub-Fund.

Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for Share Classes A-EUR, AH-CHF, AH-USD and CG-EUR, is equal to 20% p.a., and, for Share Classes B-EUR, B-CHF and BH-USD, is equal to 10% p.a. of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Examples with Performance Fee rate 10%:

NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee

Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the General Section of the Prospectus.

14. Investment Manager and Investment Advisor

Valori Asset Management Sa, has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

Capitalsuite Società di Intermediazione Mobiliare S.p.A., Via Santa Maria Segreta 6, 20123 Milano, Italy, has been appointed as investment advisor by the Investment Manager to advise on the composition of the portfolio (the "**Investment Advisor**"). The Investment Advisor is incorporated under Italian law with Company number 09300050961 and is authorised and regulated by the Italian Commissione Nazionale per la Società e la Borsa (CONSOB).

18. SUPPLEMENT VII – VALORI SICAV – GLOBAL CONVERTIBLE BOND FUND

1. Launch date

The Sub-Fund will be launched upon decision of the Board of Directors of the Fund.

2. Reference Currency

The Reference Currency of the Sub-Fund is USD.

3. Investment objective

The Sub-Fund aims to generate an appropriate increase in the value of the investment by allocating its assets mainly to a globally diversified portfolio of Convertible Bonds.

4. Investment policy and specific restrictions

The investment focus is on global Convertible Bonds. A diversified portfolio is targeted, ranging from credit sensitive bonds to equity-sensitive Convertible Bonds. Portfolio construction, with a focus on equity sensitivity, credit risk, duration, and regional and sector allocation, is actively aligned with the current and anticipated future market environment.

The Sub-Fund may invest up to 10% of its net assets in a globally diversified fixed income portfolio such as covered bonds, perpetual bonds, nominal or inflation-linked bonds, other fixed or floating-rate debt securities and short-term debt securities, issued or guaranteed by sovereign or corporate issuers, as well as bank deposits, money market instruments issued by sovereign, supranational or corporate issuers.

The global Convertible Bond securities and the debt securities in which the Sub-Fund invests may be rated investment grade and non-investment grade.

The Investment Manager may invest up to 20% of the Sub-Fund's net assets in debt securities rated between B- and CCC- by Standard & Poor's Rating Agency or of equivalent agency.

Should the downgrade of one or more securities affect the rating limit mentioned above, the Investment Manager will have up to six (6) months to rebalance the Sub-Fund in the best interest of the shareholders.

The Investment Manager may invest up to 60% of the Sub-Fund's net assets in unrated debt securities and/or unrated debt issuers. The Investment Manager may carry out its own analysis and assessment of creditworthiness of debt securities. If an unrated debt security is not assigned with an internal rating the Investment Manager may assign an internal rating. Any unrated debt security assigned an internal rating equivalent to B- or lower will then respect the 20% of the Sub-Fund's net assets invested in debt securities rated between B- and CCC- by Standard & Poor's Rating Agency or of equivalent agency.

The Sub-Fund may be indirectly exposed to equity and other equity-type of transferable securities as well as ADR, GDR (provided that such ADRs and GDRs do not embed derivatives) warrants on equities, equity rights, other equity shares and dividend-right acquired through the exercise of conversion rights, subscription rights or options due to the sensitivity of Convertible Bonds influenced by the price of underlying equities. The Sub-Fund may directly hold equities after exercising the conversion option attached to Convertible Bonds or following debt restructuring. Although such direct positions are not intended to be held over the long term, the Sub-Fund is not required to sell them within a predefined period.

Subject to the risk diversification limited laid down in section 4.3. of the general part of the Prospectus, the Sub-Fund may also invest in securities and money market instruments. In principle, the Sub-Fund may also hold on a temporarily basis ancillary liquid assets up to 20 % of the Sub-Fund's net assets. The above-mentioned 20% limit can only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interests of the investors. The Sub-Fund may only invest up to 20 % of the Sub-Fund's value in bank deposits at any one credit institution.

The Sub-Fund may invest indirectly up to 20% of its net assets in Asset Backed Securities (ABS) and Mortgage-Backed Securities (MBS) through UCITS and/or UCIs, ETFs, swaps.

The Sub-Fund's exposure may also include investment positions with exposure to Emerging Markets (up to 20% of its net assets) and Chinese exposure listed in other countries such as Hong Kong including Chinese A and B shares traded via China Interbank Bond Market (up to 20% of its net assets).

The Sub-Fund may invest up to 10% of its total net assets in globally listed closed-ended REITS.

Investment shares and their investment limits

The Sub-Fund may invest up to 10% of its net assets in UCITS and /or other UCIs, including open-ended ETFs. This may include investments in shares of other Sub-Funds of the Fund, under the conditions laid down in section 4.1.6 of the general part of the Prospectus.

The Sub-Fund shall not be charged for subscription or redemption fees on account of its investments in such UCITS and other UCIs, for which UBS Asset Management (Europe) S.A. acts as management company nor is linked to such UCITS/UCIs management company within the meaning of Article 46(3) of the 2010 Law. Investments in target funds might lead to a duplication of fees. The Sub-Fund shall only invest in target UCITS/UCIs that apply entry and management fees (each of these fees) not exceeding 3% of their net asset value.

The Sub-Fund may also make use of financial derivative instruments, such forwards, futures, options, swaps (including credit default swaps). The use of financial derivative instruments is possible for hedging and for investment purposes.

The Reference Currency is USD. However, the Sub-Fund will potentially invest in instruments denominated in a different currency, with or without hedging the resulting exposure.

5. Securities financing transactions

The Sub-Fund may engage, on an ongoing basis, in securities lending transactions, with a view to create a source of additional income. The Sub-Fund's overall risk profile will not be impacted. The Sub-Fund's maximum exposure to securities lending transactions is 50% of its assets, the Sub-Fund's expected exposure to securities lending transactions is 25% of its assets.

The Sub-Fund uses UBS Europe SE, Luxembourg Branch as securities lending agent, responsible for the transactions management, ongoing operational activities and collateral safekeeping, UBS Switzerland AG will act as securities lending service provider, responsible for the ongoing securities lending activities and collateral management.

10% of the gross revenue generated by re-use of the Sub-Fund's assets in securities lending transactions will be withheld as fees by UBS Europe SE (in its capacity as securities lending agent) and 30% by UBS Switzerland AG (in its capacity as securities lending service provider); the residual 60% will be paid to the Sub-Fund. The above fees cover all direct and indirect costs arising in the context of the Sub-Fund's securities lending program. These costs are subject to a periodical review, and, if appropriate, adaptation, and must be at arm's length.

The Sub-Fund will not make use of other securities financing transactions, such as (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowing, (iii) buy-sell back transactions or sell-buy back transactions, (iv) margin lending transactions, and also not of total return swaps.

6. Investment process and sustainability considerations

The Sub-Fund does not promote environmental and/or social characteristics or pursue a sustainable objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (Taxonomy Regulation Art. 7). The Sub-Fund complies with Article 6 SFDR. As such, due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)), the Sub-Fund does not consider principal adverse impacts on sustainability factors.

Considerations of Sustainability Risks are not integrated due to the investment strategy and the nature of the underlying investments. Sustainability Risks are not currently expected to have a material impact on achieving the return objectives of the Sub-Fund.

7. Benchmark

The Sub-Fund is actively managed and has no reference Benchmark.

8. Investor profile

Investing in Global Convertible Bond Fund is suitable for investors who already have some experience with financial markets. Investors must be willing and able to accept fluctuations in share prices and potentially a significant capital loss. The investment horizon should be at least three years.

9. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Investors must be aware that investment in the Sub-Fund will always imply issuer-specific, liquidity and counterparty risks as well as risks associated with the investment decisions and the operation of the Sub-Fund.

When investing in this specific Sub-Fund, investors should, however, be particularly aware of:

- Sustainability Risks;
- Liquidity Risks;
- Credit Risks;

- Risks associated with certain financial instruments (debt securities and bonds, high yield bonds, Convertible Bonds, units of UCITS and/or other UCIs (including ETFs), financial derivative instruments traded on a regulated market, OTC financial derivative instruments, securities lending, ABS/MBS, structured products, equities);
- Foreign exchange and currency risk;
- Risks associated with investments in Emerging Markets;
- Risks associated with investments in China; and
- Risks associated with unrated securities.

The list of risk factors does not purport to be a complete explanation of the risks involved when investing in shares of the Sub-Fund. It should be remembered that the net asset value of the Sub-Fund can go down as well as up. An investor may not get back the amount he has invested, in particular if shares are redeemed soon after they have been issued. Prospective investors should carefully consider whether an investment in shares is suitable for them in the light of their own circumstances and financial resources.

For a detailed description of the specific risks applicable to this Sub-Fund, please refer to Section 5 (*General Risk Factors*) of the general part of the Prospectus.

10. Global Exposure

The Management Company uses the commitment approach, according to CSSF Circular 11/512 and article 47 of the CSSF Regulation 10/04, for determining the global exposure risk of the Sub-Fund.

The Sub-Fund's total commitment to financial derivative instruments is limited to 100% of the Sub-Fund's total net assets, which is quantified as the sum, as an absolute value, of the individual commitments, after consideration of the possible effects of netting and coverage. The Sub-Fund will make use of financial derivatives instruments in a manner not to materially alter its risk profile over what would be the case if financial derivatives instruments were not used.

The Management Company will ensure that the overall risk linked to derivatives does not exceed the total net value of the portfolio of the Sub-Fund.

11. Investments in VALORI SICAV – GLOBAL CONVERTIBLE BOND FUND - General Information

The table below lists all Share Classes of the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the UCI Administrator, Global Distributor or Distributor(s) upon request.

Share Class name	AH-EUR	AH-CHF	BH-EUR	BH-CHF	B-USD
Dividend policy	Capitalisation	Capitalisation	Capitalisation	Capitalisation	Capitalisation
Type of investor	Retail	Retail	Institutional	Institutional	Institutional

Share Class Reference Currency	EUR	CHF	EUR	CHF	USD
Currency Hedged Share Class	Yes (USD)	Yes (USD)	Yes (USD)	Yes (USD)	NO
Subscription Price per Share	100 EUR	100 CHF	100 EUR	100 CHF	100 USD
Minimum Initial Subscription	100 EUR	100 CHF	50'000 EUR	50'000 CHF	50'000 USD
Minimum Holding	100 EUR	100 CHF	50'000 EUR	50'000 CHF	50'000 USD
Maximum Subscription Fee	3.00%	3.00%	n.a.	n.a.	n.a.
Maximum Redemption Fee	2.00%	2.00%	n.a.	n.a.	n.a.
Conversion Fee	0.50%	0.50%	n.a.	n.a.	n.a.
Investment Manager Fee	1. 40% p.a.	1. 40% p.a.	0.8% p.a.	0.80% p.a.	0.80% p.a.
Performance Fee[13]	10% p.a.	10% p.a.	10% p.a.	10% p.a.	10% p.a.
Global Distribution Fee	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.	Up to 0.40% p.a.
Taxe d'abonnement	0.05%	0.05%	0.01%	0.01%	0.01%

12. Performance Fee

In addition, the Investment Manager is entitled to receive a Performance Fee, calculated and accrued on each Valuation Date. The Performance Fee is crystallised (and paid) on an annual

[13] The Investment Advisor will receive annually up to 35% of the Investment Manager Fee paid to the Investment Manager. Any appointed Distributor is remunerated with a Distribution Fee, which is paid out of the Investment Manager Fee. Please refer to section 12. (Performance Fee) below.

basis on the 31st December (the "**Crystallisation Date**") of each calendar year (the "**Calculation Period**"), provided that the Net Asset Value per Share before payment of the Performance Fee is higher than the last Net Asset Value per Share on which a Performance Fee has been last crystallised ("**High-on-High**") during the Performance Reference Period (as defined below).

The applicable performance reference period (i.e. the time horizon over which the performance of the Sub-Fund is measured and compared with that of the High-on-High and at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset) is of five (5) years on a rolling basis (the "**Performance Reference Period**"). Any underperformance or loss previously incurred during the Performance Reference Period should be recovered before a Performance Fee becomes payable.

The Performance Fee, for all the Share Classes is equal to 10% of the difference between the Net Asset Value per Share before Performance Fee payment and the High-on-High multiplied by the number of Shares outstanding on each Valuation Day of a Calculation Period. The Performance Fee is calculated net of all costs, i.e. on the basis of the Net Asset Value per Share after deduction of all expenses, liabilities, and administrative and management fees (but without deducting the Performance Fee, as long as this is in the investors' best interest), and is adjusted to take account of all dividend distribution, Subscriptions and Redemptions.

The starting point to be considered in the calculation of the Performance Fee is the initial Subscription Price per Share.

In case of Subscription, the Performance Fee calculation is adjusted to avoid that this Subscription impacts the amount of Performance Fee accruals. To perform this adjustment, the performance of the Net Asset Value per Share against the High-on-High until the Subscription Day is not taken into account in the Performance Fee calculation. This adjustment amount is based on the product of the number of subscribed Shares by the positive difference between the subscription price and the High-on-High at the Subscription Day. This cumulated adjustment amount is used in the Performance Fee calculation until the end of the relevant period and is adjusted in case of subsequent Redemptions during the period.

If (i) Shares are redeemed or converted into other Shares of any Class of this Sub-Fund or any Class of another existing Sub-Fund of the Fund, or (ii) the assets of a Sub-Fund or a Class are transferred or merged with those of another Sub-Fund or Class, (iii) a Sub-Fund or a Class are terminated during the Calculation Period, the amount of the Performance Fee included in the Net Asset Value per Share will be due and owed (i.e. crystallized) for these redeemed or converted Shares at the time of Redemption or Conversion or at the effective date of the merger or at the effective date of termination.

However, no Performance Fee shall crystallise where this Sub-Fund or a Class of Shares of this Sub-Fund is merged with a newly established receiving fund or sub-fund with no performance history and with an investment policy not substantially different from that of this Sub-Fund. In that case, the Performance Reference Period of this Sub-Fund shall continue applying in the receiving fund or sub-fund.

Example with Performance Fee rate 10%:

NAV per Share before Perf Fee	Last HoH	NAV per Share performance	Perf Fee	NAV per Share after Perf Fee

Year 1:	112	100	12.00%	1.20	110.80
Year 2:	105	110.80	-5.23%	0.00	105.00
Year 3:	114	110.80	2.89%	0.32	113.68
Year 4:	109	113.68	-4.12%	0.00	109.00
Year 5:	115	113.68	1.16%	0.13	114.87

Year 1:

- The Net Asset Value per Share performance (12%) is positive.
- The excess of performance is 12% and generates a performance fee equal to 1.20.
- The High-on-High is set to 110.80.

Year 2:

- The Net Asset Value per Share performance (-5.23%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 3:

- The Net Asset Value per share performance (2.89%) is positive and superior to last High-on-High.
- The excess of performance is 2.89% and generates a Performance Fee equal to 0.32.
- The High-on-High is set to 113.68.

Year 4:

- The Net Asset Value per Share performance (-4.12%) is negative.
- No performance fee is paid.
- The High-on-High remains unchanged.

Year 5:

- The Net Asset Value per share performance (1.16%) is positive and superior to last High-on-High.
- The excess of performance is 1.16% and generates a Performance Fee equal to 0.13.
- The High-on-High is set to 114.87.

13. Evaluation frequency and transaction

The Net Asset Value per Share is determined as of each Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus (the "**Valuation Day**"). The Net Asset Value is calculated and published on the first Business Day following the relevant Valuation Day (the "**Calculation Day**").

Subscription and redemption of the Sub-Funds' Shares shall take place on every Business Day in Luxembourg as defined in section 3 (Definitions) of this Prospectus. Investors may at any time subscribe or redeem Shares in the Sub-fund at the Registrar and Transfer Agent or Principal Paying Agent in Luxembourg mentioned in the General Section of this Prospectus (or, as the case may be, at local distributors and paying agents appointed in particular distribution countries).

All subscriptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Subscription Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Subscriptions received by the Registrar and Transfer Agent after this time will be handled at the Subscription Price of the next Valuation Day. The total amount of the subscription of Shares in the Sub-Fund must be credited within three (3) Business Days of the applicable Valuation Day.

All redemptions for Shares in the Sub-Fund received by the Fund on a Valuation Day no later than 15:00 Luxembourg local time (cut-off time), will be handled at the Redemption Price, which will be calculated on the next Calculation Day as of the relevant Valuation Day. Redemptions received by the Registrar and Transfer Agent after this time will be handled at the Redemption Price of the next Valuation Day. Payment of the redemption of Shares in the Sub-Fund will be made within three (3) Business Days after the Valuation Day.

For requests of conversion of Shares, the same modalities as for the redemptions of Shares will apply, considering the provisions of the general part of the Prospectus.

14. Investment Manager and Investment Advisor

Valori Asset Management Sa, has been appointed by the Management Company as Investment Manager of the Sub-Fund, as further described under section 6.3 of the general part of the Prospectus.

4AM – For Asset Managers AG, Schifflände 22, 8001 Zurich, Switzerland, has been appointed as investment advisor by the Investment Manager to advise on the composition of the portfolio (the "**Investment Advisor**"). The Investment Advisor is incorporated under Swiss law with Company number CH-020.3.051.464-7 and is authorised and regulated by the Swiss Financial Market Supervisory Authority in Switzerland (FINMA).

ANNEX I - TEMPLATE FOR PRE-CONTRACTUAL DISCLOSURES FOR VALORI SICAV – HEARTH ETHICAL FUND REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH OF REGULATION (EU) 2020/852

Product name: Valori SICAV – Hearth Ethical Fund (the "**Sub-Fund**")

Legal entity identifier: 391200RNXDRY9W1XF889

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ x **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	✖ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	✖ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	✖ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund focuses on the "Social" aspect of ESG and hence invests in companies promoting social characteristics, such as equitable labour practices, diversity, business ethics, anti-competitive practices, bribery and corruption and human rights. By investing (i) in issuers/companies with a strong social performance characteristic on the Investment Manager's ("**VALAM**" or "**Investment Manager**") proprietary Social scoring model and (ii) by focusing on investing in target funds which promote social

characteristics, the Sub-Fund contributes to measurable social impact and community development.
No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used to measure the attainment of the characteristics promoted by the Sub-Fund are:

(i) the **proprietary Social Scoring Model** for direct investments in issuers/companies. This score is based on the data of leading external data providers and internal data and is used to identify issuers/companies for the investment universe with strong social performance characteristics; and

(ii) the **classification of the underlying target funds** (UCITS and/or other UCI, including ETFs) to focus on investment funds which promote social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments that the Sub-Fund partially intends to make are to contribute to one or more sustainability topics, such as equitable labor practices, diversity, access to essential services, and human rights.

VALAM carries out an assessment to determine which securities satisfy VALAM's standards of sustainable investments. VALAM's sustainable investments framework entails both (i) negative tests as well as (ii) qualifying positive tests.

The negative tests include:

1) Leveraging VALAM's ESG Process in order to exclude all securities and issuers that do not comply with VALAM's minimum social standards, which include: exclusion of companies with ESG Risk Scores below the prescribed threshold, involved in severe controversies or excluded business activities.
2) Leveraging indicators for adverse impacts on sustainability factors (PAI 4, 10 and 14) and excluding issuers with exposure to fossil fuels, controversial weapons, and assessed to be violating of UN Global Compact Principles.

The qualifying positive tests depend on the type of the sustainable investment objective:

1) Socially sustainable investments need to pass the “Social Test”, which can be met with two possible approaches within VALAM’s framework:
    - 1.1) the Investment Manager assesses the social sustainability of an investment through the labelling of fixed income instruments. The Investment Manager therefore considers as passing this test the bonds that are labelled as “Social Bond” by by the issuer and are reflected on the Bloomberg Terminal in accordance with a defined methodology on which the Investment Manager does not have discretion; or
    - 1.2) fixed income intruments issued by multilateral development banks are deemed as Socially Sustainable.

If the EU Social Taxonomy alignment will be put into force by the regulator and sufficient data will be available, VALAM will consider adding it to the social positive test.

1) Sustainable investments with environmental objective:

2.1) sustainable investments contributing to the environmental sustainable investment objective by leveraging the proprietary EU Environmental Taxonomy Alignment Test; and/or

2.2) fixed income instruments labelled as Green Bonds by the issuer and which are reflected on the Bloomberg Terminal with its defined methodology on which the Investment Manager does not have discretion.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

VALAM carries out an assessment to determine which securities satisfy VALAM’s standards of sustainable investments. The Sub-Fund ensures compliance with “*do not significant harm*” principles through a combination of portfolio management decisions, active ownership activities, and exclusion of companies or sectors associated with controversial conduct or activities.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

In the context of the EU Climate Transition Benchmark exclusion criteria (Article 12(1)(a) to (c) of CDR (EU) 2020/1818), the PAI indicators 10 and 14 are considered by means of exclusions from the investment universe.

In addition, VALAM excludes issuers with exposure to fossil fuels (PAI 4) from the investment universe by assessing the percentage of total revenues generated from fossil fuel sector activity. As per VALAM’s sustainable investments framework, if a company derives more than 50% of it’s revenues from fossil fuel sector activity, the investment cannot be considered sustainable.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action do not qualify as sustainable investments within the portfolio.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, at present, the Sub-Fund considers principal adverse impacts on sustainability factors: In the context of the EU Climate Transition Benchmark exclusion criteria Article 12(1)(a) to (c) of CDR (EU) 2020/1818), PAI indicators 10 and 14 are considered (but not limited to) by means of exclusions from the investment universe. PAI 4 is also considered to exclude companies deriving more than 50% of total revenues from fossil fuel sector activity.

☒☐ No



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

1) VALAM will apply an ESG strategy based on three (3) key pillars. <u>Exclusion:</u>

VALAM will apply a double-layer exclusion process ("Global Exclusion process" and "Sub-Fund-specific Exclusion process") to screen the investable universe. The "Global Exclusion process" applies to corporate and sovereign issuers at Valori SICAV's Art. 8 Funds.. The Sub-Fund-specific Exclusion process applied includes characteristics applying to each Sub-Fund's investment universe.

1.1) Global Exclusion Process:

1.1.1) Corporate Exclusions:

- Controversy Exclusions:
  Within the Global Exclusion Process VALAM will go beyond the EU Climate Transition Benchmarks exclusions criteria above and pay attention not to invest in companies or sovereign debt that are found to be in breach of multiple standards defining human and children's rights

(i.e. the “Universal Declaration of Human Rights”, the “United Nations Guiding Principles for Business and Human Rights”; the “International Labour Organization Core Conventions”; Children’s rights are assessed as defined by the relevant International Labour Organisation (ILO) and United Nations International Children’s Emergency Fund (UNICEF) recommendations). VALAM will assess this risk also through the categorization into a 5 Risk Grading Scoring (from “low” to “severe”). If the controversy is “severe” the corporate is put in the exclusion list and becomes non investable. If the controversy risk is “high” (just below “severe”) the corporate is put on a watchlist for a strict monitoring.

- Activity Based Exclusions:
  Regarding Corporate Issuers, VALAM will further exclude companies from the investment universe that are involved in detrimental activities or sectors that go beyond the EU Climate Transition Benchmarks exclusions. In that sense, based on the percentage of the revenues, the production, the distribution and the significant ownership that a company may have to the following activities, VALAM will use the “level of involvement” in certain activities, as an indicator. Companies found to have a “level of involvement” of 10% or more in the following activities are excluded from the investment universe:

  - Predatory Lending,
  - Gambling,
  - Arctic Oil & Gas Exploration Extraction,
  - Oil Sands,
  - Shale Energy,

  Adult Entertainment Production.

1.1.2) Country Exclusions

Regarding Country Issuers, VALAM uses a proprietary ranking for countries using an internal Social Corporate Score that relies, among others, on available data from the World Bank, the IMF and Transparency International. This internal model is based on parameters such as respect for human rights, working conditions, attention to equality and inclusion in the treatment of people, and control of the supply chain. Sovereign issuers will be excluded with regard to their Social score that is a weighted average of each country's indicators. The sovereign Social score is updated once a year:

Air Pollution (% of population exposed)
Greenhouse gas emissions per person
Life expectancy (at birth, years)
Mortality rate Infant (per 1,000 live births)
Education (secondary school enrollment, % gross)
Equity **(**in Access to Education)
Safety (n of intentional homicides)
Corruption (Corruption Perception Index)
Legal Rights (Strength of Legal Rights Index) (0=weak to 12=strong)
Military Expenditure (% of general government expenditure)

1.2) Sub-Fund-Specific Exclusion process

On top of the "Global exclusion process" VALAM will also apply "Sub-Fund-specific Exclusions".

1.2.1) CTB Exclusions:

The Sub-fund excludes investments in companies subject to the EU Climate Transition Benchmarks exclusion criteria (Article 12(1)(a) to (c) of CDR (EU) 2020/1818). Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action will be excluded from the investment universe.

1.2.2) Worst Social Ranked Exclusions

VALAM will exclude the poorest 1 percentile of corporates of the Fund's investment universe using its proprietary Social Corporate Score.

1.2.3) Worst ESG Ranked ExclusionsSimilarly, VALAM will also carry forward exclusions based on the ESG Corporate Score excluding the poorest 5 percentiles from the investment universe using VALAM ESG its proprietary ESG Corporate Score.

2) Social & Governance integration:

For the second key pillar, VALAM applies a "Social & Governance" integration methodology based on its proprietary Social Score, on which the selection of issuers/companies is based. This will be done assessing the culture, initiatives, internal policies or production techniques.

With respect to target funds (UCITS and/or other UCIs, including ETFs) VALAM applies in-depth due diligence on the investment strategy of the target fund. Based on the information collected in the due diligence process, VALAM develops a view on the quality of the investment process, including the approach to Social & Governance integration and Social & Governance intentionality. The assessment is summarised in a proprietary rating which indicates the extent to which the target fund considers social and governance issues in their investment decisions or engage in active ownership.

3) Active ownership:

The third key pillar of the investment strategy consists of engaging with investee companies. To promote a sustainable approach and conduct, VALAM will actively engage with companies acting with reasonable skill, care and diligence regarding the investors' interests.

The assessment of the Social & Governance characteristics and scores is executed quarterly in order to keep the portfolio aligned. Using its internal model, VALAM screens the investable universe of each Sub-Fund and only allows new investment in companies (i)if their score is lower than 8 according to VALAM's Social Score and (ii) if they comply with all the exclusions defined by VALAM. On the assessment date, if a company is found to be above that threshold or it does not comply with other exclusions set by VALAM, the exposure in that company must be sold before the grace period expires and according to market conditions. The grace period to remove the participation in companies that do not comply with Social & Governance characteristics is defined in VALAM's ESG Policy. The same approach will be conducted for the assessment of ESG characteristics and scores with a quarterly assessment and a 50 threshold on a scale between 0 and 100, whereas 0 is the best and 100 the worst ESG score.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding criteria utilized to select the investments are the following:

80% of the Sub-Fund's net assets are invested in:

(i) issuers/companies that have a social score on the VALAM's proprietary social corporate scoring model between 0 and 8 on a scale of 0 to 15 (indicating a strong Social profile of the invested issuers/companies, whereas 0 is the best and 15 the worst score), and/or

(ii) target funds (UCITS and/or other UCI, including ETFs) which promote social characteristics in accordance with Article 8 or Article 9 of the Sustainable Finance Disclosure Regulation.

The Sub-Fund excludes investments in companies subject to the EU Climate Transition Benchmarks exclusion criteria (Article 12(1)(a) to (c) of CDR (EU) 2020/1818). Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action will be excluded from the investment universe.

Furthermore, VALAM applies a double layer exclusion process, an overall Global Exclusion process and a Sub-Fund-specific Exclusion process as described above under point 1) of section "What investment strategy does this financial product follow?".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

- ***What is the policy to assess good governance practices of the investee companies?***

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

VALAM uses the results of internal and external assessments to exclude companies perceived to violate key issues related to 'Good Governance', in particular with respect to sound management structures, remuneration of staff, employee relations and tax compliance.

This is done on two (2) levels:

First, VALAM will assess the governance risk through the categorization into a 5 tiered Risk Grading Scoring of governance controversies (from "low" to "severe"). If the governance controversy is "severe" the corporate is put in the exclusion list and becomes non investable.

Second, VALAM ensures that the investee companies follow good governance practices by screening the investment universe through the Social & Governance integration which includes the "G" pillar.

Third, if the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring. The governance is therefore one of the three building blocks that contribute to the "Social"assessment of a company.

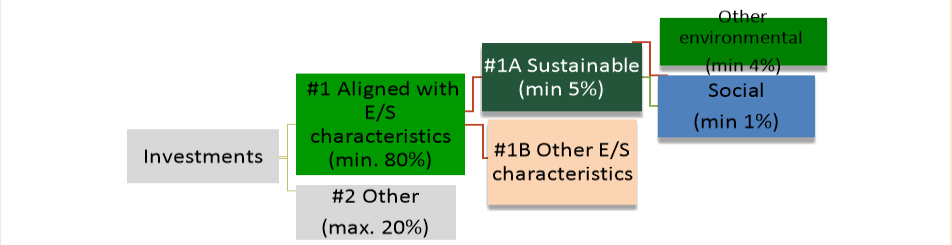
The Sub-Fund has also indirect exposure to investee companies via its investments in target funds. As part of the due diligence and selection process, VALAM conducts an assessment of the ESG intentionality of the target funds, which includes a check if the target fund has policies in place to assess the good governance practices of the investee companies.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation planned for this financial product?

The Sub-Fund is expected to invest at least 80% of its NAV in issuers aligned with the Social characteristics promoted (#1). The remaining (< 20%) will be cash, cash equivalents, derivatives and other investments which are not aligned with the Social characteristics promoted (#2 Other). The Sub-Fund commits to a minimum 5% of sustainable investments with environmental and social objectives.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivatives by the Sub-Fund does not attain the social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

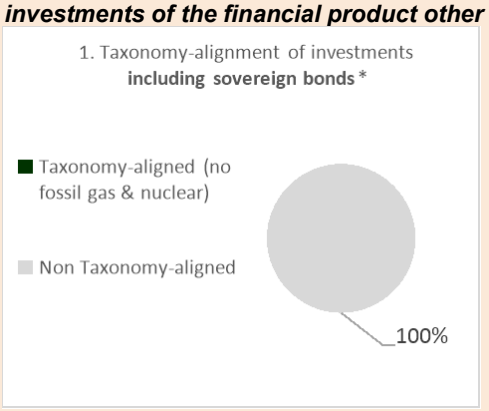
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy**[14]**?**

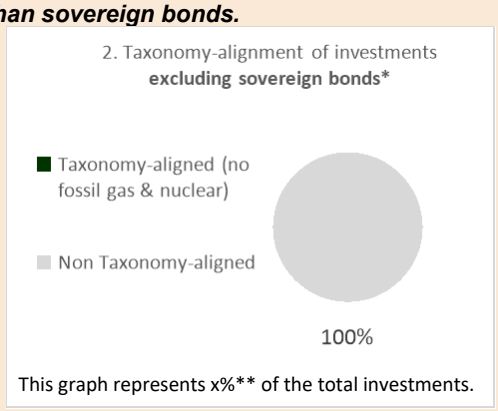
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in black the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
***No percentage has been inserted as it is not relevant (no Taxonomy-aligned investments)*

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

- ***What is the minimum share of investments in transitional and enabling activities?***



As the Sub-Fund does not commit to invest any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund commits to a minimum 4% of sustainable investments with an environmental objective. These investments could be aligned with the EU Taxonomy, but the Investment Manager is not currently in a position to commit to an exact proportion of the Sub-Fund's underlying investments

[2]14 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

which take into account the EU criteria for environmentally sustainable economic activities. However, the position is kept under review as the underlying rules are finalized and the availability of reliable data increases over time.



What is the minimum share of socially sustainable investments?

The Sub-Fund targets a minimum share of socially sustainable investments of 1%.



What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

"Other" Investments may include investments in liquid assets (cash and cash equivalents) held for the purposes of servicing the day-to-day requirements of the Sub-Fund or investments for which there is insufficient data to be considered as a Socially-related Investment. Other investments that may fall into this category might be target funds (UCITS and/or other UCIs, including ETFs) that do not reach the minimum rated threshold and therefore do not have a Morningstar sustainability rating or a sustainability rating from other leading independent providers. Equities or fixed income instruments might be included if lacking a Social Sustainalytics rating. Currently the service provider covers the big majority of the listed equities and therefore a great portion of corporate debt. If an investment is not yet rated by the third party provider, the investment will be allowed but not included in the investment universe.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online?

More product-specific information can be found on the website: www.fundinfo.com

ANNEX II - TEMPLATE FOR PRE-CONTRACTUAL DISCLOSURES FOR VALORI SICAV - GLOBAL FLEXIBLE BOND REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH OF REGULATION (EU) 2020/852

Product name: Valori SICAV – Global Flexible Bond (the "**Sub-Fund**") **Legal entity identifier:** 391200ZDGSSOE166E279

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics such as climate change, water-, pollution-and waste management and gender-related matters by investing (i) in issuers/companies with a strong environmental and social performance characteristic on the Investment Manager's ("**VALAM**") proprietary ESG scoring model and (ii) by investing in target funds which promote environmental and/or social characteristics. No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The sustainability indicators used to measure the attainment of the characteristics promoted by the Sub-Fund are:

the **proprietary ESG scoring model** for direct investments in issuers/companies. This score is based on the data of leading external data provider and internal data and is used to identify issuers/companies for the investment universe with strong environmental and social performance characteristics.
the **classification of the underlying target funds** (UCITS and/or other UCI, including ETFs) as investment funds which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investments or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

VALAM will apply an ESG strategy based on three (3) key pillars.

1) Exclusion:

First the Sub-Fund will not invest in companies involved in selected controversial activities. To do so, VALAM will apply a double-layer exclusion process ("Global Exclusion process" and "Sub-Fund-specific Exclusion process") to screen the investable universe. The "Global Exclusion process" applies to corporate and sovereign issuers at a Valori SICAV Level.

Within the Global Exclusion Process VALAM will pay attention to not invest in companies or sovereign debt that are found to be in breach of multiple standards defining human and children's rights (i.e. the "Universal Declaration of Human Rights", the "United Nations Guiding Principles for Business and Human Rights"; the "International Labour Organization Core Conventions". Children's rights are assessed as defined by the relevant International Labour Organisation (ILO) and United Nations International Children's Emergency Fund (UNICEF) recommendations). VALAM will assess this risk also through the categorization into a 5 Risk Grading Scoring (from "low" to "severe"). If the controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

Regarding Corporate Issuers VALAM will exclude any company from the investment universe that is involved in detrimental activities or sectors. In that sense, VALAM will use a "level of involvement" in certain activities, which is an indicator based on the percentage of the revenues, the production, the distribution and the significant ownership that a company may have to the following activities. Companies found to have a "level of involvement" of 10% or more in the following activities are excluded from the investment universe:

Predatory Lending,
Gambling,
Arctic Oil & Gas Exploration Extraction,
Oil Sands,
Tobacco Products,
Shale Energy,
Adult Entertainment Production.

Furthermore, any company involved in the sector of "Controversial Weapons" will automatically be excluded from the investable universe, regardless of the "level of involvement" of this company.

Regarding Country Issuers, VALAM uses a proprietary ranking for countries using an internal ESG scoring model that relies on available data from the World Bank, the IMF and Transparency International among others. This internal model relies on multiple data points such as the GHG Emissions, Education, Corruption, Military Expenditure, Life Expectancy and Mortality Rates. Sovereign issuers will be excluded with regard to their ESG score that is a weighted average of each country's indicators. The sovereign ESG score is updated once a year:

Air Pollution (% of population exposed)
Greenhouse gas emissions per person
Life expectancy (at birth, years)
Mortality rate Infant (per 1,000 live births)
Education (secondary school enrollment, % gross)
Equity **(**in Access to Education)
Safety (n of intentional homicides)
Corruption (Corruption Perception Index)
Legal Rights (Strength of Legal Rights Index) (0=weak to 12=strong)
Military Expenditure (% of general government expenditure)

On top of the "Global exclusion process", VALAM will also apply a "Sub-Fund-specific Exclusion process" which consists of excluding the poorest 5 percentiles of corporates of the fund's investment universe using its proprietary ESG scoring model. This is done on top of the Global Exclusion Process and is referred to each Sub-Fund's investment universe.

2) ESG integration:

For the second key ESG pillar, VALAM applies an ESG integration methodology based on its proprietary scoring model, on which the selection of issuers/companies is based on. This will be done by assessing the corporate culture, initiatives, internal policies or production techniques.

With respect to target funds (UCITS and/or other UCIs, including ETFs) VALAM applies in-depth due diligence on the investment strategy of the target funds. Based on the information collected in the due diligence process, VALAM develops a view on the quality of the investment process, including the approach to ESG integration and ESG intentionality. The assessment is summarised in a

proprietary rating which indicates the extent to which the target fund considers environmental, social and governance issues in their investment decisions or engage in active ownership.

3) Active ownership:

The third key ESG pillar of the investment strategy consist of engaging with investee companies. VALAM will actively engage with companies by acting with reasonable skill, care and diligence regarding the investors' interests, and moreover, in order to promote a sustainable approach and behaviour.

The assessment of the ESG characteristics and scores is executed quarterly in order to keep the portfolio aligned with ESG characteristics. Using its internal model VALAM screens the Investable Universe of each Sub-Fund and allows new investment in companies only if their score is lower than 50 according to our ESG Score Model and only if they comply with all the exclusions defined by VALAM. On the assessment date, if a company is found to be above that threshold or it does not comply with other exclusions set by VALAM the exposure in that company must be sold before the grace period expires and according to market conditions. The grace period to remove the participation in companies that do not comply with ESG characteristics is defined in VALAM's ESG Policy.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding criteria utilized to select the investments are the following:

60% of the Sub-Fund's net assets are invested in:

issuers/companies that have an ESG score on the VALAM's proprietary ESG scoring model between 0 and 50 on a scale between 0 and 100 (indicating a strong ESG profile of the invested issuers/companies, whereas 0 is the best and 100 the worst score), and/or

target funds (UCITS and/or other UCI, including ETFs) which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

Furthermore, VALAM applies a double layer exclusion process, an overall Global Exclusion process and a Sub-Fund-specific Exclusion process as described above under point 1) of section "What investment strategy does this financial product follow?".

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

Not applicable.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

VALAM uses the results of internal and external assessments to exclude companies perceived to violate key issues related to 'Good Governance', in particular with respect sound management structures, remuneration of staff, employee relations and tax compliance.

This is done on two (2) levels:

First, VALAM will assess the governance risk through the categorization into a 5 Risk Grading Scoring of governance controversies (from "low" to "severe"). If the governance controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

Second, VALAM ensures that the investee companies follow good governance practices by screening the investment universe through the ESG integration which includes the "G" pillar. The governance is therefore one of the three building blocks that contribute to the ESG rating of a company. The variables used for the governance part of the ESG score do not vary as for the other two components "E" and "S" that are adapted to the subindustry the company operates in. The final contribution of the governance to the overall assessment is around 20% and it varies depending on how heavy the "E" and "S" contributions is. For instance, a retailer typically has a low impact from an environmental point of view and therefore the Governance will have a higher relative weight whilst an Oil and Gas producer will have a less relevant Governance factor due to the high component of Environmental variables.

The Sub-Fund has also indirect exposure to investee companies via its investments in target funds. As part of the due diligence and selection process, VALAM conducts an assessment of the ESG intentionality of the target funds, which includes a check if the target fund has policies in place to assess the good governance practices of the investee companies.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

What is the asset allocation planned for this financial product?

The Sub-Fund is expected to invest at least 60% of its NAV in companies aligned with the E/S characteristics promoted (#1). The remaining (<40%) will be cash, cash equivalents, derivatives and other investments which are not aligned with the E/S characteristics promoted (#2 Other).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivatives by the Sub-Fund does not attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[15]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

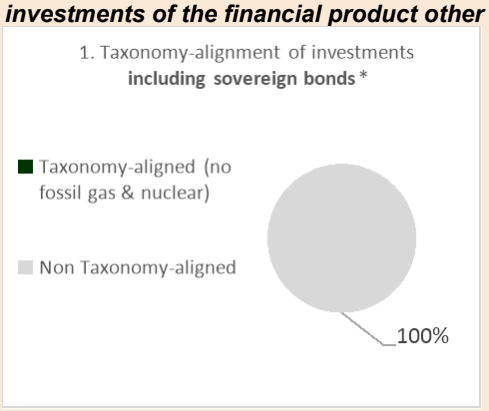
☒ No

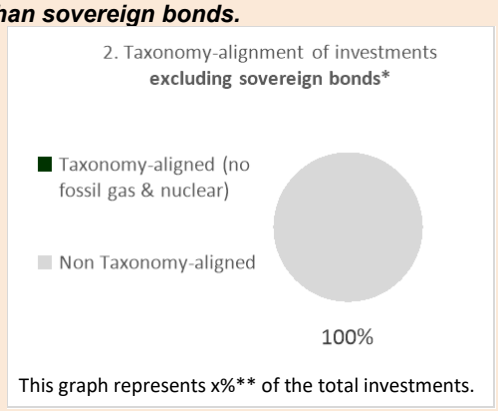
[15] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in black the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





This graph represents x%** of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
***No percentage has been inserted as it is not relevant (no Taxonomy-aligned investments)*

What is the minimum share of investments in transitional and enabling activities?

As the Sub-Fund does not commit to invest any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund promotes environmental and social characteristics but does not commit to make any sustainable investments. As a consequence, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

"Other" Investments may include investments in liquid assets (cash and cash equivalents) held for the purposes of servicing the day-to-day requirements of the Sub-fund or investments for which there is insufficient data to be considered ESG-related Investment. Other investments that may fall into this

category might be funds (UCITS and/or other UCIs, including ETFs) that do not reach the minimum rated threshold and therefore do not have a Morningstar sustainability rating. Equities or fixed income instruments might be included if lacking a Sustainalytics rating. Currently the service provider covers the big majority of the listed equities and therefore a great portion of corporate debt. If an investment is not yet rated by the third party provider will not be included in the investment universe but the investment will be allowed. VALAM will directly execute due diligence on the companies that are not covered by Sustainalytics data with the objective to exclude those involved in controversial activities such as Gambling and Tobacco.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website: www.fundinfo.com

ANNEX III - TEMPLATE FOR PRE-CONTRACTUAL DISCLOSURES FOR VALORI SICAV – SUBORDINATED DEBT FUND REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH OF REGULATION (EU) 2020/852

Product name: Valori SICAV – Subordinated Debt Fund (the "**Sub-Fund**")

Legal entity identifier: 549300MPF6OEU9GD7W80

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics such as climate change, water-, pollution- and waste-management and gender-related matters by investing (i) in issuers/companies with a strong environmental and social performance characteristic on the Investment Manager's ("**VALAM**") proprietary ESG scoring model and (ii) by investing in target funds which promote environmental and/or social characteristics. No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used to measure the attainment of the characteristics promoted by the Sub-Fund are:

(i) the **proprietary ESG scoring model** for direct investments in issuers/companies. This score is based on the data of leading external data provider and internal data and is used to identify issuers/companies for the investment universe with strong environmental and social performance characteristics.

(ii) the **classification of the underlying target funds** (UCITS and/or other UCI, including ETFs) as investment funds which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

VALAM will apply an ESG strategy based on three (3) key pillars.

1) Exclusion:

First the Sub-Fund will not invest in companies involved in selected controversial activities. To do so, VALAM will apply a double-layer exclusion process ("Global Exclusion process" and "Sub-Fund-specific Exclusion process") to screen the investable universe. The "Global Exclusion process" applies to corporate and sovereign issuers at a Valori SICAV level.

Within the Global Exclusion Process VALAM will pay attention to not invest in companies or sovereign debt that are found to be in breach of multiple standards defining human and children's rights (i.e. the "Universal Declaration of Human Rights", the "United Nations Guiding Principles for Business and Human Rights"; the "International Labour Organization Core Conventions". Children's rights are assessed as defined by the relevant International Labour Organisation (ILO) and United Nations International Children's Emergency Fund (UNICEF) recommendations). VALAM will assess this risk also through the categorization into a 5 Risk Grading Scoring (from "low" to "severe"). If the controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

Regarding Corporate Issuers VALAM will exclude any company from the investment universe that is involved in detrimental activities or sectors.. In that sense, VALAM will use a "level of involvement" in certain activities, which is an indicator based on the percentage of the revenues, the production, the distribution and the significant ownership that a company may have to the following activities. Companies found to have a "level of involvement" of 10% or more in the following activities are excluded from the investment universe:

- Predatory Lending,
- Gambling,
- Arctic Oil & Gas Exploration Extraction,
- Oil Sands,
- Tobacco Products,
- Shale Energy,
- Adult Entertainment Production.

Furthermore, any company involved in the sector of "Controversial Weapons" will automatically be excluded from the investable universe, regardless of the "level of involvement" of this company.

Regarding Country Issuers, VALAM uses a proprietary ranking for countries using an internal ESG scoring model that relies on available data from the World Bank, the IMF and Transparency International among others. This internal model relies on multiple data points such as the GHG Emissions, Education, Corruption, Military Expenditure, Life Expectancy and Mortality Rates. Sovereign issuers will be excluded with regard to their ESG score that is a weighted average of each country's indicators. The sovereign ESG score is updated once a year:

Air Pollution (% of population exposed)
Greenhouse gas emissions per person
Life expectancy (at birth, years)
Mortality rate Infant (per 1,000 live births)
Education (secondary school enrollment, % gross)
Equity (in Access to Education)
Safety (n of intentional homicides)
Corruption (Corruption Perception Index)
Legal Rights (Strength of Legal Rights Index) (0=weak to 12=strong)
Military Expenditure (% of general government expenditure)

On top of the "Global exclusion process", VALAM will also apply a "Sub-Fund-specific Exclusion process" which consists of excluding the poorest 5 percentiles of corporates of the fund's investment universe using its proprietary ESG scoring model. This is done on top of the Global Exclusion Process and is referred to each Sub-Fund's investment universe.

2) <u>ESG integration:</u>

For the second key ESG pillar, VALAM applies an ESG integration methodology based on its proprietary scoring model, on which the selection of issuers/companies is based on. This will be done by assessing the corporate culture, initiatives, internal policies or production techniques.

With respect to target funds (UCITS and/or other UCIs, including ETFs) VALAM applies in-depth due diligence on the investment strategy of the target fund. Based on the information collected in the due diligence process, VALAM develops a view on the quality of the investment process, including the approach

to ESG integration and ESG intentionality. The assessment is summarised in a proprietary rating which indicates the extent to which the target fund considers environmental, social and governance issues in their investment decisions or engage in active ownership.

3) Active ownership:

The third key ESG pillar of the investment strategy consist of engaging with investee companies. VALAM will actively engage with companies by acting with reasonable skill, care and diligence regarding the investors' interests, and moreover, in order to promote a sustainable approach and behaviour.

The assessment of the ESG characteristics and scores is executed quarterly in order to keep the portfolio aligned with ESG characteristics. Using its internal model VALAM screens the Investable Universe of each Sub-Fund and allows new investment in companies only if their score is lower than 50 according to our ESG Score Model and only if they comply with all the exclusions defined by VALAM. On the assessment date, if a company is found to be above that threshold or it does not comply with other exclusions set by VALAM the exposure in that company must be sold before the grace period expires and according to market conditions. The grace period to remove the participation in companies that do not comply with ESG characteristics is defined in VALAM's ESG Policy.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding criteria utilized to select the investments are the following:

60% of the Sub-Fund's net assets are invested in

(i) issuers/companies that have an ESG score on the VALAM's proprietary ESG scoring model between 0 and 50 on a scale between 0 and 100 (indicating a strong ESG profile of the invested issuers/companies, whereas 0 is the best and 100 the worst score), and/or

(ii) target funds (UCITS and/or other UCI, including ETFs) which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

Furthermore, VALAM applies a double layer exclusion process, an overall Global Exclusion process and a Sub-Fund-specific Exclusion process as described above under point 1) of section "What investment strategy does this financial product follow?".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

VALAM uses the results of internal and external assessments to exclude companies perceived to violate key issues related to 'Good Governance', in particular with respect to sound management structures, remuneration of staff, employee relations and tax compliance.

This is done on two (2) levels:

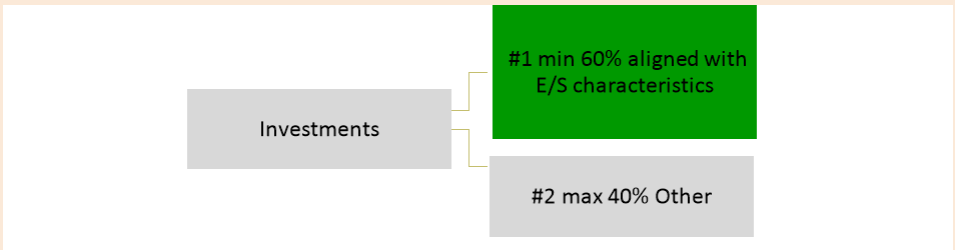
First, VALAM will assess the governance risk through the categorization into a 5 Risk Grading Scoring of governance controversies (from "low" to "severe"). If the governance controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

Second, VALAM ensures that the investee companies follow good governance practices by screening the investment universe through the ESG integration which includes the "G" pillar. The governance is therefore one of the three building blocks that contribute to the ESG rating of a company. The variables used for the governance part of the ESG score do not vary as for the other two components "E" and "S" that are adapted to the subindustry the company operates in. The final contribution of the governance to the overall assessment is around 20% and it varies depending on how heavy the "E" and "S" contributions is. For instance, a retailer typically has a low impact from an environmental point of view and therefore the Governance will have a higher relative weight whilst an Oil and Gas producer will have a less relevant Governance factor due to the high component of Environmental variables.

The Sub-Fund has also indirect exposure to investee companies via its investments in target funds. As part of the due diligence and selection process, VALAM conducts an assessment of the ESG intentionality of the target funds, which includes a check if the target fund has policies in place to assess the good governance practices of the investee companies.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

The Sub-Fund is expected to invest at least 60% of its NAV in companies aligned with the E/S characteristics promoted (#1). The remaining (<40%) will be cash, cash

equivalents, derivatives and other investments which are not aligned with the E/S characteristics promoted (#2 Other).

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The use of derivatives by the Sub-Fund does not attain the environmental or social characteristics promoted by the Sub-Fund.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[16]?**

☐ Yes:

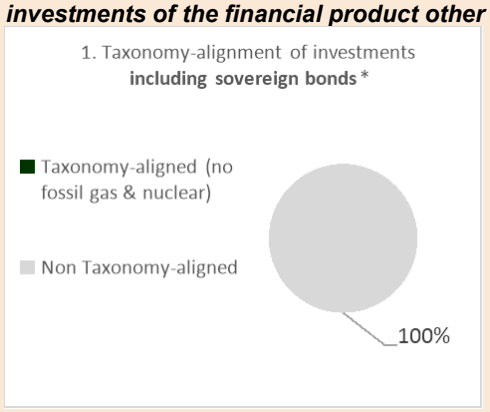
☐ In fossil gas ☐ In nuclear energy

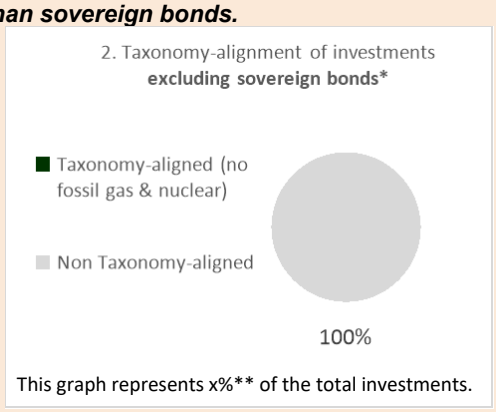
☒ No

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in black the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

***No percentage has been inserted as it is not relevant (no Taxonomy-aligned investments)*

[16] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What is the minimum share of investments in transitional and enabling activities?

As the Sub-Fund does not commit to invest any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund promotes environmental and social characteristics but does not commit to make any sustainable investments. As a consequence, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

Not applicable.



What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

"Other" Investments may include investments in liquid assets (cash and cash equivalents) held for the purposes of servicing the day-to-day requirements of the Sub-fund or investments for which there is insufficient data to be considered ESG-related Investment. Other investments that may fall into this category might be funds (UCITS and/or other UCIs, including ETFs) that do not reach the minimum rated threshold and therefore do not have a Morningstar sustainability rating. Equities or fixed income instruments might be included if lacking a Sustainalytics rating. Currently the service provider covers the big majority of the listed equities and therefore a great portion of corporate debt. If an investment is not yet rated by the third party provider will not be included in the investment universe but the investment will be allowed. VALAM will directly execute due diligence on the companies that are not covered by Sustainalytics data with the objective to exclude those involved in controversial activities such as Gambling and Tobacco.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website: www.fundinfo.com

ANNEX IV - TEMPLATE FOR PRE-CONTRACTUAL DISCLOSURES FOR VALORI SICAV – ELITE EQUITY FUND REFERRED TO IN ARTICLE 8, PARAGRAPHS 1, 2 AND 2A, OF REGULATION (EU) 2019/2088 AND ARTICLE 6, FIRST PARAGRAPH OF REGULATION (EU) 2020/852

Product name: Valori Sicav - Elite Equity Fund (the "**Sub-Fund**")

Legal entity identifier: 5493005NZIXYNT8CRH37

Environmental and/or social

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

- ☐ **Yes**
- ☒ **No**

- ☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%
  - ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
  - ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - ☐ with a social objective
- ☐ It will make a minimum of **sustainable investments with a social objective:** ___%
- ☒ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics such as climate change, water, pollution and waste management, and gender-related matters by investing (i) in issuers/companies with a strong environmental and social performance characteristic on the Investment Manager's ("**VALAM**") proprietary ESG scoring model and (ii) by investing in target funds which promote environmental and/or social characteristics.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used to measure the attainment of the characteristics promoted by the Sub-Fund are:

(i) the **proprietary ESG scoring model** for direct investments in issuers/companies. This score is based on the data of leading external data provider and internal data and is used to identify issuers/companies for the investment universe with strong environmental and social performance characteristics.

(ii) the **classification of the underlying target funds** (UCITS and/or other UCI, including ETFs) as investment funds which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

What investment strategy does this financial product follow?

VALAM will apply an ESG strategy based on three (3) key pillars.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

1) Exclusion:

First the Sub-Fund will not invest in companies involved in selected controversial activities. To do so, VALAM will apply a double-layer exclusion process ("Global Exclusion process" and "Sub-Fund-specific Exclusion process") to screen the investable universe. The "Global Exclusion process" applies to corporate and sovereign issuers at a Valori SICAV level.

Within the Global Exclusion Process VALAM will pay attention to not invest in companies or sovereign debt that are found to be in breach of multiple standards defining human and children's rights (i.e. the "Universal Declaration of Human Rights", the "United Nations Guiding Principles for Business and Human Rights"; the "International Labour Organization Core Conventions". Children's rights are assessed as defined by the relevant International Labour Organisation (ILO) and United Nations International Children's Emergency Fund (UNICEF) recommendations). VALAM will assess this risk also through the categorization into a 5 Risk Grading Scoring (from "low" to "severe"). If the controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

Regarding Corporate Issuers VALAM will exclude any company from the investment universe that is involved in detrimental activities or sectors. In that sense, VALAM will use a "level of involvement" in certain activities, which is an indicator based on the percentage of the revenues, the production, the distribution and the significant ownership that a company may have to the following activities. Companies found to have a "level of involvement" of 10% or more in the following activities are excluded from the investment universe:

- Predatory Lending,
- Gambling,
- Arctic Oil & Gas Exploration Extraction,
- Oil Sands,
- Tobacco Products,
- Shale Energy,
- Adult Entertainment Production.

Furthermore, any company involved in the sector of "Controversial Weapons" will automatically be excluded from the investable universe, regardless of the "level of involvement" of this company.

Regarding Country Issuers, VALAM uses a proprietary ranking for countries using an internal ESG scoring model that relies on available data from the World Bank, the IMF and Transparency International among others. This internal model relies on multiple data points such as the GHG Emissions, Education, Corruption, Military Expenditure, Life Expectancy and Mortality Rates. Sovereign issuers will be excluded with regard to their ESG score

that is a weighted average of each country's indicators. The sovereign ESG score is updated once a year:

Air Pollution (% of population exposed)
Greenhouse gas emissions per person
Life expectancy (at birth, years)
Mortality rate Infant (per 1,000 live births)
Education (secondary school enrollment, % gross)
Equity **(**in Access to Education)
Safety (n of intentional homicides)
Corruption (Corruption Perception Index)
Legal Rights (Strength of Legal Rights Index) (0=weak to 12=strong)
Military Expenditure (% of general government expenditure)

On top of the "Global exclusion process", VALAM will also apply a "Sub-Fund-specific Exclusion process" which consists of excluding the poorest 5 percentiles of corporates of the fund's investment universe using its proprietary ESG scoring model. This is done on top of the Global Exclusion Process and is referred to each Sub-Fund's investment universe.

2) <u>ESG integration:</u>

For the second key ESG pillar, VALAM applies an ESG integration methodology based on its proprietary scoring model, on which the selection of issuers/companies is based on. This will be done by assessing the corporate culture, initiatives, internal policies or production techniques.

With respect to target funds (UCITS and/or other UCIs, including ETFs) VALAM applies in-depth due diligence on the investment strategy of the target fund. Based on the information collected in the due diligence process, VALAM develops a view on the quality of the investment process, including the approach to ESG integration and ESG intentionality. The assessment is summarised in a proprietary rating which indicates the extent to which the target fund considers environmental, social and governance issues in their investment decisions or engage in active ownership.

3) <u>Active ownership:</u>

The third key ESG pillar of the investment strategy consist of engaging with investee companies. VALAM will actively engage with companies by acting with reasonable skill, care and diligence regarding the investors' interests, and moreover, in order to promote a sustainable approach and behaviour.

The assessment of the ESG characteristics and scores is executed quarterly in order to keep the portfolio aligned with ESG characteristics. Using its internal model VALAM screens the Investable Universe of each Sub-Fund and allows new investment in companies only if their score is lower than 50 according to our ESG Score Model and only if they comply with all the exclusions defined by VALAM. On the assessment date, if a company is found to be above that threshold or it does not comply with other exclusions set by VALAM the exposure in that company must be sold before the grace period expires and according to market conditions. The grace period to remove the participation in companies that do not comply with ESG characteristics is defined in VALAM's ESG Policy.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding criteria utilized to select the investments are the following:

60% of the Sub-Fund's net assets are invested in:

(i) issuers/companies that have an ESG score on the VALAM's proprietary ESG scoring model between 0 and 50 on a scale between 0 and 100 (indicating a strong ESG profile of the invested issuers/companies, whereas 0 is the best and 100 the worst score), and/or

(ii) target funds (UCITS and/or other UCI, including ETFs) which promote environmental and/or social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

Furthermore, VALAM applies a double layer exclusion process, an overall Global Exclusion process and a Sub-Fund-specific Exclusion process as described above under point 1) of section "What investment strategy does this financial product follow?".

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable.

- ***What is the policy to assess good governance practices of the investee companies?***

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

VALAM uses the results of internal and external assessments to exclude companies perceived to violate key issues related to 'Good Governance', in particular with respect to sound management structures, remuneration of staff, employee relations and tax compliance.

This is done on two (2) levels:

First, VALAM will assess the governance risk through the categorization into a 5 Risk Grading Scoring of governance controversies (from "low" to "severe"). If the governance controversy is "severe" the corporate is put in the exclusion list and becomes non investable. If the controversy risk is "high" (just below "severe") the corporate is put on a watchlist for a strict monitoring.

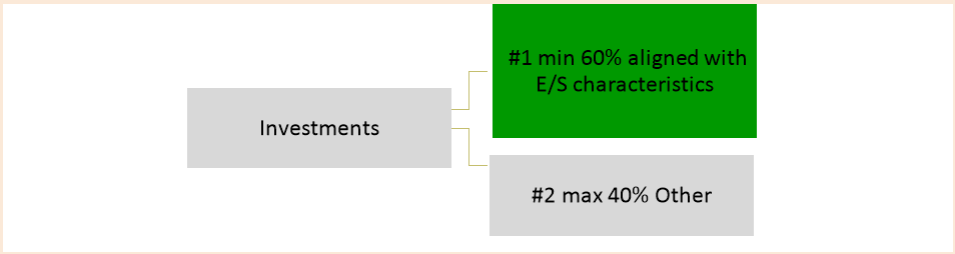
Second, VALAM ensures that the investee companies follow good governance practices by screening the investment universe through the ESG integration which includes the "G" pillar. The governance is therefore one of the three building blocks that contribute to the ESG rating of a company. The variables used for the governance part of the ESG score do not vary as for the other two components "E" and "S" that are adapted to the subindustry the company operates in. The final contribution of the governance to the overall assessment is around 20% and it varies depending on how heavy the "E" and "S" contributions is. For instance, a retailer typically has a low impact

from an environmental point of view and therefore the Governance will have a higher relative weight whilst an Oil and Gas producer will have a less relevant Governance factor due to the high component of Environmental variables.

The Sub-Fund has also indirect exposure to investee companies via its investments in target funds. As part of the due diligence and selection process, VALAM conducts an assessment of the ESG intentionality of the target funds, which includes a check if the target fund has policies in place to assess the good governance practices of the investee companies.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Sub-Fund is expected to invest at least 60% of its NAV in companies aligned with the E/S characteristics promoted (#1). The remaining (<40%) will be cash, cash equivalents, derivatives and other investments which are not aligned with the E/S characteristics promoted (#2 Other).

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The use of derivatives by the Sub-Fund does not attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

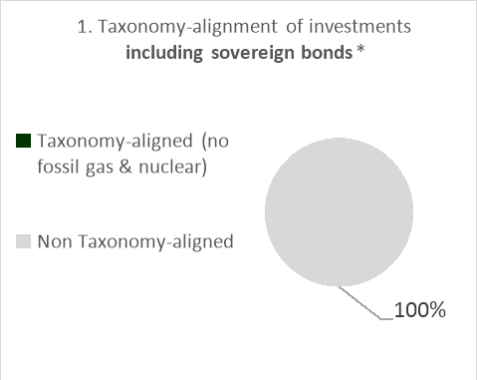
- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[17]?**

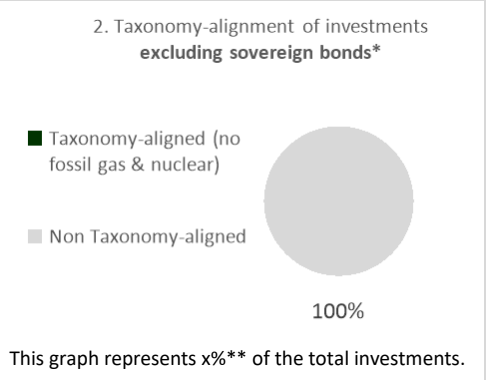
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in black the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
***No percentage has been inserted as it is not relevant (no Taxonomy-aligned investments)*

- ***What is the minimum share of investments in transitional and enabling activities?***

As the Sub-Fund does not commit to invest any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund promotes environmental and social characteristics but does not commit to make any sustainable investments. As a consequence, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

[17] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What is the minimum share of socially sustainable investments?

Not applicable.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

"Other" Investments may include investments in liquid assets (cash and cash equivalents) held for the purposes of servicing the day-to-day requirements of the Sub-fund or investments for which there is insufficient data to be considered ESG-related Investment. Other investments that may fall into this category might be funds (UCITS and/or other UCIs, including ETFs) that do not reach the minimum rated threshold and therefore do not have a Morningstar sustainability rating. Equities or fixed income instruments might be included if lacking a Sustainalytics rating. Currently the service provider covers the big majority of the listed equities and therefore a great portion of corporate debt. If an investment is not yet rated by the third party provider will not be included in the investment universe but the investment will be allowed. VALAM will directly execute due diligence on the companies that are not covered by Sustainalytics data with the objective to exclude those involved in controversial activities such as Gambling and Tobacco.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Where can I find more product specific information online?



More product-specific information can be found on the website: www.fundinfo.com