SSGA SPDR ETFS EUROPE I PLC
(the "Company")

Addendum dated 21 May 2020

To the Prospectus dated 7 February 2020

This Addendum forms part of and should be read in the context of and in conjunction with the Prospectus dated 7 February 2020 (the "**Prospectus**") and the supplement in respect of each of the sub-funds of the Company (each a "**Sub-Fund**") (the "**Supplements**"). All information contained in the Prospectus and the Supplements is deemed to be incorporated herein.

The directors of the Company (the "**Directors**") listed in the Prospectus accept responsibility for the information contained in this addendum (the "**Addendum**"). To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Addendum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions not specifically defined herein shall bear the same meaning as that attributed to them in the Prospectus.

1 PROSPECTUS

1. The paragraph titled "Market Disruption and Geopolitical Risk" in the section headed "Risk Information" shall be replaced with the following:

"**Market Disruption and Geopolitical Risk.** The Funds are subject to the risk that geopolitical events will disrupt securities markets and adversely affect global economies and markets. War, terrorism, the spread of infectious illness or other public health issues and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, systemic market dislocations may be highly disruptive to economies and markets. Those events as well as other changes in foreign and domestic economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Fund's investments. Continued uncertainty over the stability of the Euro and the EMU has created significant volatility in currency and financial markets generally. Concerns over the stability of the Euro could also have a broad effect on contractual arrangements denominated in, or otherwise tied to, the Euro. Any partial or complete dissolution of the EMU, or any continued uncertainty as to its status, could have significant adverse effects on currency and financial markets, and on the values of a Fund's portfolio investments.

An outbreak of a respiratory disease caused by a novel coronavirus (known as COVID-19) first detected in China in December 2019 has resulted in a global pandemic and major disruptions to economies and markets around the world. Financial markets have experienced extreme volatility and severe losses, and trading in many instruments has been disrupted. Liquidity for many instruments has been greatly reduced for periods of time. Some interest rates are very low and in some cases yields are negative. Governments and central banks have taken extraordinary and unprecedented actions to support local and global economies and the financial markets. The impact of these measures, and whether they will be effective to mitigate the economic and market disruption, will not be known for some time. In addition, the outbreak of COVID-19, and measures taken to mitigate its effects, could result in disruptions to the services provided to a Fund by its service providers."

2 SUPPLEMENTS

2.1 The definition of Dealing Deadline on page two thereof of each of the Supplements for all Sub-Funds of the Company shall be amended by the inclusion of the following additional sentence at the end of this definition:

"Earlier or later times may be determined by the Directors or the Investment Manager at their discretion with prior notice to the Authorised Participants."

Prospective investors should review this Prospectus and the Global Supplement (together the "**Prospectus**"), the Relevant Supplement(s) and the key investor information document ("**KIID**") carefully and in their entirety and, before making any investment decision with respect to an investment in a Fund, should consult a stockbroker, bank manager, lawyer, accountant or other financial adviser for independent advice in relation to: (a) the legal requirements within their own countries for the purchase, holding, exchanging, redeeming or disposing of Shares; (b) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, exchanging, redeeming or disposing of Shares; (c) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of Shares; and (d) the provisions of this Prospectus and the Relevant Supplement(s).

SSGA SPDR ETFs Europe I Plc

(An investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011)

PROSPECTUS

SSGA SPDR ETFs Europe I plc (the "**Company**") and the directors of the Company (the "**Directors**") whose names appear in the section entitled "Management" below accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the accuracy of such information. The Company and the Directors accept responsibility accordingly.

The Global Supplement which forms part of this Prospectus contains a list of all Funds currently approved by the Central Bank.

The KIID for each of the Funds provide important information in respect of the Funds, including the applicable synthetic risk and reward indicator, charges and, where available, the historical performance associated with the Funds. Before subscribing for Shares in a Fund, each investor will be required to confirm that they have received the relevant KIID. The KIIDs and the latest annual and any semi-annual reports of the Company are available to download on the Website.

Investors should be aware that the price of Shares may fall as well as rise, and investors may not get back any of the amount invested. The difference at any one time between the subscription and redemption price of Shares means that an investment in any Fund should be viewed as medium to long term. Risk factors for each investor to consider are set out in the section entitled "Risk Information" below. Risk factors of particular relevance to the Funds are also described in the Relevant Supplement(s).

Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.

Shares are not and may not be, offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the "**U.S.**") or to or for the account or benefit of any U.S. Person as defined in Schedule I hereto. Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any of the States of the U.S. and the Company will not be registered under the U.S. Investment Company Act of 1940, as amended. Any re-offer or resale of any of the Shares in the U.S. or to U.S. Persons may constitute a violation of U.S. law.

TABLE OF CONTENTS

Directory 3

General Information 4

Other Information 13

Investment Restrictions 16

Risk Information 20

Purchase and Sale Information 44

Determination of Net Asset Value 50

Distributions 53

Fees and Expenses 53

Tax Information 55

Management 59

Where to Learn More About the Funds 64

Schedule I – Definitions 65

Schedule II – Recognised Markets 72

Schedule III – Sub-Custodians 76

Directory

SSGA SPDR ETFs EUROPE I PLC

78 Sir John Rogerson's Quay

Dublin 2

Ireland

Directors:
Mr Tom Finlay
Mr James Ross
Mr Patrick Riley
Mrs Barbara Healy
Ms Kathleen Gallagher

Investment Manager:
State Street Global Advisors Limited
20 Churchill Place
Canary Wharf
London E14 5HJ
United Kingdom

Depositary:
State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2 Ireland

Distributor:
State Street Global Advisors Ireland Limited
Two Park Place
Upper Hatch Street
Dublin 2 Ireland

Auditors:
Pricewaterhouse Coopers
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Administrator and Registrar
State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2 Ireland

Legal Advisors in Ireland:
Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Company Secretary:
Sanne
Fourth Floor, 76 Lower Baggot Street
Dublin 2
Ireland

General Information

This section is an introduction to this Prospectus and any decision to invest in the Shares should be based upon consideration of the Prospectus as a whole, including the Relevant Supplements. Capitalised terms used in this Prospectus are defined in Schedule I hereto.

The Company

The Company is an open-ended investment company with variable capital which was incorporated in Ireland on 5 January 2011 under registration number 493329 and is authorised by the Central Bank as a UCITS. The object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public, operating on the principle of risk spreading in accordance with the UCITS Regulations. The Company has been structured as an umbrella fund, with segregated liability between Funds, in that the Directors may from time to time, with the prior approval of the Central Bank, create different series of Shares effected in accordance with the requirements of the Central Bank representing separate portfolios of assets, each such series comprising a Fund. Each Fund will bear its own liabilities and, under Irish law, none of the Company, any of the service providers appointed to the Company, the Directors, any receiver, examiner or liquidator, nor any other person will have access to the assets of a Fund in satisfaction of a liability of any other Fund.

The portfolio of assets maintained for each series of Shares and comprising a Fund will be invested in accordance with the investment objectives and policies applicable to such Fund as specified in the Relevant Supplement. Different Shares shall be designated as either ETF Shares (being Shares that are intended to be actively traded on a secondary market) or Non-ETF Shares (being Shares which are not listed or actively traded on a secondary market). Shares may be divided into different Classes to accommodate, amongst other things, the distinction between ETF Shares and Non-ETF Shares, different dividend policies, charges, fee arrangements (including different total expense ratios), currencies, or to provide for foreign exchange hedging in accordance with the policies and requirements of the Central Bank from time to time.

Investment Objectives and Policies

Investment Objective and Policy of a Fund. The investment objectives, strategies and policies for each Fund are set out in the Relevant Supplement.

The assets of each Fund are invested in accordance with the investment restrictions contained in the UCITS Regulations which are summarised in **"Investment Restrictions"** below and such additional investment restrictions, if any, as may be adopted by the Directors for any Fund and specified in the Relevant Supplement. The Directors may establish Funds that seek to track an Index (**"Index Tracking Funds"**) or outperform an Index (**"Actively Managed Funds"**) by:

- Investing solely in Index Securities, transferable securities and money market instruments other than Index Securities;
- Investing solely in financial derivative instruments (**"FDI"**);
- Investing solely in the units of Underlying Funds, including as a feeder fund into another fund authorised under the UCITS Regulations; or
- Investing in a combination of Index Securities, transferable securities and money market instruments other than Index Securities, FDI and units in Underlying Funds.

Information in relation to the investment objectives and types of instruments or securities in which the relevant Fund will invest will be set out in the Relevant Supplement. Details of each Fund's portfolio and indicative net asset value per share (**"INAV"**) will be available on the Website.

As will be provided in the Relevant Supplement, these PRC Investments may be effected as follows:

(i) directly into the PRC domestic securities market (China A Shares and other domestic securities including other equities and bonds as permitted) using the licensed RQFII status and RQFII investment quota of the Investment Manager. The RQFII regime is a policy initiative of China which allows qualified RQFII Licence Holders to channel RMB funds raised outside the PRC to invest into the Chinese securities markets within quotas granted under and subject to applicable PRC regulatory requirements. As the Funds will not satisfy the qualification criteria for RQFII status in their own right, direct investments will be made through the RQFII Licence Holders, such as the Investment Manager and/or Sub-Investment Manager. The RQFII regime is jointly regulated by the CSRC, SAFE and PBoC from different angles. Their respective duties and authorities are summarised below:

CSRC

a) reviews and verifies applicants' eligibility and issues RQFII licences; and

b) regulates and monitors onshore securities investment activities by the RQFIIs.

PBoC

a) regulates onshore RMB accounts opened by RQFIIs;

b) regulates investment by RQFIIs in the over the counter wholesale market, CIBM; and

c) regulates and monitors the remittance and repatriation of RMB funds by the RQFIIs jointly with SAFE.

SAFE

a) allocates and regulates the use of RQFII investment quota; and

b) regulates and monitors the remittance and repatriation of RMB funds by the RQFIIs jointly with PBoC.

(ii) As set out in the Relevant Supplement, the Investment Manager may pursue a relevant Fund's investment objective by investing up to 100% of the Fund's Net Asset Value directly in China A Shares through Stock Connect.

Stock Connect is a securities trading and clearing linked programme operational since 17 November 2014 and developed by SEHK, SSE, HKSCC and CSDCC, with an aim to achieve mutual stock market access between mainland China (Shanghai) and Hong Kong. The SZHK Stock Connect is a similar securities trading and clearing linked programme developed by SEHK, SZSE, HKSCC and CSDCC for the establishment of mutual stock market access between mainland China (Shenzhen) and Hong Kong. The SZHK Stock Connect became operational since 5 December 2016. The SSE, SZSE and SEHK will enable Funds to trade eligible shares listed on the other's market, as applicable, through local securities firms or brokers, subject to rules and regulations issued from time to time.

Each of SHHK Stock Connect and SZHK Stock Connect is subject to a Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the relevant Stock Connect each day. SEHK will monitor the usage of the Northbound daily quota ("Northbound Daily Quota") for each of SHHK Stock Connect and SZHK Stock Connect and publish the remaining balance of the Northbound Daily Quota on HKEx's website. SEHK may include or exclude securities as China Connect Securities (as defined in the rules of exchange of the SEHK) and may change the eligibility of shares for Northbound trading on the SHHK and SZHK Stock Connect. Once the remaining balance of the Northbound Daily Quota drops to zero or the Daily Quota is exceeded during the opening call session, new buy orders will be rejected on the relevant Stock Connect (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance) and during the continuous auction session (or closing call auction session) for SZSE, no further buy orders will be accepted for the remaining of the day; and/or

(iii) through the CIBM Direct Access Programme. The CIBM is the OTC wholesale market outside the two main stock exchanges (the SSE and SZSE) which was established in 1997 and CIBM together with its market operators are regulated by the PBoC. CIBM is the dominant trading venue for bonds in the PRC. CFETS is the official bond trading platform of the CIBM. CFETS operates its trading platform with comprehensive functions of trade matching, post trade services and information services. The CCDC and the SHCH are designated as the central securities depositaries of the bonds traded on the CIBM, which register, hold and safekeep the bonds in the form of book entry, as well as dealing with interest payment and principal payment for the investors. The trading platform of CFETS is directly linked with the Centralised Bond Book Entry System of CCDC and SHCH to achieve a straight through processing of trading and settlement of bonds on the CIBM. Under PRC regulations, certain qualified overseas investors are eligible to participate in the CIBM Direct Access Programme to make investments in the PRC interbank bond market. The Investment Manager, on behalf of each relevant Fund, has registered as a qualified institution under the CIBM Direct Access Programme via an onshore interbank bond trade and settlement agent, which has the responsibility for making the relevant filings and account opening with the relevant PRC authorities.

Investors should be aware that use of the Access Programme(s) exposes the Fund to increased risks. Investors should also read the risk warnings headed "**PRC and Greater China Region Risk**", "**Risks Associated with Investment through Access Programmes**" and **"PRC Taxation Risk**"." in the section "**Risk Information**".

Index Tracking Funds

Index Tracking Funds seek to track the performance of an Index while seeking to minimise as far as possible the tracking

difference between the Fund's performance and that of its applicable Index. Some Funds seek to achieve this objective by using a replication strategy, an optimisation strategy, a stratified sampling strategy or other strategy as determined to be the most appropriate strategy for the particular Fund by the Investment Manager. The Relevant Supplement specifies and describes the strategy the applicable Fund uses and provides details of where information on the Index tracked by that Fund may be obtained.

The following is a summary description of each of the replication strategy, optimisation strategy and stratified sampling strategy. More detailed information on each strategy is set out in the Relevant Supplement.

- **Replication Strategy** – this strategy seeks to physically hold all or close to all of the securities of the particular Index, with the approximate weightings as in that Index. Essentially, the portfolio of the Fund would be a near mirror-image of the particular Index.
- **Optimisation Strategy** – this strategy seeks to build a representative portfolio that matches the risk and return characteristics of the applicable Index, including risks related to currencies, countries, sectors, industries and size. Optimisation is typically used because the applicable Index contains too many securities to efficiently purchase and, at times, certain securities included in the Index may be difficult to purchase in the open markets. Consequently, a Fund using this strategy will typically hold only a subset of the securities included in the Index.
- **Stratified Sampling Strategy** – this strategy seeks to build a representative portfolio that matches the risk and return characteristics of the Index in the most cost efficient way, including but not limited to, risks related to currencies, countries, sectors, quality, maturity duration and issuers. Stratified sampling is typically used because the Index contains too many securities to efficiently purchase and, at times, certain securities included in the Index may be difficult, or too costly, to purchase in the open markets. Consequently, a Fund using this strategy will typically hold only a subset of the securities included in the Index.

Changes to the composition and/or weighting of the securities constituting the Index which is tracked by a Fund will ordinarily require corresponding adjustments or rebalancings to the Fund's investments in order to seek to track the Index. The Investment Manager will accordingly seek to rebalance the composition and/or weighting of the securities held by a Fund or to which a Fund is exposed from time to time to the extent practicable to conform to changes in the composition and/or weighting of the Index. A Fund may also, on occasion, hold or take exposure to securities which are not included in its Index where the Investment Manager believes it is appropriate in light of the investment objective and investment restrictions of the Fund, or other factors. The Fund's ability to make any such proposed investment will be disclosed in the Relevant Supplement. Other rebalancing measures may be taken from time to time to seek to maintain the correspondence between the performance of a Fund and the performance of the Index. The risk warning headed **"Index Tracking Risk"** in the **"Risk Information"** section provides further details on factors which may limit the Fund's ability to track the performance of an Index. Information on the anticipated level of tracking error in respect of a Fund can be found in the Relevant Supplement. Details of the level of tracking error experienced by a Fund are contained in the Company's most recent financial statements.

The Investment Manager will rely solely on each Index Provider for information as to the composition and/or weighting of the securities that constitute each Index (**"Index Securities"**). If the Investment Manager cannot obtain or process such information in relation to any Index on any Business Day, then the most recently published composition and/or weighting of that Index will be used for the purpose of all adjustments.

Investors should note that, in accordance with the requirements of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"), the Company has adopted a benchmark contingency plan to set out the actions which the Company would take in the event that a benchmark used by a Fund materially changes or ceases to be provided (the "**Benchmark Contingency Plan**"). Actions taken by the Company on the foot of the Benchmark Contingency Plan may result in changes to the investment objectives or investment policies of a Fund and any such changes will be implemented in accordance with the requirements of the Central Bank and the terms of this Prospectus.

Actively Managed Funds

An Actively Managed Fund's investments will be actively managed by the Investment Manager or its delegates to seek to achieve its investment objective, for example, to seek to outperform an Index rather than just to track it. Where a Fund is actively managed, the Investment Manager will have greater

Information Classification: Limited Access

discretion in relation to the composition of the Fund's portfolio, subject to the investment objectives and policies stated in the Relevant Supplement.

Currency Hedging at Share Class Level. A Fund may use FDI, including forward foreign exchange contracts, on behalf of a specific Class in order to hedge some or all of the foreign exchange risk for such Class. Where Classes denominated in different currencies are created within a Fund and currency hedging transactions are entered into to hedge any relevant currency exposure, each such transaction will be clearly attributable to the specific Class and any costs shall be for the account of that Class only. Accordingly, all such costs and related liabilities and/or benefits will be reflected in the net asset value per Share of such Class. Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Investment Manager, but the Investment Manager will ensure that over-hedged positions do not exceed 105% of the Net Asset Value of the relevant Class and under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged against currency risk. The Investment Manager will monitor hedging and such monitoring will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward from month to month. To the extent that hedging is successful, the performance of the relevant Class of Shares is likely to move in line with the performance of the underlying assets. The use of hedged Share Classes may substantially limit holders of the relevant Class from benefiting if the currency of the Class moves unfavourably versus the currency in which the assets of the Fund are denominated.

Changes to Investment Objective and Policies of a Fund. Any change in the investment objectives and any material change in the investment policies of a Fund will require approval by ordinary resolution of the Shareholders in that Fund and a reasonable notification period will be provided by the Fund to enable Shareholders to redeem their Shares before the change is implemented. A non-material change in the investment policy will not require Shareholder approval. Any proposal by the Directors to change an Index, for the reasons outlined below, will be subject to prior approval of the Shareholders of the relevant Fund by ordinary resolution only if it is deemed to be a change of investment objective or a material change of investment policy. Otherwise, it will simply be notified to Shareholders, in accordance with the Central Bank's requirements.

The Directors may in their absolute discretion decide to change or substitute a Fund's Index if they consider it to be in the interests of any Fund. The Directors may, for instance, substitute an Index where:

(a) the transferable securities, swaps or other techniques or instruments described under **"Investment Restrictions"** which are necessary for the implementation of the relevant Fund's investment objective cease to be sufficiently liquid or otherwise be available for investment in a manner which is regarded as acceptable by the Directors;

(b) the quality, accuracy and availability of data of a particular Index has deteriorated;

(c) the components of the applicable Index would make the Fund (if it were to follow the Index closely) breach the limits set out under **"Investment Restrictions"** and/or materially affect the taxation or fiscal treatment of the Company or any of its Shareholders;

(d) the particular Index ceases to exist or, in the determination of the Directors, there is, or is expected to be, a material change in the formula for or the method of calculating a component of the Index or there is, or is expected to be, a material modification of a component of the Index;

(e) the Index Provider increases its licence fees to a level which the Directors consider excessive;

(f) there is a change of ownership of the relevant Index Provider to an entity not considered acceptable by the Directors and/or a change of name of the relevant Index; or

(g) a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to the Shareholders than the existing Index.

The above list is indicative only and cannot be understood as being exhaustive in respect of the ability of the Directors to change the Index in any other circumstances as they consider appropriate. The Prospectus and any of the Relevant Supplements will be updated in the case of substitution or change of the existing Index of a Fund for another Index.

The Directors may change the name of a Fund if its Index is changed. Any change to the name of a Fund will be approved in advance by the Central Bank and the relevant documentation will be updated.

Use of Financial Derivative Instruments. The use of FDI by any Fund for investment purposes or for efficient portfolio management will be described in the Relevant Supplement. Efficient portfolio management means the reduction of risks, including the risk of tracking error between the performance of a Fund and the performance of the Index tracked by the relevant Fund, the reduction of costs to the Company, the generation of additional capital or income for the Company and hedging against market movements, currency exchange or interest rate risks, subject to the general restrictions outlined in the "Investment Restrictions" section. Hedging is a technique used to minimise an exposure created from an underlying position by counteracting the exposure by acquiring an offsetting position. The positions

Information Classification: Limited Access

taken for hedging purposes will not be allowed to materially exceed the value of the assets they seek to offset. To the extent that a Fund uses FDI, there may be a risk that the volatility of the Fund's Net Asset Value may increase. Where FDI are traded by a Fund on a stock exchange, such exchanges must also be Recognised Markets.

The following is a summary description of each of the types of FDI, which may be used for investment purposes or efficient portfolio management by a Fund. More information on the types of FDI used by each Fund is included in the Relevant Supplement.

- **Futures** – Futures contracts are agreements to buy or sell a fixed amount of an index, equity, bond or currency at a fixed date in the future. Futures contracts are exchange-traded instruments and their dealing is subject to the rules of the exchanges on which they are dealt.
- **Forward Foreign Exchange Contracts** – Forward foreign exchange contracts are agreements between parties to exchange fixed amounts of different currencies at an agreed exchange rate at an agreed time in the future. Forward foreign exchange contracts are similar to currency futures, except that they are not exchange-traded, but are instead over the counter instruments. Forward foreign exchange contracts may be used to manage currency exposures represented in the Index. Non-deliverable forward foreign exchange contracts may be used for the same reasons. They differ from standard forward foreign exchange contracts in that at least one of the currencies in the transaction is not permitted to be delivered in settlement of any profit or loss resulting from the transaction. Typically, profit or loss in this case will be delivered in U.S. Dollars or Euros.
- **Warrants** – Warrants grant the right to acquire an underlying security from the issuer (as opposed to an option where a third party grants a right to acquire an underlying security as described below) at a fixed price. A Fund may hold warrants on securities as a substitute for taking a position in the underlying security and/or to gain an exposure within the Central Bank's limits.
- **Options** – Options are contracts in which the writer (seller) promises that the contract buyer has the right, but not the obligation, to buy or sell a certain index, equity, bond or currency at a certain price (the strike price) on or before a certain expiration date, or exercise date. An option giving the buyer the right to buy at a certain price is called a call, while one that gives him/her the right to sell is called a put. The Fund may purchase and write call and put options on securities (including straddles), securities indices and currencies and use options on futures contracts (including straddles) and swap agreements, and/or hedge against changes in interest rates, currency exchange rates or securities prices. A Fund may also use options as a substitute for taking a position in other securities and funds and/or to gain an exposure within the limits laid down by the Central Bank.

Please see "Collateral" below for details of the policy of the Company in relation to collateral received under FDI.

Use of TBAS. The use of mortgage-backed securities through "To Be Announced" ("**TBA**") securities by any Fund will be described in the Relevant Supplement. TBA mortgage-backed securities are, typically, debt securities structured by agencies such as the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) etc. In the case of a typical TBA transaction, the terms of the security, including coupon, face value, price and settlement date are determined at the time of the trade but there is, effectively, a delayed delivery obligation and there is settlement of TBA mortgage-backed securities, usually, on one specific date in each calendar month. For example, although the Fund may enter into a transaction to acquire a TBA mortgage-backed security, the issuer is not actually obliged to deliver that security to the Fund for a period of, for example, three months. Typically, the Investment Manager and/or Sub-Investment Manager will dispose of any TBA mortgage-backed securities immediately prior to the projected date of settlement and realise any gain on the acquisition and disposal of the TBA mortgage-backed security in that manner. Accordingly, a Fund may use TBA mortgage-backed securities to gain exposure to the mortgage sector without being subject to a requirement to take delivery of the relevant securities. A Fund may use TBA mortgage-backed securities to gain a liquid exposure to the component of the Index that is comprised of U.S. mortgage-backed securities with the intention of minimising tracking error between the Fund and the Index.

Use of Repurchase/Reverse Repurchase Agreements/Securities Lending Agreements. The Company may enter into repurchase agreements, reverse repurchase agreements and securities lending agreements subject to the conditions and limits set out in the Central Bank UCITS Regulations. Repurchase agreements and securities lending agreements may be used for efficient portfolio

Information Classification: Limited Access

management. Investors should review the Relevant Supplement for confirmation of whether or not a Fund uses such techniques and details of any costs and/or revenue arising from them and the identities of any entities receiving them.

A repurchase agreement is an agreement between a seller and a buyer of specified securities under which the seller agrees to repurchase securities at an agreed upon price and, usually, at a stated time. If the Company is the seller, the agreement is categorised by the Company as a repurchase agreement. If the Company is the buyer, the agreement is categorised by the Company as a reverse repurchase agreement. The difference between the purchase price and the repurchase price represents the yield to the buyer from the repurchase transaction. When the Fund enters into a reverse repurchase agreement, it should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a marked to market daily basis. When the cash is recallable at any time on a marked to market basis, the marked to market value of the reverse repurchase agreement should be used for the calculation of the Fund's Net Asset Value.

In contrast, in a securities lending transaction, the lender makes a loan of securities to the borrower upon terms that require the borrower to return equivalent securities to the lender within a specified period and the borrower pays the lender a fee for the use of the securities during the period that they are on loan. The Fund should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered. Each Fund may lend its portfolio securities via a securities lending programme through an appointed securities lending agent, including State Street Bank International GmbH, London Branch and any of its affiliates, to brokers, dealers and other financial institutions desiring to borrow securities to complete transactions and for other purposes. Investors should read the risk warning headed "**Conflicts of Interest Risk**" in the "**Risk Information**" section for further information in relation to the risks associated with the use of affiliates to provide securities lending agency services to the Company.

Participating in a securities lending programme allows a Fund to receive the net income generated by lending its securities. All revenues from efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Fund. Pursuant to the terms of the relevant securities lending agreement, the appointed lending agent will be entitled to retain a portion of the securities lending revenue to cover all fees and costs associated with the securities lending activity, including the delivery of loans, the management of collateral and the provision of the securities lending indemnity and such fees paid will be at normal commercial rates. Investors should also read the risk warning headed "**Securities Lending Risk**" in the "**Risk Information**" section.

A Fund may only enter into securities lending agreements, repurchase agreements and reverse repurchase agreements with counterparties, which are entities with legal personality and typically located in OECD jurisdictions (and which may or may not be related to the Investment Manager, Depositary or their delegates) in accordance with the requirements of the Central Bank UCITS Regulations and where a credit assessment has been undertaken. Where the counterparty is subject to a credit rating by any agency registered and supervised by the European Securities and Markets Authority, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay. Use of the efficient portfolio management techniques described above could adversely affect the liquidity of a Fund's portfolio and will be taken into account by the Investment Manager in managing the Fund's liquidity risk and in this respect, investors should also read the risk warning headed "**Liquidity Risk**" in the "**Risk Information**" section.

Collateral. A Fund may enter securities lending agreements, repurchase agreements and reverse repurchase agreements only where it acts in accordance with normal market practice, in the best interests of Company and provided that all collateral received under the securities lending contract, repurchase or reverse repurchase agreement (and also under any FDI) meet, at all times, the following criteria:

- **Liquidity**. Collateral should be transferable securities or money market instruments (of any maturity) which are highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should comply with the provisions of Regulation 74 of the UCITS Regulations and shall be used in accordance with the requirements of this Prospectus and the UCITS Regulations.
- **Valuation**. Collateral should be valued on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to daily variation margin requirements.
- **Issuer Credit Quality**. Collateral should be of high quality. A Fund must ensure that where one or more credit rating

Information Classification: Limited Access

agencies registered and supervised by the European Securities and Markets Authority ("**ESMA**") have provided a rating of the issuer, the credit quality assessment process employed on behalf of the Fund has regard inter alia to those ratings. While there will be no mechanistic reliance on such external ratings, a downgrade below the two highest short-term credit ratings by any agency registered and supervised by ESMA that has rated the issuer must lead to a new assessment of the credit quality of the issuer to ensure the collateral continues to be of high quality.

- **Correlation**. 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.
- **Diversification**. Collateral should be sufficiently diversified in terms of country, markets and issuers. Non-cash collateral will be considered to be sufficiently diversified if the relevant Fund receives from a counterparty a basket of collateral with a maximum exposure to any one issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to a variety of different counterparties, the various baskets of collateral are aggregated to ensure exposure to a single issuer does not exceed 20% of the Fund's Net Asset Value.

Notwithstanding the above, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong, as disclosed in the section of the Prospectus entitled "Investment Restrictions". Such a Fund will receive securities from at least six different issues and securities from any single issue will not account for more than 30% of the Fund's Net Asset Value.

- **Immediately available**. Assets received as collateral should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

It is proposed that each Fund will accept the following types of collateral:

- government or other public securities;

  and

- equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United Kingdom, the United States, Jersey, Guernsey, the Isle of Man, Australia, New Zealand, Hong Kong or Singapore.

The Company has implemented a haircut policy in respect of each class of assets received as collateral. This policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the collateral, the price volatility of the collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of the collateral, adjusted in light of the haircut policy, shall equal or exceed, in value, at all times, the relevant counterparty exposure.

Until the expiry of the repurchase agreement, reverse repurchase agreement or securities lending agreement, collateral obtained under such agreement: (a) must be marked to market daily (as valued by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk); and (b) must equal or exceed, in value, at all times the value of the amount invested or securities loaned.

Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the 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.

Details of the exposures obtained through efficient portfolio management techniques, the counterparties used, the type and amount of collateral received to reduce such exposures and any income and expenses, whether direct or indirect, generated by securities lending will be disclosed in the periodic reports of the Company.

Any Fund receiving collateral for at least 30% of its assets will undergo regular stress testing in accordance with the Company's liquidity stress-testing policy to assess the liquidity risk attached to the collateral it has received.

Reinvestment of Collateral. Non-cash collateral received cannot be sold, pledged or reinvested by the Company.

Risk Management. The contribution of FDI and the use of the other efficient portfolio management techniques described above to the risk profile of a Fund will be disclosed in its investment policies. Any use of efficient portfolio management techniques by a Fund shall not result in a change to the Fund's

Information Classification: Limited Access

investment objective nor substantially increase the risk profile of the Fund. Although a Fund may be leveraged as a result of its use of FDI and efficient portfolio management techniques, the Fund's resulting global exposure will not exceed its total net assets, i.e., the Fund may not be leveraged in excess of 100% of its Net Asset Value unless otherwise specified in the Relevant Supplement for a Fund.

Each Fund's global exposure and leverage is calculated using the commitment approach. This approach converts each Fund's FDI positions into the equivalent positions in the underlying assets, and seeks to ensure that the FDI risk is monitored in terms of any future "commitments" to which it is (or may be) obligated. Investors should refer to the "**Risk Information**" section for information in relation to the risks associated with the use of FDI. The Investment Manager employs a risk management process in respect of each Fund which enables it to accurately measure, monitor and manage the various risks associated with FDI, the use of efficient portfolio management techniques and the management of collateral. The Investment Manager will employ only FDI that are covered by the risk management process, as amended from time to time. A statement of this risk management process has been submitted to and cleared by the Central Bank. In the event of a Fund proposing to use additional types of FDI, the risk management process and the Relevant Supplement shall be amended to reflect this intention. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

Borrowing Money. Each Fund may borrow money from a bank up to a limit of 10% of its Net Asset Value, but only on a temporary basis. Where a Fund has foreign currency borrowings which exceed the value of a back-to-back deposit, the Investment Manager shall ensure that excess is treated as borrowing for the purpose of Regulation 103 of the UCITS Regulations.

Pooling. Subject to the general provisions of Articles and in accordance with the requirements of the Central Bank, the Directors may, for the purpose of efficient portfolio management, where the investment policies of the Funds so permit, choose that the assets of certain Funds be co-managed together with the assets of other Funds. This will be done by establishing a pool of assets ("**Pool**") comprising cash and investments contributed by all Funds which participate in the Pool ("**Participating Funds**"). This technique is known as pooling.

Opportunities to establish pooling arrangements arise where the investment objectives and policies of Participating Funds are sufficiently similar so as to enable the assets contributed by a Participating Fund to be managed in a manner identical to that of all other Participating Funds in the Pool. However, it is not essential that the investment objectives and policies of each Participating Fund in the Pool be identical. It is sufficient that the Investment Manager be in a position to manage the Pool as one portfolio of assets whilst complying with the investment objectives, policies and restrictions applicable to each Participating Fund.

A Pool is not a separate legal entity and an investor may not invest directly in a Pool. The Investment Manager shall not be permitted to manage the assets of any Fund on a pooled basis without the prior consent of the Directors. The Directors may elect at any time to terminate the participation of a Fund in the Pool on notice to the Investment Manager, the Administrator and the Depositary. Further details will be specified in Relevant Supplement of any Fund which engages in "pooling".

Operational Issues

Assets may be contributed to and withdrawn from the Pool by a Participating Fund at any time. A record shall be maintained of all the assets contributed to the Pool by a Participating Fund and the percentage allocation of each of the pooled assets within the Pool that is attributable to each Participating Fund, which shall be allocated on a pro rata basis on each Dealing Day. This percentage allocation will be applied to all assets held in the Pool. When additional cash or securities are contributed to or withdrawn from the Pool by a Participating Fund the allocation percentage of each Participating Fund will be adjusted to reflect the change. Where a contribution is made in cash, a deduction may be made where the Investment Manager considers this necessary to discharge transactions, costs and fiscal charges incurred in investing the cash concerned. Similarly, in the case of a cash withdrawal, a deduction may be made to reflect transaction costs in disposing of securities. Any transaction costs associated with a Participating Fund joining or withdrawing from the Pool shall be borne by that Participating Fund. Dividends, interest and any other distribution of income received in respect of assets will be allocated pro-rata to the Participating Fund's holding of assets. For the avoidance of doubt, assets and liabilities pertaining to the pooled assets will be allocated amongst the Participating Fund(s) in accordance with the records maintained by the Participating Fund through the Administrator and Depositary.

Investors should note that the pooling arrangement may cause the composition of the assets of a Fund to be altered as a result of subscriptions and redemptions in another Participating Fund which would cause the Investment Manager to dispose of or acquire assets for the Pool or may cause the Investment Manager to increase the amount of ancillary liquid assets held by a Fund.

Custody of Assets

The Depositary shall, by relying on a common set of records produced by the Administrator's accounting systems, at all times

Information Classification: Limited Access

ensure that it is in a position to identify the assets of a Fund even though the sub-custodian's records may identify the assets as being held in a Pool.

Termination

The Directors may elect at any time to terminate a Fund's participation in a Pool on notice to the Investment Manager, the Administrator and the Depositary. Upon such termination each Participating Fund's interest in the Pool will be allocated back to the relevant Participating Fund.

Purchase and Sale Information

Primary Markets. A Fund will issue (or redeem) ETF Shares to Authorised Participants in large volumes in accordance with the terms of this Prospectus. ETF Shares may be issued and redeemed in exchange for cash, securities or a combination of cash and securities.

A Fund will issue (or redeem) Non-ETF Shares to investors in accordance with the terms of this Prospectus. Non-ETF Shares may be issued and redeemed in exchange for cash, securities or a combination of cash and securities.

Notwithstanding anything to the contrary contained in this section and in the paragraph titled "Subscription for ETF Shares" under the heading "Primary Market" in the "Purchase and Sale Information" section of this Prospectus, in the context of any proposed amalgamation or merger into a Fund of any sub-fund or sub-funds of any other collective investment scheme or schemes ("**Merging Funds**"), ETF Shares in a Fund may be issued to investors in the Merging Funds, or their nominees, who are not Authorised Participants.

Upon receipt of such ETF Shares, the Merging Funds' investors who are not Authorised Participants will not be able to redeem those ETF Shares directly with the Company other than in exceptional circumstances, as determined by the Directors, as referred to under the sub-heading "Secondary Market – Secondary Market Purchases and Sales of ETF Shares" in the "Purchase and Sale Information" section of the Prospectus, nor will the Merging Funds' investors have the ability to subscribe directly for new ETF Shares.

Secondary Markets. ETF Shares may be purchased and sold in smaller volumes on the relevant Listing Stock Exchange(s) through brokers at market prices. Because ETF Shares trade on the Listing Stock Exchanges at market prices rather than the Net Asset Value per Share, ETF Shares may trade at a price greater than the Net Asset Value per Share (premium) or less than the Net Asset Value per Share (discount). Investors should also read the risk warning headed "Cost of Buying Or Selling ETF Shares Risk" in the "Risk Information" section for further information in relation to the risks associated with the buying and selling shares on the secondary market. In exceptional circumstances, as determined by the Directors, investors may apply to the Company to be registered as the owners of ETF Shares purchased on secondary markets in order to access primary market redemption facilities.

Investors should refer to the "Purchase and Sale Information" section for further details.

Operation of the Subscription and Redemption Collection Account

The Company has established collection accounts at umbrella level in the name of the Company (the "**Umbrella Cash Collection Accounts**"), and has not established such accounts at Fund level. All subscriptions into and redemptions and distributions due from the Funds will be paid into the Umbrella Cash Collection Accounts. Monies in the Umbrella Cash Collection Accounts, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 (as may be amended from time to time) for fund service providers.

Pending the issue of Shares, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Accounts. Subscriptions amounts paid into the Umbrella Cash Collection Accounts will be paid into an account in the name of the Depositary on behalf of the relevant Fund. Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Accounts until the payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant redeeming Shareholder.

The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Accounts, and for ensuring that relevant amounts in the Umbrella Cash Collection Accounts are attributable to the appropriate Funds.

The Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Accounts, which identifies the participating Funds, the procedures and

Information Classification: Limited Access

protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and/or transfers to a Fund of moneys attributable to another Fund due to timing differences.

Where subscription monies are received in the Umbrella Cash Collection Accounts without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor within five Business Days. Failure to provide the necessary complete and accurate documentation is at the investor's risk.

Tax Information

The Company is resident in Ireland for tax purposes and is not subject to Irish taxation charges on income or capital gains. No Irish stamp duty is payable on the issue, redemption or transfer of Shares in the Company. A Fund may make distributions that may be taxed as ordinary income or capital gains. The distribution policy of each Fund is set out in the Relevant Supplement. The tax treatment applicable to a Shareholder will depend on its individual situation. Accordingly, Shareholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling, exchanging or otherwise disposing of Shares under the laws of their country of incorporation, establishment, citizenship, residence, ordinary residence or domicile.

Other Information

Typical Investor Profile. The Company has been established for the purpose of investing in transferable securities in accordance with the UCITS Regulations. The investment objectives and policies for each Fund is set out in the Relevant Supplement. Unless disclosed otherwise in the Relevant Supplement, typical investors are expected to be retail and institutional investors.

Report and Accounts. The Company's accounting period will end on 31 March in each year. The Company will publish an annual report and audited annual accounts within four months of the end of the financial period to which they relate, i.e. normally in July of each year. The unaudited half-yearly reports of the Company will be made up to 30 September in each year. The unaudited half yearly reports will be published within two months of the end of the half year period to which they relate, i.e., normally in November of each year. The annual report and the half-yearly report will be made available on the Website and may be sent to Shareholders by electronic mail or other electronic means of communication, although Shareholders and prospective investors may also, on request, receive reports by hard copy mail.

Articles. Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Articles, copies of which are available as described in the **"Where To Learn More About The Funds"** section.

Share Capital. The authorised share capital of the Company is 500,000,000,002 (five hundred billion and two) Shares of no par value divided into two Subscriber Shares of no par value and 500,000,000,000 (five hundred billion) Shares of no par value. The Directors are empowered to issue up to all of the Shares of the Company on such terms as they think fit. The Subscriber Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up. The Shares (other than the Subscriber Shares) entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different Classes) in the profits and assets of the Fund to which the Shares relate. The Company may from time to time by ordinary resolution increase its capital, consolidate the Shares or any of them into a smaller number of Shares, sub-divide the Shares or any of them into a larger number of Shares or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law. At a meeting of Shareholders, on a show of hands, each Shareholder shall have one vote and, on a poll, each Shareholder shall have one vote for each whole Share held by such Shareholder.

Distribution and Selling Restrictions. The distribution of this Prospectus and the offering or purchase of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute and may not be treated as an offer or solicitation by or to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction.

Shares are offered only on the basis of the information contained in this Prospectus. Any further information or representations given or made by any dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus for the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors or the Investment Manager. Statements in this Prospectus are in accordance with the law and practice in force in

Information Classification: Limited Access

Ireland at the date hereof and are subject to change. Neither the delivery of this Prospectus nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company have not changed since the date hereof.

This Prospectus may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, this English language Prospectus will prevail, except, to the extent (but only to the extent) required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail. All disputes as to the contents of this Prospectus shall be governed in accordance with the laws of Ireland.

Funds. Under the Articles, the Directors are required to establish a separate Fund, with separate records, in the following manner:

a) the Company will keep separate books and records of account for each Fund. The proceeds from the issue of Shares issued in respect of a Fund will be applied to the Fund, and the assets and liabilities and income and expenditure attributable to that Fund will be applied to such Fund;

b) any asset derived from another asset in a Fund will be applied to the same Fund as the asset from which it was derived and any increase or diminution in value of such an asset will be applied to the relevant Fund;

c) in the case of any asset which the Directors do not consider as readily attributable to a particular Fund or Funds, the Directors have the discretion to determine, acting in a fair and equitable manner and with the consent of the Depositary, the basis upon which any such asset will be allocated between Funds and the Directors may at any time and from time to time vary such basis;

d) any liability will be allocated to the Fund or Funds to which in the opinion of the Directors it relates or if such liability is not readily attributable to any particular Fund the Directors will have discretion to determine, acting in a fair and equitable manner and with the consent of the Depositary, the basis upon which any liability will be allocated between Funds and the Directors may at any time and from time to time vary such basis;

e) in the event that assets attributable to a Fund are taken in execution of a liability not attributable to that Fund, and in so far as such assets or compensation in respect thereof cannot otherwise be restored to that Fund affected, the Directors, with the consent of the Depositary, shall certify or cause to be certified, the value of the assets lost to the Fund affected and transfer or pay from the assets of the Fund or Funds to which the liability was attributable, in priority to all other claims against such Fund or Funds, assets or sums sufficient to restore to the Fund affected, the value of the assets or sums lost to it;

f) where the assets of the Company (if any) attributable to the Subscriber Shares give rise to any net profit, the Directors may allocate assets representing such net profits to such Fund or Funds as they may deem appropriate, acting in a fair and equitable manner; and

g) subject as otherwise provided in the Articles, the assets held for the account of each Fund shall be applied solely in respect of the Shares to which such Fund appertains and shall belong exclusively to the relevant Fund and shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose.

Each of the Shares (other than the Subscriber Shares) entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund.

Information Requests. The Company or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Shares; (b) the identity of any other person or persons then or previously interested in such Shares; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Company with applicable laws or the constitutional documents of the Company.

Winding Up. Generally, under Irish law, if a company is being wound up, a liquidator is appointed to settle outstanding claims and distribute the remaining assets of the company. The liquidator will use the assets of the company in order to satisfy claims of creditors. Thereafter, the liquidator will distribute the remaining assets among the shareholders. The Articles contain provision that will require, firstly, the distribution of assets to the

Shareholders of each Fund after settlement of the liabilities of that Fund and, thereafter, distribution to the holders of Subscriber Shares of the nominal amount paid in respect of those Subscriber Shares. The liquidator may, if authorised by a special resolution, distribute assets of the Company in specie provided that, in such circumstances, Shareholders may request that the assets to be distributed to them be sold, with the net cash proceeds to be paid to them.

Investment Restrictions

The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations which are summarised below and such additional investment restrictions, if any, as may be adopted by the Directors. The details of any additional investment restrictions will be set out below and/or in the Relevant Supplement.

1. Permitted Investments

Investments of a Fund are confined to:

1.1. transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State;

1.2. recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;

1.3. money market instruments other than those dealt on a regulated market;

1.4. units of UCITS;

1.5. units of alternative investment funds;

1.6. deposits with credit institutions; and

1.7. financial derivative instruments.

2.1. A Fund may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in paragraph 1 above.

2.2. (1) Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a Fund in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.

(2) Paragraph (1) does not apply to an investment by a responsible person in US Securities known as "Rule 144 A securities" provided that:

- the relevant securities have been issued with an undertaking to register the securities with the Securities Exchange Commission within 1 year of issue; and
- the securities are not illiquid securities, i.e. they may be realised by the Fund within 7 days at the price, or approximately at the price, which they are valued by the Fund.

2.3. A Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is no more than 40%.

2.4. Upon the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund.

2.5. The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6. The transferable securities and money market instruments referred to in paragraph 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.

2.7. Cash booked in accounts and held as ancillary liquidity shall not exceed 20% of the net assets of a Fund.

2.8. The risk exposure of a Fund to a counterparty to an over the counter ("**OTC**") derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA

Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

2.9. Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
(i) investments in transferable securities or money market instruments;

(ii) deposits; and/or

(iii) risk exposures arising from OTC derivatives transactions.

2.10. The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of the net assets of the relevant Fund.

2.11. Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets of a Fund may be applied to investments in transferable securities and money market instruments within the same group.

2.12. A Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members. The individual issuers must be listed in the Prospectus and may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade),the Governments of Brazil or India (provided the relevant issues are investment grade), the Government of the People's Republic of China (provided that the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, the Government of Singapore, Straight-A Funding LLC. A Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its net assets.

3.1 A Fund may not invest more than 10% of net assets in total in other CIS. Such CIS must themselves be prohibited from investing more than 10% of net assets in total in other CIS.

3.2 Where a Fund invests in the units of other CIS that are managed directly or by delegation by a UCITS management company or by any other company with which that management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Company's investment in the shares of the other CIS.

3.3 Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units of another CIS, this commission must be paid into the assets of the relevant Fund.

4.1 A Fund may invest up to 20% of its net assets in shares and/or debt securities issued by the same body where the investment policy of the relevant Fund is to replicate an Index which satisfies the criteria set out in the UCITS Regulations and is recognised by the Central Bank.

4.2 The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

5.1 A Fund, or management company acting in connection with all of the CIS which it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 A Fund may acquire no more than:

(i) 10% of the non-voting shares of any single issuer;

(ii) 10% of the debt securities of any single issuer;

(iii) 25% of the shares or units of any single CIS;

(iv) 10% of the money market instruments of any single issuing body.

Information Classification: Limited Access

The limits laid down in paragraphs (ii), (iii) and (iv) above may be disregarded at the time of acquisition, if at that time, the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 5.1 and 5.2 shall not be applicable to:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;

(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;

(iv) shares held by a Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies with the registered offices in that non-Member State, where under the legislation of that non-Member State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below;

(v) shares held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of units at unit-holders' request exclusively on their behalf.

5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments, which form part of their assets.

5.5 The Central Bank may allow each Fund to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for a period of up to six months from the date of authorisation of such Fund, provided that such Fund observes the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, that Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

5.7 A Fund may not carry out uncovered sales of:

(i) transferable securities;

(ii) money market instruments[1];

(iii) units of collective investment undertakings; or

(iv) financial derivative instruments.

5.8 A Fund may hold ancillary liquid assets.

6.1 A Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total net asset value.

6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. This provision does not apply in the case of Index based FDI provided the underlying Index is one which meets with the criteria set out in the Central Bank UCITS Regulations.

6.3 A Fund may invest in FDI dealt OTC, provided that the counterparties to such OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

6.4 Investment in FDI are subject to the conditions and limits laid down by the Central Bank.

7.1 The Company may acquire real and personal property that is required for the purpose of its business.

7.2 The Company shall not acquire either precious metals or certificates representing them.

7.3 The Company shall not make any loan of its assets provided that, for the purpose of this restriction, the holding of ancillary liquid assets such as deposits, and the acquisition of bonds, notes, certificates of deposit, bankers acceptances, and other debt securities or obligations permitted by the UCITS Regulations, and the

[1] Any short selling of money market instruments by the Funds is prohibited.

Information Classification: Limited Access

acquisition of transferable securities, money market instruments or other financial instruments that are not fully paid, shall not be deemed to constitute the making of a loan.

7.4 A Fund may borrow up to 10% of its Net Asset Value for temporary purposes.

Risk Information

This section provides information regarding some of the general risks applicable to an investment in the Funds. Risk information which is particularly relevant to individual Funds is specified in the Relevant Supplement. This section is not intended to be a complete explanation and other risks may be relevant from time to time. In particular, the Company's and each Fund's performance may be affected by changes in market, economic and political conditions, and in legal, regulatory and tax requirements.

Investors should be aware that an investment in a Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme.

Before making an investment decision with respect to any Fund, prospective investors should carefully consider all of the information in this Prospectus and the Relevant Supplement, as well as their own personal circumstances, and should consult their own stockbroker, bank manager, lawyer, accountant and/or financial adviser. An investment in the Shares of any Fund is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result.

The price of the Shares of a Fund can go down as well as up and their value is not guaranteed. Shareholders may not receive, at redemption or liquidation, the amount that they originally invested in a Fund or any amount at all.

Principal Risks

Cash Position Risk. A Fund may hold a significant portion of its assets in cash or cash equivalents at the Investment Manager's discretion. If a Fund holds a significant cash position for an extended period of time, its investment returns may be adversely affected and it may not achieve its investment objective.

Commodities Risk. Prices of commodities are influenced by, among other things, various macro-economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events. The intention of any Fund to invest in commodities will be disclosed in the Relevant Supplement.

Concentration Risk. A Fund may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. In these cases, the Fund's performance will be closely tied to the market, currency, economic, political, or regulatory conditions and developments in that country or region or those countries, and could be more volatile than the performance of more geographically diversified funds.

In addition, a Fund may concentrate its investments in companies or issuers in a particular industry, market or economic sector. When a Fund concentrates its investments in a particular industry, market or economic sector, financial, economic, business, and other developments affecting issuers in that industry, market or economic sector will have a greater effect on the Fund, and may potentially increase the Fund's volatility levels, than if it had not concentrated its assets in that industry, market or sector. The Fund's liquidity may also be affected by such concentration of investment.

Further, investors may buy or sell substantial amounts of a Fund's shares in response to factors affecting or expected to affect a particular country, industry, market or economic sector in which the Fund concentrates its investments, resulting in abnormal inflows or outflows of cash into or out of the Fund. These abnormal inflows or outflows may cause the Fund's cash position or cash requirements to exceed normal levels, and consequently, adversely affect the management of the Fund and the Fund's performance.

Conflicts of Interest Risk. Conflicts of interest may arise in connection with an investment in the Company. Subject to applicable law, the Company may engage in transactions that may trigger or result in a potential conflict of interest. These transactions include (but are not limited to):

- The Investment Manager or its affiliates may provide services to the Company, such as securities lending agency services, custodial, administrative, bookkeeping, and accounting services, transfer agency and shareholder servicing, and other services.
- The Company may enter into repurchase agreements, reverse repurchase agreements and derivatives transactions with or through the Investment Manager or one of its affiliates.
- The Company may invest in other pooled investment vehicles sponsored, managed, or otherwise affiliated with the Investment Manager in which event the Company may not

be charged subscription or redemption fees on account of such investment but will bear a share of the expenses of those other pooled investment vehicles; those investment vehicles may pay fees and other amounts to the Investment Manager or its affiliates, which might have the effect of increasing the expenses of the Company.

- It is possible that other clients of the Investment Manager will purchase or sell interests in such other pooled investments at prices and at times more favourable than those at which the Company does so.

There is no assurance that the rates at which the Company pays fees or expenses to the Investment Manager or its affiliates, or the terms on which it enters into transactions with the Investment Manager or its affiliates or on which it invests in any such other investment vehicles will be the most favourable available in the market generally or as favourable as the rates the Investment Manager makes available to other clients. There will be no independent oversight of fees or expenses paid to, or services provided by, those entities. Because of its financial interest, the Investment Manager may have an incentive to enter into transactions or arrangements on behalf of the Company with itself or its affiliates in circumstances where it might not have done so in the absence of that interest. Transactions and services with or through the Investment Manager or its affiliates will, however, be effected in accordance with the applicable regulatory requirements.

The Investment Manager and its affiliates serve as an investment adviser to other clients and may make investment decisions for their own accounts and for the accounts of others, including other funds that may be different from those that will be made by the Investment Manager on behalf of the Company. In particular, the Investment Manager may provide asset allocation advice to some clients that may include a recommendation to invest or redeem from a Fund while not providing that same recommendation to all clients invested in the same or similar Funds.

Other conflicts may arise, for example, when clients of the Investment Manager invest in different parts of an issuer's capital structure, so that one or more clients own senior debt obligations of an issuer and other clients own junior debt of the same issuer, as well as circumstances in which clients invest in different tranches of the same structured financing vehicle. In such circumstances, decisions over whether to trigger an event of default or over the terms of any workout may result in conflicts of interest. When making investment decisions where a conflict of interest may arise, the Investment Manager will endeavour to act in a fair and equitable manner, in accordance with its conflicts of interest policy, as between the relevant Fund and other clients.

Subject to the foregoing, (i) the Investment Manager and its affiliates may invest for their own accounts and for the accounts of clients in various securities that are senior, pari passu or junior to, or have interests different from or adverse to, the securities that are owned by the Company; and (ii) the Investment Manager may at certain times (subject to applicable law) be simultaneously seeking to purchase (or sell) investments for the Company and to sell (or purchase) the same investment for accounts, funds or structured products for which it serves as asset manager now or in the future, or for its clients or affiliates, and may enter into cross trades in such circumstances. In addition, the Investment Manager and its affiliates may buy securities from or sell securities to the Company, if permitted by applicable law. These other relationships may also result in securities laws restrictions on transactions in these instruments by the Company and otherwise create potential conflicts of interest for the Investment Manager.

The Investment Manager, in connection with its other business activities, may acquire material non-public confidential information that may restrict the Investment Manager from purchasing securities or selling securities for itself or its clients (including the Company) or otherwise using such information for the benefit of its clients or itself.

There is no prohibition on dealing in assets of the Company by the Depositary or Investment Manager, or by any entities related to such parties, provided that such transactions are carried out as if negotiated at arms' length and are in the best interests of Shareholders. Permitted transactions between the Company and such parties are subject to (i) a certified valuation by a person approved by the Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) as independent and competent; or (ii) execution on best terms on organised investment exchanges under their rules; or (iii) where (i) and (ii) are not practical, execution on terms the Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) is satisfied conform to the principles set out above. The Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document how it has complied with (i), (ii) or (iii) above. Where transactions are conducted in accordance with (iii), the Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document its rationale for being satisfied that the transaction conformed to the principles outlined in this paragraph.

There is no prohibition on the Depositary, the Administrator, the Investment Manager or any other party related to the Company acting as a "competent person" for the purposes of determining the probable realisation value of an asset of the Fund in accordance with the valuation provisions outlined in the **"Determination of Net Asset Value"** section below. Investors

Information Classification: Limited Access

should note however, that in circumstances where fees payable by the Company to such parties are calculated based on the Net Asset Value, a conflict of interest may arise as such fees will increase if the Net Asset Value increases. Any such party will endeavour to ensure that such conflicts are resolved fairly and in the best interest of the Shareholders.

In selecting brokers to make purchases and sales for the Company, the Company will require the Investment Manager to choose those brokers who provide best execution to the Company, with the exception of purchases and sales which are the subject of specific terms requested by an investor and consented to by the Company and the Investment Manager. In determining what constitutes best execution, the Investment Manager will be required to consider the over-all economic result of the Company, (price of commission plus other costs), the efficiency of the transaction, the broker's ability to effect the transaction if a large block is involved, availability of the broker for difficult transactions in the future, other services provided by the broker such as research and the provision of statistical and other information and the financial strength and stability of the broker..

A Director may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is interested, provided that he has disclosed to the Directors prior to the conclusion of any such transaction or arrangement the nature and extent of any material interest of his therein. Unless the Directors determine otherwise, a Director may vote in respect of any contract or arrangement or any proposal whatsoever in which he has a material interest, having first disclosed such interest. At the date of this Prospectus, other than as disclosed in the **"Management"** section, no Director or connected person of any Director has any interest, beneficial or non-beneficial, in the share capital of the Company or any material interest in the Company or in any agreement or arrangement with the Company. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

The foregoing does not purport to be a comprehensive list or complete explanation of all potential conflicts of interests which may affect the Company. The Company may encounter circumstances, or enter into transactions, in which conflicts of interest that are not listed or discussed here may arise.

Costs of Buying or Selling ETF Shares Risk. Investors buying or selling ETF Shares in the secondary market will pay brokerage commissions or other charges determined and imposed by the applicable broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of ETF Shares. In addition, secondary market investors will incur the cost of the difference between the price that an investor is willing to pay for ETF Shares (the **"bid"** price) and the price at which an investor is willing to sell ETF Shares (the **"ask"** price). This difference in bid and ask prices is often referred to as the "spread" or "bid/ask spread." The bid/ask spread varies over time for ETF Shares based on trading volume and market liquidity, and is generally lower if a Fund's ETF Shares have more trading volume and market liquidity and higher if a Fund's ETF Shares have little trading volume and market liquidity. Further, increased market volatility may cause increased bid/ask spreads. Due to the costs of buying or selling ETF Shares, including bid/ask spreads, frequent trading of ETF Shares may significantly reduce investment results and an investment in ETF Shares may not be advisable for investors who wish to trade regularly in relatively small amounts.

Counterparty Risk. The Funds will be subject to credit risk with respect to the counterparties with which the Company on behalf of a Fund enters into derivatives contracts, foreign exchange, currency forward contracts, other transactions such as repurchase agreements or reverse repurchase agreements and securities lending transactions. If a counterparty becomes insolvent or otherwise fails to perform its obligations, a Fund may experience significant delays in obtaining any recovery in an insolvency, bankruptcy, or other reorganization proceeding (including recovery of any collateral posted by it) and may obtain only a limited recovery or may obtain no recovery in such circumstances. In addition, if the credit rating of a derivatives counterparty or potential derivatives counterparty declines, the Company may determine not to enter into transactions on behalf of a Fund with that counterparty in the future and/or may terminate any transactions currently outstanding between the Fund and that counterparty; alternatively, the Company may in its discretion determine on behalf of the Fund to enter into new transactions with that counterparty and/or to keep existing transactions in place, in which event the Fund would be subject to any increased credit risk associated with that counterparty. Regulatory changes adopted or proposed to be adopted by regulators in the U.S. and outside the U.S. may have the effect of increasing certain counterparty risks in connection with over-the-counter transactions entered into by a Fund.

Under applicable law or contractual provisions, including if a Fund enters into an investment or transaction with a financial institution and such financial institution (or an affiliate of the financial institution) experiences financial difficulties, the Fund may in certain circumstances be prevented or delayed from exercising its rights to terminate the investment or transaction, or

Information Classification: Limited Access

to realise on any collateral and may result in the suspension of payment and delivery obligations of the parties under such investment or transactions or in another institution being substituted for that financial institution without the consent of the Fund. Further, the Fund may be subject to "bail-in" risk under applicable law whereby, if required by the financial institution's authority, the financial institution's liabilities could be written down, eliminated or converted into equity or an alternative instrument of ownership. A bail-in of a financial institution may result in a reduction in value of some or all of its securities and a Fund that holds such securities or has entered into a transaction with such a financial security when a bail-in occurs may also be similarly impacted.

Currency Hedging Risk. Hedges are sometimes subject to imperfect matching between the hedging transaction and the risk sought to be hedged. There can be no assurance that the Fund's hedging transactions will be effective. As the purpose of currency hedging is to try to reduce or eliminate losses caused by exchange rate fluctuations, it can also reduce or eliminate gains where the currency in which the Fund's assets are denominated appreciates.

Currency Risk. A Fund may invest in securities that are denominated in currencies that differ from the Fund's Base Currency. Changes in the values of those currencies relative to a Fund's Base Currency may have a positive or negative effect on the values of the Fund's investments denominated in those currencies. A Fund may, but will not necessarily, invest in currency exchange contracts to help reduce exposure to different currencies, however there is no guarantee that these contracts will successfully do so. Also, these contracts may reduce or eliminate some or all of the benefit that a Fund may experience from favorable currency fluctuations.

The values of other currencies relative to a Fund's Base Currency may fluctuate in response to, among other factors, interest rate changes, intervention (or failure to intervene) by national governments, central banks, or supranational entities such as the International Monetary Fund, the imposition of currency controls and other political or regulatory developments. Currency values can decrease significantly both in the short term and over the long term in response to these and other developments. Continuing uncertainty as to the status of the Euro and the European Monetary Union (the **"EMU"**) has created significant volatility in currency and financial markets generally. Any partial or complete dissolution of the EMU, or any continued uncertainty as to its status, could have significant adverse effects on currency and financial markets, and on the values of a Fund's portfolio investments.

Custodial Risk. There are risks involved in dealing with the custodians or brokers who hold or settle a Fund's trades. It is possible that, in the event of the insolvency or bankruptcy of a custodian or broker, a Fund would be delayed or prevented from recovering its assets from the custodian or broker, or its estate, and may have only a general unsecured claim against the custodian or broker for those assets. The Depositary will hold assets in compliance with applicable laws and such specific provisions as agreed in the Depositary Agreement. These requirements are designed to protect the assets against the insolvency in bankruptcy of the Depositary but there is no guarantee they will successfully do so. See also **"International Investment Risk"**.

Derivatives Risk. The Funds may use derivative instruments for both efficient portfolio management and for investment purposes. Each Fund's Relevant Supplement will indicate how the Fund intends to use derivative instruments. A Fund's use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities. These risks include:

- Potential changes in value in response to interest rate changes or other market developments or as a result of the counterparty's credit quality;
- The potential for the derivative transaction to not have the effect the Investment Manager anticipated;
- The failure of the counterparty to the derivative transaction to perform its obligations under the transaction or to settle a trade (see also **"Counterparty Risk"**);
- Possible mispricing or improper valuation of the derivative instrument;
- Imperfect correlation in the value of a derivative with the asset, rate, or index underlying the derivative;
- The risks specific to the asset underlying the derivative instrument;
- Possible increase in the amount and timing of taxes payable by Shareholders;
- Lack of liquidity for a derivative instrument if a secondary trading market does not exist;
- The potential for reduced returns to a Fund due to losses on the transaction and an increase in volatility; and
- Legal risks arising from the form of contract used to document derivative trading.

When a Fund invests in certain derivative instruments, it could lose more than the stated amount of the instrument. In addition, some derivative transactions can create investment leverage and may be highly volatile and speculative in nature.

Further, when a Fund invests in a derivative instrument, it may not be required to post collateral equal to the amount of the

Information Classification: Limited Access

derivative investment. Consequently, the cash held by the Fund (generally equal to the unfunded amount of the derivative) will typically be invested in money market instruments, and therefore, the performance of the Fund will be affected by the returns achieved from these investments. It is possible that returns on the investment of this cash may have a negative impact on the performance and/or returns of the Fund.

Directed Trading Risk. Investors transacting on the primary market only may request the execution of a transaction, including, without limitation, the sale or purchase of securities on their behalf, in accordance with specific terms, which may include, without limitation, the use of a particular broker, counterparty or market or in any way other than in accordance with the standard terms on which the Investment Manager executes transactions for the Company generally, having regard to its obligation to provide best execution to the Company. Where such a request is agreed to, neither the Company nor its agents, including, for the avoidance of doubt, the Investment Manager, shall be liable for any loss, damage or delay, including any delay in effecting or failure to effect a subscription or redemption, caused by any omission, error, failed or delayed trade or settlement on the part of the investor or the designated broker or other counterparty. Should the investor or the designated broker or other counterparty default on, or otherwise fail to complete, any part of the relevant transaction, the investor shall bear all associated risks and costs and the Company shall have the right to amend the terms of the transaction (including the choice of broker) and the investor's subscription or redemption, to take into account such default and/or failure and in order to complete the transaction.

Fees and Expenses Risk. Whether or not a Fund is profitable it is required to pay fees and expenses, including organisation and offering expenses, brokerage commissions, management, administrative and operating expenses and custodian fees. A portion of these expenses may be offset by interest income.

Financial Institution Risk. Some instruments which the Funds may purchase are issued or guaranteed by financial institutions, such as banks and brokers, or are collateralised by securities issued or guaranteed by financial institutions. Changes in the creditworthiness of any of these institutions may adversely affect the values of instruments held by the Fund. Adverse developments in the banking industry may cause a Fund to underperform relative to a fund that invests more broadly across different industries or has a smaller exposure to financial institutions.

Fluctuation of Net Asset Value and Market Pricing Risk. The Net Asset Value per Share will generally fluctuate with changes in the market value of a Fund's securities holdings. The market prices of Shares will generally fluctuate in accordance with changes in a Fund's Net Asset Value and supply and demand of ETF Shares on the Listing Stock Exchange. It cannot be predicted whether ETF Shares will trade below, at or above the Net Asset Value per Share. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for ETF Shares will be closely related to, but not identical to, the same forces influencing the prices of the securities of an Index trading individually or in the aggregate at any point in time. The market prices of ETF Shares may deviate significantly from the Net Asset Value per Share during periods of market volatility. However, given that ETF Shares can be created and redeemed in large volumes, large discounts or premiums to the Net Asset Value per Share should not be sustained. While the creation/redemption feature is designed to help make it likely that ETF Shares normally will trade close to the Net Asset Value per Share, disruptions or suspensions to creations and redemptions may result in trading prices that differ significantly from the Net Asset Value per Share. Losses may be incurred, or profits reduced, if ETF Shares are purchased at a time when the market price is at a premium to the Net Asset Value per Share or sold at a time when the market price is at a discount to the Net Asset Value per Share.

Foreign Exchange Risk. The Company on behalf of a Fund may enter into a variety of different foreign currency transactions, including, by way of example, currency forward transactions, spot transactions, futures contracts, swaps, or options. Most of these transactions are entered into "over the counter," and the Fund assumes the risk that the counterparty may be unable or unwilling to perform its obligations, in addition to the risk of unfavorable or unanticipated changes in the values of the currencies underlying the transactions. Over-the-counter currency transactions are typically uncollateralized, and a Fund may not be able to recover all or any of the assets owed to it under such transactions if the counterparty should default. Many types of currency transactions are expected to continue to be traded over the counter even after implementation of the clearing requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act. In some markets or in respect of certain currencies, a Fund may be required, or agree, in the Company's discretion, to enter into foreign currency transactions via the Depositary's relevant sub-custodian. The Company may be subject to a conflict of interest in agreeing to any such arrangements on behalf of a Fund. Such transactions executed directly with the sub-custodian are executed at a rate determined solely by such sub-custodian. Accordingly, a Fund may not receive the best pricing of such currency transactions. Recent regulatory changes in a number of jurisdictions may require that certain currency transactions be

Information Classification: Limited Access

subject to central clearing, or be subject to new or increased collateral requirements. These changes could increase the costs of currency transactions to a Fund and may make certain transactions unavailable; they may also increase the credit risk of such transactions to a Fund.

Futures Contracts and other Exchange Traded Derivatives Risks. Certain Funds may purchase futures contracts and other exchange-traded derivatives. The ability to establish and close out positions in futures contracts and other exchange-traded derivatives will be subject to the development and maintenance of a liquid secondary market. There is no assurance that a liquid secondary market on an exchange will exist for any particular futures contract or other exchange-traded derivative or at any particular time. In the event no such market exists for a particular derivative, it might not be possible to effect closing transactions, and a Fund will be unable to terminate its exposure to the derivative. If a Fund uses futures contracts or other exchange-traded derivatives for hedging purposes, there is a risk of imperfect correlation between movements in the prices of the derivatives and movements in the securities or index underlying the derivatives or movements in the prices of the Fund's securities that are the subject of a hedge. The prices of futures and other exchange-traded derivatives, for a number of reasons, may not correlate perfectly with movements in the securities or index underlying them. A Fund will incur brokerage fees in connection with its exchange-traded derivatives transactions. A Fund will typically be required to post margin with its applicable counterparty in connection with its transactions in futures contracts and other exchange-traded derivatives. In the event of an insolvency of the counterparty, the Fund may not be able to recover all (or any) of the margin it has posted with the counterparty, or to realise the value of any increase in the price of its positions.

Index Risk. The ability of a Fund to achieve significant correlation between the performance of the Fund and the Index it tracks may be affected by changes in securities markets, changes in the composition of the Index, cash flows into and out of the Fund, and the fees and expenses of the Fund. The Fund will seek to track Index returns regardless of the current or projected performance of the Index or of the actual securities comprising the Index. Further, the Fund generally will not sell a security included in an Index as long as such security is part of the Index regardless of any sudden or material decline in value or foreseeable material decline in value of such security, even though the Investment Manager may make a different investment decision for other accounts or portfolios that hold such security. As a result, the Fund's performance may be less favourable than that of a portfolio managed using an active investment strategy. The structure and composition of the Index will affect the performance, volatility, and risk of the Index (in absolute terms and by comparison with other indices), and consequently, the performance, volatility, and risk of the Fund. The Company may not be successful in selecting a portfolio of investments that will provide a return that correlates closely with that of the Index. As will be disclosed in the Relevant Supplement, the Company may also apply one or more "screens" or investment techniques to refine or limit the number or types of issuers included in the indices in which the Funds may invest. Application of such screens or techniques may result in investment performance below that of the Index and may not produce results expected by the Company.

Index Licence Risk. If in respect of an Index, at any time, the licence granted (if required) to the Company or the Investment Manager (or its affiliates) to replicate or otherwise use the Index for the purposes of a Fund terminates, or such a licence is otherwise disputed, impaired or ceases (for any reason), the Directors may be forced to replace the Index with another index which they determine to track substantially the same market as the Index in question and which they consider to be an appropriate index for the relevant Fund to track and such a substitution or any delay in such a substitution may have an adverse impact on the Fund. In the event that the Directors are unable to identify a suitable replacement for the relevant index, they may be forced to terminate the Fund.

Index Tracking Risk. There is no guarantee that the investment objective of any Fund will be achieved. In particular, no financial instrument enables the returns of any index to be reproduced or tracked exactly. Changes in the investments of any Fund and re-weightings of the relevant index may give rise to various transaction costs (including in relation to the settlement of foreign currency transactions), operating expenses or inefficiencies which may adversely impact a Fund's tracking of an Index. Furthermore, the total return on investment in the Shares of a Fund will be reduced by certain costs and expenses which are not taken into account in the calculation of the applicable index. Moreover, in the event of the temporary suspension or interruption of trading in the Investments comprising the index, or of market disruptions, rebalancing a Fund's investment portfolio may not be possible and may result in deviations from the return of the index.

International Investment Risk; Emerging Markets Risk. Investments in securities of companies from multiple countries and/or securities of companies with significant exposure to multiple countries can involve additional risks. Political, social, and economic instability, the imposition of currency or capital controls or the expropriation or nationalisation of assets in a particular country can cause dramatic declines in that country's economy. Less stringent regulatory, accounting, and disclosure requirements for issuers and markets are common in certain countries. Enforcing legal rights can be difficult, costly and slow in some countries and can be particularly difficult against governments. Additional risks of investing in various countries

Information Classification: Limited Access

include trading, settlement, custodial and other operational risks due to different systems, procedures and requirements in a particular country, and varying laws regarding withholding and other taxes. These factors can make investments in multiple countries, especially investments in emerging or less developed markets, more volatile and less liquid than investments in a single country and could potentially result in an adverse effect on a Fund's performance.

Further, investment in emerging markets subjects a Fund to a greater risk of loss than investments in developed markets. This is due to, among other things:

- greater market volatility;
- lower trading volume and liquidity issues;
- limited securities markets;
- restrictions on purchases of securities by foreign investors;
- political and economic instability;
- economic dependence on a few industries or on international trade or revenue from particular commodities;
- high levels of inflation, deflation or currency devaluation;
- regulatory, financial reporting, accounting and disclosure standards that may be less stringent than those of developed markets;
- settlement and custodial systems that are not as well-developed as those in developed markets that may cause delays in settlement and possible "failed settlements";
- precarious financial stability of issuers (including governments);
- greater risk of market shut down; and
- more governmental limitations on foreign investment policy than those typically found in a developed market.

The foregoing factors may cause a Fund's investments to be more volatile than if the Fund invested in more developed markets and may cause a Fund to realise losses. This risk of increased volatility and losses may be magnified by currency fluctuations relative to the Base Currency of the Fund.

Investment Style Risk – Geographic Focus - UK: Certain Funds will concentrate investment exposure on the UK and, consequently, such Fund's performance is expected to be closely tied to the social, political, and economic conditions within that country and its exposure to related risks could make its performance more volatile than the performance of more geographically diversified funds. The UK has one of the largest economies in Europe and the U.S. and other European countries are substantial trading partners of the UK. As a result, the UK economy may be impacted by changes to the economic condition of the U.S. and other European countries. The UK economy, along with certain other EU economies, experienced a significant economic slowdown during the recent financial crisis and certain British financial institutions suffered significant losses, were severely under-capitalised and required government intervention to survive. The UK economy relies heavily on the export of financial services to the U.S. and other European countries and, therefore, a prolonged slowdown in the financial services sector may have a negative impact on the UK economy. Continued governmental involvement or control in certain sectors may stifle competition in certain sectors or cause adverse effects on economic growth. In the past, the UK has been a target of terrorism. Acts of terrorism in the UK or against British interests abroad may cause uncertainty in the UK financial markets and adversely affect the performance of the issuers to which the Fund has exposure.

The UK held a referendum with respect to its membership in the EU (the "**EU Referendum**") on 23 June 2016. Taking into consideration the result of the EU Referendum to leave the EU, heightened volatility, increased trading volumes and liquidity constraints in the financial markets may continue for the medium term. Moreover, the precise terms of the withdrawal will not be known for some time which may cause uncertainty in the global financial markets and the impact of such withdrawal on the UK, the EU and the global financial markets is not clear but could be significant and far-reaching.

PRC and Greater China Region Risks. One or more Funds may make PRC Investments through Access Programme(s). By using these Access Programme(s), the Fund may be subject to new, uncertain or untested rules and regulations promulgated by the relevant regulatory authorities. Moreover, current regulations governing a Fund's investment in PRC companies may be subject to change. There can be no guarantee that the PRC regulatory authorities would not provide a requirement in the future affecting the relevant Fund's ability to achieve its investment allocation, for example, introducing a mandatory investment allocation requirement under the relevant PRC regulations (e.g. a minimum percentage of the PRC Investments should be invested in a particular type of asset). There can be no assurance that the Access Programme(s) will not be abolished. Any Fund investing in securities issued by issuers from the PRC or the greater China region using an Access Programme may be adversely affected as a result of such changes. In addition to the risks pertinent to

Information Classification: Limited Access

investment in emerging markets, investors in such Funds should also consider the following risks.

PRC Foreign Shareholding Restrictions Risk. There are limits on the total shares held by all underlying foreign investors and/or a single foreign investor in one PRC listed company based on thresholds as set out under the PRC regulations (as amended from time to time), and the capacity of the Fund (being a foreign investor) to make investments in China A Shares will be affected by the relevant threshold limits and the activities of all underlying foreign investors. It will be difficult in practice to monitor the investments of the underlying foreign investors since an investor may make investment through different permitted channels under PRC laws. Should the shareholding of a single foreign investor in a China A Share listed company exceed the above restrictions, the investor would be required to unwind his position on the excessive shareholding according to a last-in-first-out basis within a specific period. The SSE/SZSE and the SEHK will issue warnings or restrict the buy orders for the related China A Shares if the percentage of total shareholding is approaching the upper limit of the aggregate foreign investor shareholding limit. Such disposal will affect the Funds in making investments in China A Shares, Stock Connect or the RQFII regime.

PRC Short Swing Profit Rule Risk. According to PRC securities law, a Substantial Shareholder has to return any profits obtained from the purchase and sale of shares of such PRC Listco if both transactions occur within a six-month period. In the event that a Fund becomes a Substantial Shareholder by investing in China Connect Securities, the profits that the Fund may derive from such investments may be limited, and thus the Fund's returns may be adversely affected depending on the Fund's size of investment in China Connect Securities.

PRC Disclosure of Interests Risk. Under the PRC disclosure of interest requirements, in the event a Fund becomes a Substantial Shareholder of a PRC Listco it may be subject to the risk that the Fund's holdings may have to be reported in aggregate with the holdings of such other persons mentioned above. This may expose the Fund's holdings to the public. Under Hong Kong law, where a PRC incorporated company has both H Shares listed on SEHK and A Shares listed on the SSE or SZSE, if an investor is interested in more than a certain threshold (as may be specified from time to time) of any class of voting shares (including China A Shares) in such PRC Listco, the investor is under a duty of disclosure pursuant to Part XV of the SFO.

Suspensions, Limits and Other Disruptions Affecting Trading of China A Shares Risk. In order to mitigate the effects of extreme volatility in the market price of China A Shares, the SSE and SZSE currently limit the amount of fluctuation permitted in the prices of China A Shares during a single trading day. The daily limit is currently set at 10% and represents the maximum amount that the price of a security (during the current trading session) may vary either up or down from the previous day's settlement price. The daily limit governs only price movements and does not restrict trading within the relevant limit. However, the limit does not limit potential losses because the limit may work to prevent a liquidation of any relevant securities at the fair or probable realisation value for such securities which means that the relevant Fund may be unable to dispose of unfavourable positions. There can be no assurance that a liquid market on an exchange would exist for any particular China A Share or for any particular time.

Other Risks

Investment Risk. A Shareholder may lose the entire principal amount invested in a Fund. The value of the securities held in a Fund may increase or decrease, at times rapidly and unexpectedly. An investment in a Fund may at any point in the future be worth less than the original amount invested.

Issuer Risk. The values of securities purchased by a Fund may decline for a number of reasons which directly relate to the issuers of those securities, such as, for example, management performance, financial leverage, and reduced demand for the issuer's goods and services.

Leveraging Risk. Certain transactions, including, for example, when-issued, delayed-delivery, and forward commitment purchases, loans of portfolio securities, and the use of some derivatives, can result in leverage. Leverage generally has the effect of increasing the amounts of loss or gain a Fund might realise, and creates the likelihood of greater volatility of the value of a Fund's portfolio. In transactions involving leverage, a relatively small market movement or change in other underlying indicator can lead to significantly larger losses to the Fund because leverage generally magnifies the effect of any increase or decrease in the value of a Fund's underlying assets or creates investment risk with respect to a larger base of assets than a Fund would otherwise have.

Limited Investment Programme Risk. An investment in any Fund, or even in a combination of Funds, is not intended to be a complete investment programmes but rather is intended for investment as part of a diversified investment portfolio. Investors should consult their own advisors as to the role of an investment in any of the Funds in their overall investment programmes.

Liquidity Risk. Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for a Fund to value illiquid securities accurately. Also, a Fund may not be able to dispose of illiquid securities or execute or close out a derivatives

Information Classification: Limited Access

transaction readily at a favorable time or price or at prices approximating those at which the Fund currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities. Any use of the efficient portfolio management techniques described in the **"Investment Objectives and Policies"** section may also adversely affect the liquidity of a Fund's portfolio and will be considered by the Investment Manager in managing the Fund's liquidity risk.

From time to time, the counterparties with which a Fund effects transactions might cease making markets or quoting prices in certain of the instruments in which a Fund has invested. In such instances, a Fund might be unable to enter into a desired transaction or to enter into any offsetting transaction with respect to an open position, which might adversely affect its performance.

The Company employs an appropriate liquidity risk management process, which takes into account efficient portfolio management transactions employed by the Funds, to ensure that each Fund is able to comply with its stated redemption obligations. However, it is possible that in the type of circumstances described above, a Fund may not be able to realise sufficient assets to meet all redemption requests, or the Directors of the Company may determine that meeting some or all of those requests is not in the best interests of the Shareholders in a Fund as a whole. In such circumstances, the Company may take the decision to apply the redemption gate provisions described in the **"Purchase and Sale Information – Redemption Limits"** section or suspend dealings in the relevant Fund as described in the **"Determination of Net Asset Value – Temporary Suspension of Dealings"** section.

ETF Liquidity Risk. Any decrease in the liquidity of the investments of a Fund may, for a period, affect a Fund's own liquidity. As a result the relevant Fund may trade less frequently on exchanges and its price may be more variable. This may in turn impact the ease and price at which an investor is able to buy or sell the Fund's Shares in the primary or secondary market.

Whilst it is anticipated that the investments made by a Fund will enable it to satisfy redemption requests, in exceptional circumstances, where the sales of certain securities are not possible or would materially harm existing Shareholders, the Directors of the Fund may impose restrictions on the size and/or timing of redemptions, as described in the **"Determination of Net Asset Value – Temporary Suspension of Dealings"** section.

Management Risk. Each Fund is subject to management risk. The Investment Manager's judgments about the selection and application of indexing models and the most effective ways to minimise tracking error (ie. the difference between the Fund's returns and the relevant Index returns) may prove to be incorrect, and there can be no assurance that they will produce the desired results. Each Fund will be dependent to a substantial degree on the continued service of members of the Investment Manager. In the event of the death, disability or departure of any such individuals, the performance of the applicable Fund may be adversely impacted.

Market Disruption and Geopolitical Risk. The Funds are subject to the risk that geopolitical events will disrupt securities markets and adversely affect global economies and markets. War, terrorism and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, systemic market dislocations may be highly disruptive to economies and markets. Those events as well as other changes in foreign and domestic economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Fund's investments. Continued uncertainty over the stability of the Euro and the EMU has created significant volatility in currency and financial markets generally. Concerns over the stability of the Euro could also have a broad effect on contractual arrangements denominated in, or otherwise tied to, the Euro. Any partial or complete dissolution of the EMU, or any continued uncertainty as to its status, could have significant adverse effects on currency and financial markets, and on the values of a Fund's portfolio investments.

Market Risk. The investments of a Fund are subject to changes in general economic conditions, normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation in value will occur. Investment markets can be volatile and securities prices can change substantially due to various factors including, but not limited to, economic growth or recession, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. Even if general economic conditions do not change, the value of an investment in a Fund could decline if the particular industries, sectors or companies in which the Fund invests do not perform well or are adversely affected by events. In the case of debt securities, the magnitude of these price fluctuations will be greater when the maturity of the outstanding securities is longer. Since investment in securities may involve currencies other than the Base Currency of a Fund, the value of a Fund's assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage.

Information Classification: Limited Access

Further, legal, political, regulatory and tax changes also may cause fluctuations in markets and securities prices.

The performance of a Fund will therefore depend in part on the ability of the Investment Manager to respond to such fluctuations in stock prices, market interest rates and currency rates and to utilise appropriate strategies to maximise returns, while attempting to reduce the associated risks to investment capital.

No Prior Operating History Risk. Upon launch, each Fund is a newly formed entity with limited operating history and there can be no assurance that it will be successful. Prior performance is no guarantee of future results.

OTC Clearing Risk. Certain derivatives transactions entered into by a Fund will be required to be centrally cleared. In a cleared derivatives transaction, the Fund's counterparty to the transaction is a central derivatives clearing organization, or clearing house, rather than a bank or dealer. The Fund will typically clear derivatives transactions through clearing members that are futures commission merchants and members of the clearing houses. The Fund will make and receive payments owed under cleared derivatives transactions (including margin payments) through its accounts at clearing members. The Fund's clearing members guarantee the Fund's performance of its obligations to the clearing house. In contrast to bilateral derivatives transactions, clearing members can generally require termination of existing cleared derivatives transactions at any time or increase the amount of margin required to be provided by the Fund to the clearing member for any new or existing cleared derivatives transaction above the amount of margin required by the clearing house or clearing member. Any such termination or increase could result in losses to the Fund on its cleared derivatives position. Also, the Fund is subject to execution risk in respect of cleared derivatives transactions, because it is possible that no clearing member will be willing to clear a particular transaction on the Fund's behalf. In that case, the transaction might have to be terminated, and the Fund could lose some or all of the benefit of any increase in the value of the transaction after the time of the trade. In addition, the documentation governing the relationship between a Fund and a clearing member that is drafted by the clearing members is generally not negotiable and therefore less favourable to the Fund than typical bilateral derivatives documentation. These and other new rules and regulations could, among other things, restrict a Fund's ability to engage in, or increase the cost to the Fund of, derivatives transactions and could make the use of derivatives by the Fund impractical or generally undesirable. These regulations are new and evolving, so their potential impact on the Funds and the financial system are not yet known. While the new regulations and central clearing of some derivatives transactions are designed to reduce systemic risk, there is no assurance that the new clearing mechanisms will achieve that result, and in the meantime, as noted above, central clearing exposes the Funds to new kinds of risks and costs.

EMIR and OTC Derivative Contract Risk. As a result of the European regulation commonly referred to as the European Market Infrastructure Regulation or "EMIR", OTC derivatives markets have been and will be subject to significant regulation, potentially including, without limitation, increased margin requirements, mandatory reporting, centralised clearing and execution of transactions. These regulations may result in increased costs, reduced profit margins and reduced investment opportunities, all of which may negatively impact the performance of the Funds.

EMIR imposes certain requirements to collateralise derivative transactions that are not cleared through a clearing house or traded on an exchange, including FX forward transactions. As a result, collateral may need to be exchanged between a Fund and trading counterparties to cover daily mark-to-market exposures of either party under an FX forward transaction. This may necessitate the amendment of the Company's existing OTC derivative contracts which would result in additional costs. The variation margin rules will also require certain haircuts to be applied to collateral received for OTC derivative contracts, which will vary depending on the issuer, credit rating, currency and residual maturity of the collateral. As the variation margin rules are likely to result in an increase in the level of its assets which a Fund will be required to retain in cash or very liquid assets in order to have available for use as collateral, this could result in a reduced proportion of the Fund's assets being available for allocation to the Fund's investment policy and, consequently, an increase in the potential tracking error for the Fund.

While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods. As a consequence, it is as yet unclear how the derivatives markets will adapt to the new regulatory regime. Accordingly, it is difficult to predict the full impact of EMIR on the Company, although this may include an increase in the overall costs of entering into and maintaining OTC derivative contracts.

Outperformance Risk. There is no guarantee that the investment objective of any Fund will be achieved. In particular, no financial instrument enables the returns of any index to be reproduced or tracked exactly or guarantees an outperformance target will be reached. Changes in the investments of any Fund and re-weightings of the relevant index may give rise to various transaction costs (including in relation to the settlement of foreign currency transactions), operating expenses or inefficiencies which may adversely impact a Fund's target of outperformance of an index. Furthermore, the total return on an investment in Shares will be reduced by certain costs and

Information Classification: Limited Access

expenses which are not taken into account in the calculation of the applicable index. Please also refer **"Index Tracking Risk"** above.

Portfolio Turnover Risk. Portfolio turnover generally involves a number of direct and indirect costs and expenses to the relevant Fund, including, for example, brokerage commissions, dealer mark-ups and bid/offer spreads, and transaction costs on the sale of securities and reinvestment in other securities. Nonetheless, a Fund may engage in frequent trading of investments in furtherance of its investment objective. The costs related to increased portfolio turnover have the effect of reducing a Fund's investment return, and the sale of securities by a Fund may result in the realisation of taxable capital gains, including short-term capital gains.

Provisional Allotment Risk. As the Company may provisionally allot Shares to proposed investors prior to receipt of the requisite subscription monies for those Shares, the Company may suffer losses as a result of the non-payment of such subscription monies.

Real Estate Investment Trusts And Property Securities Risk. Real estate investment trusts ("**REITs"**) are trusts that invest primarily in commercial real estate. If a Fund invests in REITs, the value of its interests in REITs may be affected by the value of the property owned by the trust. The liquidity of REITs on the major international stock exchanges is on average less than the typical stock of international blue chip corporations quoted, listed or traded on a Recognised Market. Please also refer to the risk warning headed **"Liquidity Risk"** above.

There are special risks associated with investment in securities of companies engaged in property markets including without limitation REITs and real estate operating companies. An investment in a property company may be subject to risks similar to those associated with direct ownership of real estate, the possibility of declines in the value of real estate, losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, environmental liability, zoning laws, regulatory limitations on rents, property taxes, and operating expenses. In addition, an investment in a property company is subject to additional risks, such as poor performance by the manager of the property company, adverse changes in tax laws, and the effect of general declines in stock prices. Some property companies have limited diversification because they invest in a limited number of properties, a narrow geographic area, or a single type of property. Also, the organizational documents of a property company may contain provisions that make changes in control of the property investment difficult and time-consuming. As a shareholder in a property company, the Fund, and indirectly the Fund's shareholders, would bear their pro rata share of the property company's expenses and would at the same time continue to pay their own fees and expenses. These factors could negatively affect the performance of the Fund. In addition to the risks associated with investing in the securities of real property companies, REITs are subject to certain additional risks. Equity REITs may be affected by changes in the values of the underlying properties owned by the trusts, and mortgage REITs may be affected by the quality of any credit extended. Further, REITs are dependent upon specialized management skills, and their investments may be concentrated in relatively few properties, or in a small geographic area or a single property type. REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. Those factors may also adversely affect a borrower's or a lessee's ability to meet its obligations to a REIT, thus affecting a Fund's returns. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated in protecting its investments. In addition, a REIT could possibly fail to qualify for tax free pass-through of income under the Internal Revenue Code, or to maintain their exemptions from registration under the U.S. Investment Company Act of 1940, which could have adverse consequences for a Fund.

Regulatory Risk. The Company is regulated by the Central Bank in accordance with the UCITS Regulations. Given the current uncertain and changing regulatory environment and projected changes to the UCITS Regulations and other future regulation to which the Company may be subject, there can be no guarantee that the Company will continue to be able to operate in its present manner and such future regulatory changes may adversely affect the performance of the Funds and/or their ability to deliver their investment objectives.

Repurchase and Reverse Repurchase Agreements Risk. The Funds may enter into repurchase agreements under which a Fund sells a security and agrees to repurchase it at a mutually agreed upon date and price. Repurchase agreements create the risk that the market value of the securities sold by a Fund may decline below the price at which such Fund is obligated to repurchase such securities under the agreement. In the event that the buyer of securities under a repurchase agreement files for bankruptcy or proves insolvent, a Fund's use of proceeds from the agreement may be restricted pending the determination by the other party or its trustee or receiver whether to enforce the obligation to repurchase the securities.

The Funds may also enter into reverse repurchase agreements, by which a Fund acquires securities from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase

Information Classification: Limited Access

the securities at a mutually agreed-upon date (usually not more than seven days from the date of purchase) and price, thereby determining the yield to the relevant Fund during the term of the repurchase agreement. If, in the case of a reverse repurchase agreement, the seller of a repurchase agreement fails to honour its commitment to repurchase the security in accordance with the terms of the agreement, a Fund may incur a loss to the extent that the proceeds realised on the sale of the securities are less than the repurchase price. If the seller becomes insolvent, a bankruptcy court may determine that the securities do not belong to the relevant Fund and order that the securities be sold to pay off the seller's debts. A Fund may experience both delays in liquidating the underlying securities and losses during the period while it seeks to enforce its rights, including possible sub-normal level of income and lack of access to income during the period and expenses in enforcing its rights.

Risk of Investment in other Collective Investment Schemes. If a Fund invests in another collective investment scheme or investment vehicle, it is exposed to the risk that the other investment vehicle will not perform as expected. The Fund is exposed indirectly to all of the risks applicable to an investment in such other investment vehicle. In addition, lack of liquidity in the underlying vehicle could result in its value being more volatile than the underlying portfolio of securities, and may limit the ability of the Fund to sell or redeem its interest in the vehicle at a time or at a price it might consider desirable. Subject to the limit in section 3.1 of "Investment Restrictions", the investment policies and limitations of the other investment vehicle may not be the same as those of the Fund. As a result, the Fund may be subject to additional or different risks, or may achieve a reduced investment return, as a result of its investment in another investment vehicle. A Fund also will bear its proportionate amount of the expenses of any investment vehicle in which it invests. Please see also the risk warning set out above titled "Conflicts of Interest" in relation to the potential conflicts of interest which may arise from investing in another collective investment scheme or investment vehicle. Where a Fund invests in another collective investment scheme or investment vehicle to the extent that it becomes a feeder fund in respect of such other fund (which shall have broadly similar investment policies and limitations as the relevant Fund), the risks associated with such an investment as described above will increase commensurately. A Fund will not be subject to any preliminary/initial/redemption charge in respect of investments made in any other Fund of the Company or in any other investment fund whose manager is an affiliate. In addition, any commission that the Investment Manager receives by virtue of an investment of a Fund into another collective investment scheme or other Fund of the Company, must be paid into the assets of the investing Fund. The Investment Manager, where paid out of the assets of a Fund, may not charge any investment management fees in relation to that portion of that Fund's assets invested in other Funds of the Company.

Russian Investment Risk. Although, unless disclosed otherwise in the Relevant Supplement, investments in Russian securities are not generally expected to represent a material proportion of the investments of any of the Funds, investors should note that there are significant risks inherent in investing in Russia. These risks include:

- delays in settling transactions and the risk of loss arising out of Russia's system of securities registration and custody;
- the lack of corporate governance provisions, under-developed or non-existent rules regarding management's duties to shareholders, and the lack of general rules or regulations relating to investor protection or investments;
- pervasiveness of corruption, insider trading, and crime in the Russian economic system;
- difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information;
- the risk of imposition of arbitrary or onerous taxes due to tax regulations that are ambiguous and unclear;
- the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt;
- banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings;
- the lack of local laws and regulations that prohibit or restrict a company's management from materially changing the company's structure without shareholder consent,
- difficulties involved with seeking redress in a court of law of breach of local laws, regulations or contracts, arbitrary and inconsistent application of laws and regulations by courts; and
- the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programmes implemented since the dissolution of the Soviet Union.

Securities in Russia are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. The registrars are neither agents of, nor responsible to, the Depositary or its local agents in Russia. Transferees of securities have no proprietary rights in respect of

Information Classification: Limited Access

securities until their name appears in the register of holders of the securities of the issuer. The law and practice relating to registration of holders of securities are not well developed in Russia and registration delays and failures to register securities can occur. Although Russian sub-custodians will maintain copies of the registrar's records (**"Extracts"**) on its premises, such Extracts may not, however, be legally sufficient to establish ownership of securities. Furthermore, a quantity of forged or otherwise fraudulent securities, Extracts or other documents are in circulation in the Russian markets and there is therefore a risk that the Fund's purchases may be settled with such forged or fraudulent securities. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The Depositary therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

Investments in securities listed or traded in Russia will only be made in securities that are listed or traded on the MICEX and the RTS.

Securities Lending Risk. If a Fund engages in securities lending there is a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return equivalent securities to the loaned securities. In this event, the Fund could experience delays in recovering the securities and may incur a capital loss. There is the risk that, when lending portfolio securities, the securities may not be available to the Fund on a timely basis and the Fund may, therefore, lose the opportunity to sell the securities at a desirable price.

If a counterparty defaults and fails to return equivalent securities to those loaned the Fund may suffer a loss equal to the shortfall between the value of the realised collateral and the market value of the replacement securities. To the extent that any securities lending is not fully collateralised (for example, due to timing lags associated with the posting of collateral), the Fund will have a credit risk exposure to the counterparty of a securities lending contract. Investors should also read the risk warning headed **"Counterparty Risk"** in the **"Risk Information"** section. The Fund could also lose money if the value of collateral falls. These events could triggers adverse tax consequences for the Fund.

Settlement Risk. Markets in different countries will have different clearance and settlement procedures and in certain markets there have been times when settlements have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of a Fund remain uninvested and no return is earned thereon. The inability of a Fund to make intended purchases due to settlement problems could cause it to miss attractive investment opportunities and affect its ability to track its relevant Index. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Fund due to subsequent declines in value of the portfolio security or, if it has entered into a contract to sell the security, it could result in the possible liability of it to the purchaser.

Where cleared funds are not received in a timely fashion in respect of a subscription, overdraft interest may be incurred. Losses could be incurred where the Investment Manager has entered into a contract to purchase securities in anticipation of subscription monies which subsequently do not settle, due to subsequent declines in the value of the portfolio security upon disposal.

Share Class Risk. As there is no segregation of liabilities between Classes of the Fund, there is a risk that, under certain limited circumstances, the liabilities of a particular class might affect the Net Asset Value of other Classes. In particular, while the Investment Manager will seek to ensure that gains/losses on and the costs of the relevant FDI associated with any currency hedging strategy used for the benefit of particular Class will accrue solely to this class and will not be combined with or offset with that of any other Class of the Fund, there can be no guarantee that the Investment Manager will be successful in this.

Subscription and redemption collection account. Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account in the name of the Company. Investors will be unsecured creditors of such a Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the relevant Fund and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights

Information Classification: Limited Access

(including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another Fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances the Fund or the Company would have sufficient funds to repay any unsecured creditors.

Substantial Redemptions. Subject and without prejudice to the Directors authority to suspend redemptions and/or to limit the Net Asset Value of Shares of any Fund which may be redeemed on any Dealing Day, substantial redemption requests by Shareholders in a concentrated period of time could require a Fund to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. This may limit the ability of the Investment Manager to successfully implement the investment programmes of a Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, a Fund may be required to liquidate assets in advance of the applicable Dealing Day, which may result in a Fund holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Manager to successfully implement the investment programmes of a Fund may be impaired and the Fund's returns may be adversely affected as a result.

Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the Net Asset Value of a Fund could make it more difficult for the Fund to generate profits or recover losses. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from a Fund and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders.

Tax Risk. The tax information provided in the **"Tax Information"** section is based on the best knowledge of the Directors of tax law and practice as at the date of this Prospectus and is subject to change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Fund is registered, listed, marketed or invested could affect the tax status of the Company and any Fund, affect the value of the relevant Fund's investments in the affected jurisdiction, affect the relevant Fund's ability to achieve its investment objective, and/or alter the after-tax returns to Shareholders. Where a Fund invests in derivative contracts, these considerations may also extend to the jurisdiction of the governing law of the derivative contract and/or the relevant counterparty and/or to the markets to which the derivative contract provides exposure. The availability and value of any tax reliefs available to Shareholders depend on the individual circumstances of each Shareholder. The information in the "Tax Information" section is not exhaustive and does not constitute legal or tax advice. Prospective Shareholders should consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Funds. Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, the Company, the relevant Fund, the Investment Manager, the Depositary and the Administrator shall not be liable to account to any Shareholder for any payment made or suffered by the Company or the relevant Fund in good faith to a fiscal authority for taxes or other charges of the Company or the relevant Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered.

The Company may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Company may not, therefore, be able to reclaim any foreign withholding tax borne by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax, the Net Asset Value of a Fund will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

Shareholders should be aware that the performance of Funds, as compared to an Index, may be adversely affected in circumstances where the assumptions about tax made by the relevant index provider in their index calculation methodology differ to the actual tax treatment of the underlying securities in the Index held within Funds.

PRC Taxation Risk. China Connect Securities traded under SHHK and SZHK Stock Connect currently enjoy a temporary exemption from PRC 'income' tax and PRC business tax. It is uncertain when such exemptions will expire and whether other PRC taxes will be applicable to trading of China Connect Securities under SHHK and

Information Classification: Limited Access

SZHK Stock Connect. Dividends derived from China Connect Securities are subject to PRC withholding tax. PRC stamp duty is also payable for transactions in China Connect Securities under SHHK and SZHK Stock Connect. However, there is no guarantee on how long the exemption will last and there can be no certainty that the trading of SC Securities will not attract a liability to such tax in the future. The mainland China tax authorities may in the future issue further guidance in this regard and with potential retrospective effect.

Currently there is no specific guidance imposed by the PRC tax authorities on the treatment of income tax and other tax categories payable in respect of trading in the CIBM by foreign investors. Before further guidance is issued and is well established in the administrative practice of the PRC tax authorities, the practices of the PRC tax authorities that collect PRC taxes with respect to the CIBM transactions may differ from or be applied in a manner inconsistent with the practices with respect to analogous investments described herein or any further guidance that may be issued. The value of a Fund's investment in the PRC and the amount of its incomes and gains could be adversely affected by an increase in tax rates or change in the taxation basis.

In light of the uncertainty as to how gains or income that may be derived from the Fund's investments in PRC will be taxed, the Company reserves the right to provide for withholding tax on such gains or income and withhold tax for the account of the Fund. Withholding tax may already be withheld at broker/custodian level. Any tax provision, if made, will be reflected in the relevant Fund's account(s) at the time of debit or release of such provision.

If the actual applicable tax levied by PRC tax authorities is greater than that provided for by the relevant Fund so that there is a shortfall in the tax provision amount, investors should note that the Net Asset Value of the Fund may suffer more than the tax provision amount as the relevant Fund will ultimately have to bear the additional tax liabilities. In this case, the then existing and new investors will be disadvantaged.

On the other hand, if the actual applicable tax levied by PRC tax authorities is less than that provided for by the relevant Fund so that there is an excess in the tax provision amount, investors who have redeemed Shares before PRC tax authorities' ruling, decision or guidance in this respect will be disadvantaged as they would have borne the loss from the Fund's overprovision. In this case, the then existing and new investors may benefit if the difference between the tax provision and the actual taxation liability can be returned to the account of the relevant Fund as assets thereof.

In addition, investors should be aware that under-accrual or over-accrual for PRC tax liabilities may impact on the performance of a Fund during the period of such under-accrual or over-accrual and following any subsequent adjustments to the Net Asset Value.

In case of having excess in the tax provision amount (for example, the actual applicable tax levied by PRC tax authorities is less than the tax provision amount or due to a change in provisioning by a Fund), such excess shall be treated as property of the relevant Fund and investors who have already transferred or redeemed their Shares in the relevant Fund will not be entitled or have any right to claim any part of the amount representing the excess.

Trading Issues Risk. Although the ETF Shares of a Fund will be listed for trading on the relevant Listing Stock Exchange(s), there can be no assurance that an active trading market for such ETF Shares will develop or be maintained. Trading in ETF Shares on a Listing Stock Exchange may be halted due to market conditions or for reasons that, in the view of the relevant Listing Stock Exchange, make trading in ETF Shares inadvisable. In addition, trading in ETF Shares on a Listing Stock Exchange is subject to trading halts caused by extraordinary market volatility pursuant to stock exchange "circuit breaker" rules. There can be no assurance that the requirements of a Listing Stock Exchange necessary to maintain the listing of a Fund will continue to be met or will remain unchanged or that the ETF Shares will trade with any volume, or at all, on any stock exchange. Furthermore, any securities that are listed and traded on stock exchanges can also be bought or sold by members of those exchanges to and from each other and other third parties on terms and prices that are agreed on an "over-the-counter" basis and may also be bought or sold on other multi-lateral trading facilities or platforms. The Company has no control over the terms on which any such trades may take place.

Shares purchased on the secondary market cannot usually be sold directly back to the Company. Investors must buy and sell ETF Shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value per Share when buying ETF Shares and may receive less than the current Net Asset Value per Share when selling them. ETF Shares purchased on the secondary market cannot usually be sold directly back to the Company. In exceptional circumstances, whether as a result of disruptions in the secondary market or otherwise, investors who have acquired ETF Shares on the secondary market are entitled to apply to the Company in writing to have the ETF Shares in question registered in their own name, to enable them to access the redemption facilities described in the "Primary Market" section. Investors should refer to the "Purchase and Sale Information" section for further details.

Valuation Risk. A Fund's investments will typically be valued at the relevant market value, in accordance with the Articles and applicable law. In certain circumstances, a portion of a Fund's assets may be valued by the Company at fair value using prices provided by a pricing service or, alternatively, a broker-dealer or other market intermediary (sometimes just one broker-dealer or other market intermediary) when other reliable pricing sources may not be available. If no relevant information is available from those sources or the Company considers available information unreliable, the Company may value a Fund's assets based on such other information as the Company may in its discretion consider appropriate. There can be no assurance that such prices will accurately reflect the price a Fund would receive upon sale of a security, and to the extent a Fund sells a security at a price lower than the price it has been using to value the security, its net asset value will be adversely affected. When a Fund invests in other funds or investment pools, it will generally value its investments in those funds or pools based on the valuations determined by the funds or pools, which may not be the same as if the net assets of the funds or pools had been valued using the procedures employed by the Fund to value its own assets.

Volatility Risk. Investors should note that the volatility of a Fund may vary over time and there can be no assurance that the historical volatility levels of the Index will continue to be observed in the future. To the extent that the Investment Manager, on behalf of a Fund, uses FDIs, there may be a risk that the volatility of the Fund may increase.

Risks Associated With Investment In Equities

Equity Risk. Equity securities represent ownership interests in a company or corporation and include common stock, preferred stock and warrants and other rights to acquire such instruments.

Investments in equity securities in general are subject to a number of factors which may cause their market prices to fluctuate over time, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer (see **"Issuer Risk"** above) or due to general market conditions that are not specifically related to a particular company or issuer, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. In addition, equity markets tend to move in cycles, which may cause stock prices to fall over short or extended periods of time. A Fund may continue to accept new subscriptions and to make additional investments in equity securities even under general market conditions that the Investment Manager views as unfavourable for equity securities.

Where a Fund invests in equity warrants, Shareholders should be aware that the holding of warrants may result in increased volatility of the relevant Fund's Net Asset Value per Share. For Funds investing in convertible equity securities Shareholders should also be aware that the value of such securities is affected by prevailing interest rates, the credit quality of the issuer and any call provisions. For Index Tracking Funds, fluctuations in the value of equity securities comprised in any Index, the performance of which is replicated by the relevant Fund, would cause the Net Asset Value of the relevant Fund to fluctuate.

Investment Style Risk: Equity securities generally fall into four broad categories – large cap, mid-cap, small cap and micro-cap. If a Fund invests primarily in one category, there is a risk that due to current market conditions, the Fund may perform less well than a Fund that is invested in another category or across several categories. General risks associated with these categories are set forth below:

Large Cap Risk - Returns on investments in stocks of large companies could trail the returns on investments in stocks of smaller and mid-sized companies.

Mid-Cap Risk - Mid-sized companies may be more volatile and more likely than large-capitalisation companies to have relatively limited product lines, markets or financial resources, or depend on a few key employees. Returns on investments in stocks of mid-size companies could trail the returns on investments in stocks of larger or smaller companies.

Small Cap Risk - Small-sized companies may be more volatile and more likely than large- and mid-capitalisation companies to have relatively limited product lines, markets or financial resources, or depend on a few key employees. Returns on investments in stocks of small companies could trail the returns on investments in stocks of larger companies. See also **"Small Companies Risk"**.

Micro-Cap Risk – Micro-cap companies may be newly formed or in the early stages of development with limited product lines, markets or financial resources. Therefore, micro-cap companies may be less financially secure than large-, mid- and small-capitalisation companies and may be more vulnerable to key personnel losses due to reliance on a smaller number of management personnel. In addition, there may be less public information available about these companies. Micro-cap stock prices may be more volatile than large-, mid- and small-capitalisation companies and such stocks may be more thinly traded and thus difficult for a Fund to buy and sell in the market. See also **"Small Companies Risk".**

Small Companies Risk. Small companies may offer greater opportunities for capital appreciation than larger companies, but they tend to be more vulnerable to adverse developments than larger companies, and investments in these companies may involve certain special risks. Small companies may have limited product lines, markets, or financial resources and may be dependent on a limited management group. In addition, these

Information Classification: Limited Access

companies may have been recently organised and have little or no track record of success. Also, the Investment Manager may not have had an opportunity to evaluate such newer companies' performance in adverse or fluctuating market conditions. The securities of small companies may trade less frequently and in smaller volume than more widely held securities. The prices of these securities may fluctuate more sharply than those of other securities, and a Fund may experience some difficulty in establishing or closing out positions in these securities at prevailing market prices. There may be less publicly available information about the issuers of these securities or less market interest in such securities than in the case of larger companies, both of which can cause significant price volatility. Some securities of smaller issuers may be illiquid or may be restricted as to resale.

Risks Associated with Investment in Debt Securities

Debt Securities Risk - Fixed-income securities and other income-producing securities are obligations of their issuers to make payments of principal and/or interest on future dates. As interest rates rise, the values of debt securities or other income-producing investments are likely to fall. This risk is generally greater for obligations with longer maturities. Debt securities and other income-producing securities also carry the risk that the issuer or the guarantor of a security will be unable or unwilling to make timely principal and/or interest payments or otherwise to honor its obligations. This risk is particularly pronounced for lower-quality, high-yielding debt securities.

Additional general risks that may be part of debt securities include the following:

Credit Risk - The ability, or perceived ability, of the issuer of a debt security to make timely payments of interest and principal on the security will affect the value of the security. It is possible that the ability of an issuer to meet its obligations will decline substantially during the period when a Fund owns securities of that issuer or that the issuer will default on its obligations. See also **"Issuer Risk"**. An actual or perceived deterioration of the ability of an issuer to meet its obligations will likely have an adverse effect on the value of the issuer's securities. With certain exceptions, credit risk is generally greater for investments issued at less than their face values and that require the payment of interest only at maturity rather than at intervals during the life of the investment. Credit rating agencies base their ratings largely on the issuer's historical financial condition and the rating agencies' investment analysis at the time of rating. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition and does not reflect an assessment of an investment's volatility or liquidity. Although investment-grade securities generally have lower credit risk than securities rated below investment grade, they may share some of the risks of lower-rated investments, including the possibility that the issuers may be unable to make timely payments of interest and principal and thus default. Consequently, there can be no assurance that investment grade securities will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities. If a security held by a Fund loses its rating or its rating is downgraded, the Fund may nonetheless continue to hold the security in the discretion of the Investment Manager.

Extension Risk - During periods of rising interest rates, the average life of certain types of securities may be extended because of slower-than-expected principal payments. This may lock in a below-market interest rate, increase the security's duration, and reduce the value of the security. Extension risk may be heightened during periods of adverse economic conditions generally, as payment rates decline due to higher unemployment levels and other factors.

Income Risk - To the extent a Fund's income is based on short-term interest rates, which may fluctuate over short periods of time, income received by the Fund may decrease as a result of a decline in interest rates.

Interest Rate Risk - The values of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates generally increase the values of existing debt instruments, and rising interest rates generally reduce the values of existing debt instruments. Interest rate risk is generally greater for investments with longer durations or maturities and may also be greater for certain types of debt securities such as zero coupon and deferred interest bonds. Interest rate risk also is relevant in situations where an issuer calls or redeems an investment before its maturity date. See also "Prepayment Risk" below. Adjustable rate instruments also generally react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors).

Lower-Rated Securities Risk - Securities rated below investment grade (i.e., high-yield bonds or junk bonds) typically lack outstanding investment characteristics and have speculative characteristics and are subject to greater credit and market risks than higher-rated securities. The lower ratings of junk bonds reflect a greater possibility that adverse changes in the financial condition of the issuer or in general economic conditions, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. If this were to

Information Classification: Limited Access

occur, the values of such securities held by a Fund may become more volatile and the Fund could lose some or all of its investment.

Prepayment Risk - A debt security held by a Fund could be repaid or "called" before the money is due, and the Fund may be required to reinvest the proceeds of the prepayment at lower interest rates and therefore might not benefit from any increase in value as a result of declining interest rates. Intermediate-term and long-term bonds commonly provide protection against this possibility, but mortgage-backed securities do not. Mortgage-backed securities are more sensitive to the risks of prepayment because they can be prepaid whenever their underlying collateral is prepaid.

Mortgage And Asset-Backed Securities Risk. Mortgage-related securities represent a participation in, or are secured by, mortgage loans. Other asset-backed securities are typically structured like mortgage-related securities, but instead of mortgage loans or interests in mortgage loans, the underlying assets may include such items as motor vehicle instalment sales or instalment loan contracts, leases on various types of real and personal property, and receivables from credit card agreements. During periods of falling interest rates, mortgage-related and other asset-backed securities, which typically provide the issuer with the right to prepay the security prior to maturity, may be prepaid, which may result in a Fund having to reinvest the proceeds in other investments at lower interest rates. During periods of rising interest rates, the average life of mortgage-related and other asset-backed securities may extend because of slower-than expected principal payments. This may lock in a below market interest rate, increase the security's duration and volatility, and reduce the value of the security. As a result, mortgage-related and other asset-backed securities may have less potential for capital appreciation during periods of declining interest rates than other securities of comparable maturities, although they may have a similar risk of decline in market values during periods of rising interest rates. Prepayment rates are difficult to predict and the potential impact of prepayments on the value of a mortgage-related or other asset-backed security depends on the terms of the instrument and can result in significant volatility. The price of a mortgage-related or other asset-backed security also depends on the credit quality and adequacy of the underlying assets or collateral, if any. Defaults on the underlying assets, if any, may impair the value of a mortgage-related or other asset-backed security. For some asset-backed securities in which a Fund invests, such as those backed by credit card receivables, the underlying cash flows may not be supported by a security interest in a related asset. Moreover, the values of mortgage-related and other asset-backed securities may be substantially dependent on the servicing of the underlying asset pools, and are therefore subject to risks associated with the negligence or malfeasance by their servicers and to the credit risk of their servicers. In certain situations, the mishandling of related documentation may also affect the rights of securities holders in and to the underlying collateral, if any. Furthermore, there may be legal and practical limitations on the enforceability of any security interest granted with respect to underlying assets, or the value of the underlying assets, if any, may be insufficient if the issuer defaults. In a "forward roll" transaction, a Fund will sell a mortgage-related security to a bank or other permitted entity and simultaneously agree to purchase a similar security from the institution at a later date at an agreed upon price. The mortgage securities that are purchased will bear the same interest rate as those sold, but generally will be collateralized by different pools of mortgages with different prepayment histories than those sold. Risks of mortgage-related security rolls include: the risk of prepayment prior to maturity and the risk that the market value of the securities sold by a Fund may decline below the price at which the Fund is obligated to purchase the securities. Forward roll transactions may have the effect of creating investment leverage in a Fund.

Sovereign Risk. A Fund may invest in debt securities issued by governments or by agencies, instrumentalities and sponsored enterprises of governments. The value of these securities may be affected by the creditworthiness of the relevant government, including any default or potential default by the relevant government. In addition, issuer payment obligations relating to securities issued by government agencies, instrumentalities and sponsored enterprises of governments may have limited or no support of the relevant government.

Variable And Floating Rate Securities. In addition to traditional fixed-rate securities, a Fund may invest in debt securities with variable or floating interest rates or dividend payments. Variable or floating rate securities bear rates of interest that are adjusted periodically according to formulae intended to reflect market rates of interest. These securities allow the Fund to participate in increases in interest rates through upward adjustments of the coupon rates on such securities. However, during periods of increasing interest rates, changes in the coupon rates may lag behind the change in market rates or may have limits on the maximum increase in coupon rates. Alternatively, during periods of declining interest rates, the coupon rates on such securities readjust downward and this may result in a lower yield.

Risks Associated with Investment through Access Programmes.

Risks related to the Stock Connect Daily Quota. Each of SHHK Stock Connect and SZHK Stock Connect is subject to a Daily Quota. SEHK may include or exclude securities as China Connect Securities (as defined in the rules of exchange of the SEHK) and may change the eligibility of shares for Northbound trading on Stock Connect. The quota limitations may restrict a Sub-Fund's ability to invest in China Connect Securities through Stock Connect on a timely basis. The Daily Quota may change from time to time without prior

Information Classification: Limited Access

notice and investors should refer to the SEHK website and other information published by the SEHK for up-to-date information.

Stock Connect Suspension risk. It is contemplated that SEHK, SSE and SZSE would reserve the right to suspend Northbound (for investment in PRC shares) and/or Southbound (for investment in Hong Kong shares) trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Where a suspension in the Northbound trading through Stock Connect is affected, a Fund's ability to access the PRC market will be adversely affected. Securities (including the China Connect Securities) traded through Stock Connect may also be more volatile and unstable if suspended from trading. Such suspension may prolong for a considerable period of time and volatility and settlement difficulties relating to the China Connect Securities may also result in significant fluctuations in the prices, and may adversely affect the value, of the China Connect Securities.

Differences in trading day. Stock Connect will only operate on days when both the relevant PRC and Hong Kong markets are open for trading and when banks in the relevant markets are open on the corresponding settlement days. By investing through Stock Connect, the Fund may be subject to a risk of price fluctuations in China Connect Securities during the time when the relevant Stock Connect is not trading as a result.

Stock Connect operational risk. Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in the relevant programme subject to meeting certain information technology capabilities, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

Stock Connect requires market participants to configure and adapt their operational and technical systems. Further, it should be appreciated that the securities regimes and legal systems of each of the PRC and Hong Kong markets differ significantly and in order for the trial programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in Stock Connect requires routing of orders across PRC and Hong Kong. The SEHK has set up an order routing system to capture, consolidate and route the cross-boundary orders input by exchange participants. 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 each market. In the event that the relevant systems fail to function properly, trading in each market through the programme could be disrupted. In such a case, the Fund's ability to access the China A Share market (and hence to pursue its investment strategy) through Stock Connect will be adversely affected.

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

If a Fund wishes to sell certain China Connect Securities it holds, it must transfer those China Connect Securities to the respective accounts of its brokers before the market opens on the day of selling. If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, the Fund may not be able to dispose of its holdings of China Connect Securities in a timely manner. PRC regulations may impose certain other restrictions on selling and buying which results in a Fund not being able to dispose of holdings of Connect Securities in a timely manner. This also raises concerns as to counterparty risks as securities may need to be kept by brokers overnight.

To facilitate investors whose SC Securities are maintained with custodians to sell their SC Securities without having to pre-deliver the SC Securities from their custodians to their executing brokers, the SEHK introduced an enhanced pre-trade checking model in March 2015, under which an investor may request its custodian to open a SPSA. An investor will only need to transfer all relevant SC Securities from its SPSA to its designated broker's account after execution and not before placing the sell order. If the Fund is unable to utilise this model, it would have to deliver SC Securities to brokers before the trading day and the above risks may still apply.

Recalling of eligible stocks. When a stock is recalled from the scope of eligible stocks for trading via Stock Connect, the stock can only be sold but will be restricted from being bought. This may affect the investment portfolio or strategies of a Fund, for example, when it wishes to purchase a stock which is recalled from the scope of eligible stocks.

Stock Connect clearing and settlement risk. As the national central counterparty of the PRC's securities market, CSDCC operates a comprehensive network of clearing, settlement and stock holding infrastructure. Should the remote event of CSDCC default occur and CSDCC be declared as a defaulter, HKSCC's liabilities in Northbound (for investment in China Connect Securities) trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims

Information Classification: Limited Access

against CSDCC. In such an event, affected Funds may suffer delay in the recovery process or may not be able to fully recover their losses from CSDCC. Under Stock Connect, the relevant Funds which have acquired SC Securities should maintain such SC Securities with their brokers' or custodians' stock accounts with the CCASS operated by HKSCC.

No protection by Investor Compensation Fund. The Fund's investments in SC Securities under SHHK and SZHK Stock Connect are not covered by the Hong Kong's Investor Compensation Fund or the China Securities Investor Protection Fund. Therefore, a Fund is exposed to the risks of default of the broker(s) they engage in their trading in China Connect Securities through the respective programme and the investors will not benefit from compensation under such schemes.

Beneficial ownership. The precise nature and rights of the Hong Kong and overseas investors (including the Fund) as the beneficial owners of PRC Investments through nominees is less well defined under PRC law and the exact nature and methods of enforcement of the rights and interests of such investors under PRC law are not free from doubt.

In particular, China Connect Securities are held in CSDCC. HKSCC is a participant of CSDCC and China Connect Securities acquired by the Fund will be (i) recorded in the name of HKSCC in the nominee securities account opened by HKSCC with CSDCC, and HKSCC is the "nominee holder" of such China Connect Securities; and (ii) held under the depository of CSDCC and registered in the shareholders' register of the listed companies on the SSE and SZSE.

HKSCC will record interests in such China Connect Securities in the CCASS stock account of the relevant CCASS clearing participant such that a Fund shall exercise its rights in relation to the China Connect Securities through the CCASS clearing participant and HKSCC as the nominee holder. With respect to certain rights and interests of China Connect Securities that can only be exercised via bringing legal actions to PRC competent courts, it is uncertain whether such rights could be enforced since under the CCASS rules, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the China Connect Securities in PRC or elsewhere.

RMB liquidity risk. RMB is currently not a freely convertible currency. The purchase of SSE/SZSE stocks is funded by CNH. The demand for CNH may increase and when there is a net drain of offshore RMB, the liquidity of offshore RMB could tighten. This could lead to the rise of CNH funding cost. Funds seeking to invest through the SHHK and SZHK Stock Connect may not able to secure sufficient CNH to execute their transactions or may only be able to do so at significant cost. Also, should the PRC government tighten the foreign exchange controls, such Funds may be exposed to greater liquidity risk of offshore RMB and may not be able to effectively pursue their investment strategies.

Risks associated with the Offshore Market. RMB which is traded within the Onshore Market (i.e. the CNY) may trade at a different rate compared to RMB which is traded within the Offshore Market (i.e. the CNH). The Funds' investments may be exposed to both the CNY and the CNH, and the Funds may consequently be exposed to greater exchange risks and/or higher costs of investment (for example, when converting other currencies to the RMB at the rate of exchange prevailing in relation to the CNH).

Funds whose Base Currency is not RMB may also be exposed to currency risk due to the need for the conversion into RMB for investments in SC Securities. During any such conversion, a Fund may also incur currency conversion costs. The currency exchange rate may be subject to fluctuation and where RMB has depreciated, a Fund may incur a loss when it converts the sale proceeds of the SC Securities into its operating currency.

Restriction on Day Trading. Day (turnaround) trading is not permitted on the China A Share market. Therefore, the Funds buying SC Securities on T day may only sell the shares on and after T+1 day subject to any Stock Connect Scheme Rules. This will limit the Funds' investment options, in particular where a Fund wishes to sell any SC Securities on a particular trading day. Settlement and pre-trade checking requirements may be subject to change from time to time.

Order Priority. Where a broker provides Stock Connect trading services to its clients, proprietary trades of the broker or its affiliates may be submitted to the trading system independently and without the traders having information on the status of orders received from clients. There is no guarantee that brokers will observe client order priority (as applicable under relevant laws and regulations).

Best execution Risk: Pursuant to the relevant PRC regulations, securities trades under Access Programmes may be executed through a limited number of PRC brokers/trading and settlement agents and accordingly may affect best execution of such trades. If, for any reason, the Investment Manager is unable to use the relevant broker/trading and settlement agent in the PRC, the operation of the relevant Fund may be adversely affected. The Fund may also incur losses due to the acts or omissions of any of the PRC broker(s)/trading and settlement agent in the execution or settlement of any transaction or in the transfer of any funds or securities. However, the Investment Manager shall, in the selection of PRC brokers/trading and settlement agent, have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. It is possible that a single PRC broker/trading and settlement agent will be appointed and the relevant Fund may not necessarily pay the lowest commission available in the market. There is a risk that

Information Classification: Limited Access

the relevant Fund may suffer losses from the default, insolvency or disqualification of a PRC broker/trading and settlement agent. In such event, the relevant Fund may be adversely affected in the execution of transactions through such PRC broker/trading and settlement agent. In addition, the broker may aggregate investment orders with its and its affiliates' own orders and those of its other clients, including the Funds. In some cases, aggregation may operate to the Funds' disadvantage and in other cases aggregation may operate to the Funds' advantage.

Limited Off-Exchange Trading and Transfers Risk. SC Securities generally may not be sold, purchased or otherwise transferred other than through Stock Connect in accordance with the applicable rules. "Non-trade" transfers (i.e. off-exchange trading and transfers) are permitted in limited circumstances such as post-trade allocation of China A Shares to different funds/sub-funds by fund managers or correction of trade errors.

Participation in Corporate Actions and Shareholders' Meetings Risk. Notwithstanding the fact that HKSCC does not claim proprietary interests in the China Connect Securities held in its omnibus stock accounts in CSDCC, HKSCC is the shareholder on record of SSE or SZSE listed companies (in its capacity as nominee holder for Hong Kong and overseas investors) and can attend shareholders' meeting as shareholder in respect of such China Connect Securities. Where the articles of association of a listed company do not prohibit the appointment of proxy/multiple proxies by its shareholder, HKSCC may make arrangements to appoint one or more investors as its proxies or representatives to attend shareholders' meetings when instructed. Otherwise, following the existing market practice in the PRC, investors engaged in Northbound trading will generally not be able to attend shareholder meetings by proxy or in person and the Funds will not be able to exercise the voting rights of the invested company in the same manner as provided in some developed markets.

Any corporate action in respect of China Connect Securities will be announced by the relevant issuer through the SSE or SZSE website and certain officially appointed newspapers. However, SSE and SZSE listed issuers publish corporate documents in Chinese only, and English translations will not be available.

HKSCC will keep participants in CCASS informed of corporate actions of China Connect Securities. Hong Kong and overseas investors (including Funds) will need to comply with the arrangement and deadline specified by their respective brokers or custodians (i.e. CCASS participants). The time for them to take actions for some types of corporate actions of China Connect Securities may be as short as one business day only. Therefore, Funds may not be able to participate in some corporate actions in a timely manner.

RQFII risk. Repatriations of RMB by RQFIIs for open ended funds are currently permitted on a daily basis and are not subject to repatriation restrictions or prior regulatory approval. The application and interpretation of the relevant investment regulations are relatively untested and there is uncertainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is limited precedent or certainty as to how such discretion may be exercised now or in the future. It is not possible to predict the future development of the RQFII system. Any restrictions on repatriation imposed in respect of the relevant Fund's RQFII investments may have an adverse effect on the Fund's ability to meet redemption requests. Any change in the RQFII system generally, including the possibility of the RQFII losing its RQFII status, may affect the relevant Fund's ability to invest in eligible securities in the PRC directly through the relevant RQFII. In addition, should the RQFII status be suspended or revoked, the relevant Fund's performance may be adversely affected as the relevant Fund may be required to dispose of its RQFII eligible securities holdings.

RQFII quota allocation and conflict risk. A Fund may not have the exclusive use of the RQFII Quota and there may be other entities utilising the same RQFII Quota. Situations may arise where the RQFII Licence Holder does not have sufficient RQFII Quota to satisfy all Funds and it allocates RQFII Quota to a particular Fund at the expense of others. There is no assurance that the RQFII Licence Holder will make available RQFII Quota that is sufficient for a Fund's investment at all times. In extreme circumstances, a Fund may incur substantial losses due to limited investment capabilities, or may not be able to fully implement or pursue its investment objective or strategy due to insufficiency of RQFII Quota or any applicable investment limit (pursuant to regulatory requirement or otherwise) with respect to the Fund's investments through an entity's status as an RQFII.

For each RQFII Quota approved by SAFE, the relevant RQFII Licence Holder is required to utilise the RQFII Quota effectively within one year from the SAFE approval date. If the RQFII licence holder fails to utilise the RQFII Quota effectively, SAFE could reduce or revoke the RQFII Quota depending on the circumstances. As utilisation of the RQFII Quota may depend on the subscription level of the Fund and redemptions by investors of the Fund, low subscription level or large redemptions by investors of the Fund might result in the RQFII Quota being reduced or lost permanently. A reduction in the amount, or revocation, of the RQFII Quota may have a material adverse effect

on the Fund and the RQFII's ability to effectively pursue the investment strategy of the relevant Fund.

The relevant PRC regulations may apply to each RQFII Quota as a whole, and not simply to investments made by a Fund. Thus, investors should be aware that violations of the relevant PRC regulations arising out of activities related to the RQFII Quota other than with respect to the investments of the Fund could potentially result in the revocation of or other regulatory action in respect of the RQFII Quota as a whole.

Counterparty risk to the PRC Sub-Custodian and other depositaries for PRC Investments. Any PRC Investments acquired through an Access Programme will be maintained by the PRC Sub-Custodian, in electronic form via the securities account(s) and any cash will be held in RMB cash account(s)) with the PRC Sub-Custodian. Securities account(s) and Renminbi cash account(s) for the relevant Fund in the PRC are maintained in accordance with market practice. Such account may be in the name of a nominee (for example, the RQFII/applicant under the CIBM Direct Access Programme) and not in the name of such Fund, and the assets within such account may be held for and on behalf of clients of the nominee including but not limited to such Fund. Even though the Chinese regulators have affirmed their recognition of the concepts of nominee holders and beneficial owners and applicable PRC rules, regulations and other administration measures and provisions generally provide for the concept of a "nominee holder" and recognise the concept of a "beneficial owner" of securities, these concepts are relatively new in the Chinese legal system and remain untested under the RQFII scheme. Hence, the assets of such Fund held within such account may be subject to a risk of being treated as part of the assets of the nominee and be vulnerable to claims by creditors of the nominee in the event of the insolvency of the nominee. Whilst the assets held in such accounts are segregated and held separately from the assets of the nominee and belong solely to the relevant Fund, it is possible that the judicial and regulatory authorities in the PRC may interpret this position differently in the future. In addition, the assets of the Fund may not be adequately segregated from the assets of other Funds, funds or clients investing through the nominee. The relevant Fund may also incur losses due to the acts or omissions of the PRC Sub-Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities.

Cash held by the PRC Sub-Custodian in the RMB cash account(s) will not be segregated in practice but will be a debt owing from the PRC Sub-Custodian to the relevant Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the PRC Sub-Custodian. In the event of insolvency of the PRC Sub-Custodian, the relevant Fund will not have any proprietary rights to the cash deposited in the cash account opened with the PRC Sub-Custodian, and the Fund will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors, of the PRC Sub-Custodian. The Fund may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Fund will lose some or all of its cash.

Counterparty risk to PRC broker(s)/trading and settlement agent. Pursuant to the relevant PRC regulations, securities trades under the Access Programme may be executed through a limited number of PRC brokers/trading and settlement agent that may be appointed for trading in any PRC stock exchange or interbank bond market for the relevant Fund. If, for any reason, the relevant broker /trading and settlement agent in the PRC cannot be used, the operation of the relevant Fund may be adversely affected. The Fund may also incur losses due to the acts or omissions of any of the PRC broker(s)/trading and settlement agent in the execution or settlement of any transaction or in the transfer of any funds or securities. However, the selection of PRC brokers/trading and settlement agent, should have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. It is possible that a single PRC broker/trading and settlement agent will be appointed and the relevant Fund may not necessarily pay the lowest commission available in the market. There is a risk that the relevant Fund may suffer losses from the default, insolvency or disqualification of a PRC broker/trading and settlement agent. In such event, the relevant Fund may be adversely affected in the execution of transactions through such PRC broker/trading and settlement agent. A Fund may be adversely affected, whether directly or indirectly, by (i) the acts or omissions by the broker/trade and settlement agent in the settlement of any transaction or in the transfer of funds or securities; (ii) the default or bankruptcy of the broker/trade and settlement agent; and (iii) the disqualification of the broker/trade and settlement agent from acting in such capacity either on a temporary or permanent basis. Such acts, omissions, default or disqualification may also adversely affect a Fund in implementing its investment strategy or disrupt its operations, including causing delays in the settlement of any transaction or the transfer of any funds or securities in the PRC or in recovering assets, which may in turn adversely impact its net asset value. Furthermore, regulatory sanctions can be imposed upon the broker/trade and settlement agent if it violates any provision under the Access Programme regulations. Such sanctions may adversely affect a Fund's investments in PRC Investments.

Remittance and repatriation of RMB. Applications for subscription, redemption and/or conversion of Shares may be subject to certain restrictions under the relevant Access Programme and other relevant PRC regulations. The repatriation of invested capital and of income and capital gains of a Fund from the PRC is subject to the relevant PRC regulations in effect from time to time.

Information Classification: Limited Access

Repatriations of RMB by RQFIIs for open ended funds are currently permitted on a daily basis through the RQFII Quota based on the net subscriptions and redemptions of Shares of the relevant Fund (as an open-ended fund) and are not subject to repatriation restrictions, any lock up period or prior regulatory approval; although there are restrictions on the movement of onshore RMB offshore and authenticity and compliance reviews will be conducted, and monthly reports on remittances and repatriations will be submitted to SAFE by the PRC Sub-Custodian. At present, there is no regulatory prior approval requirement for repatriation of funds from the RQFII Quota under the above circumstances, however there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Further, such changes to the PRC rules and regulations may be applied retroactively.

Remittance and repatriation for the account of a Fund under the CIBM Direct Access Programme regulations may currently be effected subject to the following restrictions:

(i) a Fund may remit investment principal in RMB or foreign currency into the PRC for investing through the CIBM Direct Access Programme. If a Fund fails to remit investment principal matching at least 50% of its anticipated investment size within 9 months after filing with PBoC, an updated filing will need to be made through the onshore interbank bond trade and settlement agent; and

(ii) where a Fund repatriates funds out of the PRC, the ratio of RMB to foreign currency should generally match the original ratio of RMB to foreign currency when the investment principal was remitted into PRC, with a maximum permissible deviation of 10%. Such ratio requirement can be waived for the first repatriation, provided that the foreign currency or RMB capital to be repatriated may not exceed 110% of the foreign currency or RMB amount remitted into the PRC in aggregate. To the extent repatriation is in the same currency as the inward remittance, the currency ratio restriction will not apply. Foreign investment limits, and the regulations relating to the repatriation of capital and profits may potentially be applied in relation to the RQFII Quota as a whole. Hence the ability of a Fund to make investments and/or repatriate monies from the RQFII Quota may be affected adversely by the investments, performance and/or repatriation of monies invested by other investors through the RQFII Quota.

Any repatriation restrictions as may be applicable under PRC regulations in the future, where applicable, could restrict the Fund's ability to satisfy all or any redemption requests in respect of any particular redemption day and accordingly, the Fund may have to manage the liquidity challenges through the maintenance of high cash balances and the imposition of the redemption restrictions referred to above.

Furthermore, as the PRC Sub-Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the PRC Sub-Custodian in case of non-compliance with the RQFII rules and regulations. In such cases, it is expected that redemption proceeds will be paid to the redeeming Shareholder as soon as practicable and after the completion of the repatriation of funds concerned. The actual time required for the completion of the relevant repatriation will be beyond the RQFII's control.

Effect of PRC regulations on subscriptions, redemptions and conversions. The ability of a Shareholder to redeem Shares of a Fund depends, inter alia, on the PRC laws and practices affecting the Fund's ability to liquidate investments and to repatriate the proceeds thereof out of the PRC. Any repatriation restrictions as may be applicable under PRC regulations in the future, where applicable, could restrict the Fund's ability to satisfy all or any redemption requests in respect of any particular redemption day and accordingly, the Fund may have to manage the liquidity challenges through the maintenance of high cash balances and the imposition of the redemption restrictions referred to above. Investors should not invest in the Fund if they have need of greater liquidity than that offered by the Fund.

Applications for subscription and/or conversion of Shares may be subject to sufficient available capacity for a Fund under the relevant Access Programme as combined with the relevant Fund's investment policy and restrictions. Applications received during a period when there is insufficient available capacity for the relevant Fund under the RQFII Quota for example may be suspended and processed for subscription and/or conversion of Shares at the next following subscription date at which sufficient capacity is again available for the Fund. In addition, the Directors (or their duly authorised delegate(s)) may refuse applications and to temporarily or permanently suspend or limit any applications received during a period when there is insufficient available capacity for the relevant Fund under the RQFII Quota/CIBM Direct Access Programme.

Notwithstanding the above, the Directors (or their duly authorised delegate(s)) may determine to temporarily suspend the issue, subscription, redemption, conversion, payment of redemption proceeds and/or valuation of Shares of the relevant Fund during any period when the Fund is unable to transmit subscription proceeds to or from the accounts of the Fund, or dispose of holdings or to repatriate the proceeds of such disposals, subject to certain quota or limits imposed by any regulatory or supervisory, governmental or quasi-governmental

Information Classification: Limited Access

authority, any fiscal body or self-regulatory organisation (whether of a governmental nature or otherwise), for example when subscription proceeds cannot be remitted to the account of the relevant Fund due to insufficient RQFII Quota being available to the Fund or the Fund is unable to dispose of holdings in the relevant Access Programme, or to repatriate the proceeds of such disposals.

Purchase and Sale Information

Primary Market

Subscription For ETF Shares. The provisions below apply to subscriptions for ETF Shares made directly to the Company only and not to purchase of ETF Shares on secondary markets. Applications for subscriptions directly to the Company in respect of ETF Shares may only be made by Authorised Participants. All other investors may purchase ETF Shares through Authorised Participants on the secondary market, as described below in the section entitled "Secondary Market – Secondary Market Purchases and Sales". This restriction does not apply in the case of Non-ETF Shares which may be issued directly by the Company to all prospective investors. Subscriptions for ETF Shares in a Fund may be made, at the discretion of the Directors, in cash, in kind or in a combination of both.

Subscription for Non-ETF Shares. The provisions below also apply to subscriptions for Non-ETF Shares directly to the Company. It is not expected that there will be any secondary market in Non-ETF Shares. Subscriptions for Non-ETF Shares in a Fund may be made in the manner specified in the Relevant Supplement and may at the discretion of the Directors be in cash, in kind or in a combination of both.

Except as disclosed in this Prospectus, the Funds do not impose any restrictions on the frequency of subscriptions and redemptions; however, the Directors may, in their absolute discretion, refuse to accept any subscription for Shares, in whole or in part.

Initial Subscriptions. Shares in any Fund will be issued initially at the price specified in the Relevant Supplement and, thereafter, at the Net Asset Value per Share as specified in the Relevant Supplement. Subscriptions for Shares will be considered upon receipt by the Administrator of completed share applications which satisfy the application requirements including, but not limited to, anti-money laundering documentation and must be settled with, cleared funds and/or any other appropriate consideration as specified below. Such Shares will be issued following the Closing Date of the Initial Offer Period in accordance with the provisions of the Relevant Supplement.

Prospective investors and Shareholders should note that by completing the application form they are providing the Company with personal information, which may constitute personal data within the meaning of the Data Protection Legislation. The personal data of prospective investors and registered Shareholders shall be processed in accordance with the Privacy Statement.

Subsequent Subscriptions. Shareholders may submit subsequent applications, without a requirement to submit original documentation, for Shares in a Fund to the Administrator either by fax or electronically in such format or method as shall be agreed in advance in writing with the Administrator in accordance with the requirements of the Central Bank.

Minimum Subscription Amounts. Shareholders who subscribe for Shares, in any of the ways described below, must subscribe an amount that is at least equal to the Minimum Subscription Amount. The Minimum Subscription Amount may differ for initial subscriptions and subsequent subscriptions and may be waived by the Directors in their absolute discretion. The Minimum Subscription Amount for any Fund will be specified in the Authorised Participant Operating Guidelines.

Application Forms. Signed original subscription application forms and supporting anti-money laundering documentation should be sent by post to the Administrator in accordance with the details set out in the subscription application form. Amendments to a Shareholder's registration details and payment instructions will only be effected upon receipt of original documentation.

Cash Subscriptions. Investors may subscribe for Shares for cash on each Dealing Day by making an application before the dealing deadline specified for each Fund in the Relevant Supplement. Any properly made application received by the Administrator after the time specified in the Relevant Supplement will not be deemed to have been accepted until the following Dealing Day provided always that the Directors may decide, in exceptional circumstances, to accept subscriptions after the relevant dealing deadline provided that they are received before the relevant Valuation Point. Subscription monies in the currency in which the relevant Shares are denominated should be sent by wire transfer to the relevant account specified in the subscription application form no later than the time specified in the Relevant Supplement. If cleared funds representing the subscription monies (including all Duties and Charges) are not received by the Company by the time and date specified in the Relevant Supplement, the Directors reserve the right to cancel any provisional allotment of Shares and may seek to recover any relevant credit charges incurred by the Company in respect of the allotment.

In-Kind Subscriptions for ETF Shares. Each Fund will allow investors to subscribe for ETF Shares in-kind on each Dealing Day, unless specified otherwise in the Relevant Supplement (and except during any period in which the calculation of the Net Asset Value per Share is suspended). In this context, "in-kind" means that, rather than receiving cash in respect of a subscription, the Company will receive securities (or predominantly securities) and a cash component.

Information Classification: Limited Access

Applications for ETF Shares received by the Administrator before the dealing deadline on a Dealing Day specified in the Relevant Supplement are accepted on that Dealing Day and processed in accordance with the Relevant Supplement provided always that the Directors may decide, in exceptional circumstances, to accept subscriptions after the relevant dealing deadline provided that they are received before the relevant Valuation Point.

In-kind subscriptions for ETF Shares may be made by the investors in two ways, as follows. Firstly, settlement may take the form of a basket of securities and a cash component that is designed by the Investment Manager to be closely aligned with the composition of the relevant Fund (so that the Investment Manager will not be required, following completion of the subscription, to take any further material steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund) (a **"Fixed Portfolio Basket"**). The composition of the Fixed Portfolio Basket to be delivered by an investor and an estimated amount of the balance in cash are published every Dealing Day on the Website.

Secondly, settlement may be in the form of a basket of securities agreed between the investor and the Investment Manager from a list identified by the Investment Manager as appropriate for the Fund in the implementation of its investment policy (but which, in order to enable the Fund to fully achieve its investment objective, may require the Investment Manager to take further steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund) and a cash component (a **"Negotiated Portfolio Basket"**).

The list of acceptable securities that may be delivered by an applicant as part of a Negotiated Portfolio Basket will be notified to any investor wishing to subscribe in this way, on the relevant Dealing Day.

The exact value of the cash balance in the case of each of a Fixed Portfolio Basket and a Negotiated Portfolio Basket is determined after calculation of the Net Asset Value of the relevant Fund for the relevant Dealing Day, established on the basis of the prices used in calculating the Net Asset Value per Share, and equals the difference between the value of the Shares to be issued and the value of the Fixed Portfolio Basket or Negotiated Portfolio Basket, as the case may be, using the same valuation methodology as that used to determine the Net Asset Value per Share.

Settlement/delivery of subscriptions is made no later than five (5) Business Days after the relevant Dealing Day.

The Directors have the right to refuse the securities proposed and have a period of seven (7) Business Days from the date they are deposited to provide notification of its decision. If the Fixed Portfolio Basket or the Negotiated Portfolio Basket, as the case may be, is not delivered to the Company, in exactly the form agreed with the Investment Manager, together with the relevant cash component, by the time and date specified in the Relevant Supplement, the Directors reserve the right to cancel any provisional allotment of Shares and may seek to recover any relevant credit charges incurred by the Company in respect of the allotment. For all in-kind subscriptions, (i) the nature of the assets to be transferred to the relevant Fund must be such that they would qualify as investments of the relevant Fund in accordance with its investment objectives, policies and restrictions; (ii) the assets must be vested with the Depositary or arrangements be made to vest the assets with the Depositary; (iii) the number of Shares to be issued must not exceed the amount that would be issued for the cash equivalent; and (iv) the Depositary is satisfied that there is unlikely to be any material prejudice to the existing Shareholders.

Applications for ETF Shares are irrevocable and the provisions described above may be applied to any application for Shares that is not fully settled in the manner described above.

In-Kind Subscriptions for Non-ETF Shares. Each Fund may allow investors to subscribe for Non-ETF Shares in-kind on each Dealing Day, where specified in the Relevant Supplement (and except during any period in which the calculation of the Net Asset Value per Share is suspended). In this context, "in-kind" means that, rather than receiving cash in respect of a subscription, the Company will receive securities (or predominantly securities) and a cash component.

Applications for Non-ETF Shares received by the Administrator before the dealing deadline on a Dealing Day specified in the Relevant Supplement are accepted on that Dealing Day and processed in accordance with the Relevant Supplement provided always that the Directors may, in exceptional circumstances, decide to accept subscriptions after the relevant dealing deadline provided that they are received before the relevant Valuation Point.

In-kind subscriptions for Non-ETF Shares may be accepted from investors at the discretion of the Directors by way of a Fixed Portfolio Basket as described above in "In-Kind Subscriptions for ETF Shares". The composition of the Fixed Portfolio Basket to be delivered by an investor and an estimated amount of the balance in cash are published every Dealing Day on the Website. In-Kind Subscriptions for Non-ETF Shares are generally not accepted by way of a Negotiated Portfolio Basket.

The exact value of the cash balance in the case of a Fixed Portfolio Basket is determined after calculation of the Net Asset Value of the relevant Fund for the relevant Dealing Day, established on the basis of the prices used in calculating the Net Asset Value per

Information Classification: Limited Access

Share, and equals the difference between the value of the Shares to be issued and the value of the Fixed Portfolio Basket using the same valuation methodology as that used to determine the Net Asset Value per Share.

Settlement/delivery of subscriptions is made no later than five (5) Business Days after the relevant Dealing Day.

If the Fixed Portfolio Basket is not delivered to the Company, in exactly the form agreed with the Investment Manager, together with the relevant cash component, by the time and date specified in the Relevant Supplement, the Directors reserve the right to cancel any provisional allotment of Shares and may seek to recover any relevant credit charges incurred by the Company in respect of the allotment. For all in-kind subscriptions, (i) the nature of the assets to be transferred to the relevant Fund must be such that they would qualify as investments of the relevant Fund in accordance with its investment objectives, policies and restrictions; (ii) the assets must be vested with the Depositary or arrangements be made to vest the assets with the Depositary; (iii) the number of Shares to be issued must not exceed the amount that would be issued for the cash equivalent; and (iv) the Depositary is satisfied that there is unlikely to be any material prejudice to the existing Shareholders.

Applications for Non-ETF Shares are irrevocable and the provisions described above may be applied to any application for Shares that is not fully settled in the manner described above.

Duties and Charges for Cash and in Kind Subscriptions. The Directors may, in their absolute discretion, include an appropriate provision for Duties and Charges in respect of each subscription.

Registration of Shares.

All Shares issued will be in registered form. A written trade confirmation will be sent to investors that have subscribed for Shares. Shares may only be issued as fully paid in whole units.

Shares will be issued in dematerialised non-certificated form in the International Central Securities Depositaries subject to the issue of a global share certificate (where required by the International Central Securities Depositary in which the Shares are held). The International Central Securities Depositaries for the Funds are currently Euroclear Bank S.A./N.V. and Clearstream Banking, Société Anonyme, Luxembourg, and any successor entity thereto. No individual certificates for Shares will be issued by the Company. The global share certificate will be deposited with the relevant common depositary (being the entity nominated by the relevant International Central Securities Depositary to hold the global share certificate) and registered in the name of the relevant common depositary (or its nominee). The common depositary (or its nominee) will appear as a Shareholder on the register of Shareholders in respect of such Shares. As a result, purchasers of Shares in the Funds will not be recorded as Shareholders on the register of Shareholders of the Company but will hold a beneficial interest in such Shares and the rights of such investors will be governed by their agreement with their nominee, broker or central securities depositary as appropriate.

The Company or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Shares; (b) the identity of any other person or persons then or previously interested in such Shares; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Company with applicable laws or the constitutional documents of the Company.

The Company or its duly authorised agent may from time to time request the applicable International Central Securities Depositary to provide the Company with following details: ISIN, ICSD participant name, ICSD participant type - Fund/Bank/Individual, residence of ICSD Participant, number of ETF of the Participant within Euroclear and Clearstream, as appropriate, that holds an interest in Shares and the number of such interests in the Shares held by each such Participant.

Euroclear and Clearstream

Participants which are holders of interests in Shares or intermediaries acting on behalf of such account holders will provide such information upon request of the ICSD or its duly authorised agent and have been authorised pursuant to the respective rules and procedures of Euroclear and Clearstream to disclose such information to the Company of the interest in Shares or to its duly authorised agent.

Investors may be required to provide promptly any information as required and requested by the Company or its duly authorised agent, and agree to the applicable International Central Securities Depositary providing the identity of such Participant or investor to the Company upon their request.

Redemption of Shares. The provisions set out below apply only to redemptions of ETF and Non-ETF Shares by the Company to primary market investors, such as Authorised Participants in relation to ETF Shares and not to disposals of ETF Shares on the secondary markets. ETF Shares purchased on the secondary market cannot usually be sold directly back to the Company. Investors must buy and sell shares on a secondary market with the assistance of an intermediary (eg a stockbroker) and may incur fees for doing so. In addition, investors may pay more than

Information Classification: Limited Access

the current net asset value when buying shares and may receive less than the current net asset value when selling them. However in exceptional circumstances, investors who have acquired ETF Shares on the secondary market may be entitled redeem their Shares directly with the Company as described below in the section entitled **"Secondary Market – Secondary Market Purchases and Sales"**.

Redemption Applications. Shareholders may request the Company to redeem their Shares on any Dealing Day in accordance with the following redemption procedures and as specified in the Relevant Supplement. The Directors may decide to accept, in exceptional circumstances, redemption requests after the relevant dealing deadline provided that they are received before the relevant Valuation Point. A properly completed redemption instruction must be received by the Administrator by fax or, if agreed with the Administrator, by electronic means before the dealing deadline on the relevant Dealing Day specified in the Relevant Supplement provided that, in the case of faxed redemption requests, payment of redemption proceeds will be made only to the account of record. The Directors may, in their absolute discretion, reject a request to redeem Shares, in whole or in part, where the Directors have reason to believe that the request is being made fraudulently.

Minimum Redemption Amount. Shareholders who wish to redeem Shares may only redeem Shares with a value that is at least equal to the Minimum Redemption Amount. The Minimum Redemption Amount may be waived by the Directors in their absolute discretion. The Minimum Redemption Amount for any Fund will be specified in the Authorised Participant Operating Guidelines.

Redemptions for Cash. Shareholders may request the redemption, in cash, of Shares on any Dealing Day at the Net Asset Value per Share as of the relevant Dealing Day. The Administrator or the Directors may refuse to process a redemption request until proper information has been provided. Any amendments to a Shareholder's registration detail or payment instructions will only be effected upon receipt of original documentation by the Administrator. All redemptions for cash will be subject to an appropriate provision for Duties and Charges. Payment for Shares redeemed will be effected no later than ten (10) Business Days after the relevant dealing deadline. Redemption proceeds in the Base Currency of the Class will be paid by wire transfer to the appropriate bank account as notified by the redeeming Shareholder. The cost of any transfer of proceeds by wire transfer will be deducted from such proceeds. Payment will be made only to an account in the name of the registered Shareholder. The Shares shall be redeemed at the Net Asset Value per Share on the Dealing Day on which redemption is effected.

Redemption of Shares In-Kind. Each Fund will allow Shareholders to redeem Shares in-kind on each Dealing Day, unless specified otherwise in the Relevant Supplement. In this context, "in-kind" means that, with the consent of the Shareholder, rather than delivering cash proceeds in respect of a redemption, the Company will deliver securities or a combination of cash and securities, provided that the asset allocation is subject to the approval of the Depositary. Redemption requests must be received by the Administrator before the dealing deadline on the relevant Dealing Day specified in the Relevant Supplement. The composition of the basket of securities to be delivered by the Company and an estimated amount of the balance in cash are published every Dealing Day on the Website. The exact value of the cash balance is determined after calculation of the Net Asset Value on the relevant Dealing Day, established on the basis of the prices used in calculating the Net Asset Value per Share, and equals the difference between the value of the Shares to be redeemed and the value of the basket of securities at the prices used in calculating the Net Asset Value per Share on the same date. All redemptions in-kind will be subject to an appropriate provision for Duties and Charges.

Where a Shareholder requests redemption of Shares in a Fund representing 5% or more of the Net Asset Value, the Company may determine in its sole discretion to provide the redemption in-kind. The assets to be transferred shall be selected at the discretion of the Directors, subject to the approval of the Depositary and taken at their value used in determining the redemption price of the Shares being so repurchased. In this event the Company will, if requested, sell the assets on behalf of the Shareholder at the Shareholder's expense and give the Shareholder cash. Such distributions will not materially prejudice the interests of the remaining Shareholders. The costs of any such disposal shall be borne by the redeeming Shareholder.

Redemption Proceeds. Redemptions proceeds (in-kind and/or in cash) will only be released where the Administrator has received the original application form and all requested supporting anti-money laundering documentation. Where Shares are issued in dematerialised form in one or more recognised clearing and settlement systems, redemption of these Shares can only be completed by the delivery of those Shares back through that recognised clearing and settlement system. Redemption instructions received after the relevant deadlines will be held over and dealt with on the following Dealing Day, unless the Directors otherwise determine. Redemption instructions should be sent by facsimile (or by electronic means if agreed with the Administrator) to the Administrator. Shareholders will not be entitled to withdraw redemption requests unless otherwise agreed by the Directors in consultation with the Administrator.

Redemption Limits. If redemption requests received in respect of Shares of a particular Fund on any Dealing Day total, in aggregate, more than 10% of all of the issued Shares of that Fund on that

Information Classification: Limited Access

Dealing Day, the Directors shall be entitled, at their absolute discretion, to refuse to redeem such number of Shares of that Fund on that Dealing Day, in excess of 10% of the issued Shares of the Fund, in respect of which redemption requests have been received, as the Directors shall determine. If the Company refuses to redeem Shares for this reason, the requests for redemption on such date shall be reduced rateably and the Shares to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day (but shall not receive priority on such subsequent Dealing Day), provided that the Company shall not be obliged to redeem more than 10% of the number of Shares of a particular Fund outstanding on any Dealing Day, until all the Shares of the Fund to which the original request related have been redeemed.

Conversions. A transfer from one Fund to another is executed by the redemption of the Shares of the original Fund and the subscription of Shares in the Fund. On this basis and unless otherwise stated in the Relevant Supplement, Shareholders will be entitled on any Dealing Day to convert any or all of their Shares of any Class in any Fund into Shares of any Class in any other Fund, provided that they meet all of the normal criteria for subscriptions into that Fund, except where dealings in the relevant Shares have been temporarily suspended in the circumstances described in this Prospectus. Conversions will be subject to an appropriate provision for Duties and Charges.

Compulsory Redemptions of Shares. A Fund is established for an unlimited period and may have unlimited assets. However, a Fund may (but is not obliged to) redeem all of the Shares of any series or class in issue if:

a) the Shareholders of the relevant Fund pass a special resolution providing for such redemption at a general meeting of the holders of the Shares of that class;

b) the redemption of the Shares in that class is approved by a resolution in writing signed by all of the holders of the Shares in that class of the relevant Fund;

c) The Directors deem it appropriate because of adverse political, economic, fiscal or regulatory changes affecting the relevant Fund in any way;

d) the Net Asset Value of the relevant Fund falls below US$50,000,000 or the prevailing currency equivalent in the currency in which Shares of the relevant Fund are denominated;

e) the Shares in the relevant Fund cease to be listed on a Listing Stock Exchange; or

f) the Directors deem it appropriate for any other reason, in which case thirty (30) days' notice shall be provided to Shareholders.

If the Depositary has given notice of its intention to retire and no new depositary acceptable to the Company and the Central Bank has been appointed within ninety (90) days of such notice, the Company shall apply to the Central Bank for revocation of its authorisation and shall redeem all of the Shares of any series or class in issue.

In each such case, the Shares of class shall be redeemed after giving not less than one (1) month's but not more than three (3) months' prior notice to all holders of such Shares. The Shares will be redeemed at the Net Asset Value per Share on the relevant Dealing Day less such sums as the Directors in their discretion may from time to time determine as an appropriate provision for estimated realisation costs of the assets of the Company.

Directed Trading. Authorised Participants in the primary markets may request the execution of a transaction, including, without limitation, the sale or purchase of securities on their behalf, either as part of a subscription or a redemption, in accordance with specific terms. These terms may include, without limitation, the use of a particular broker or market or other terms which are not in accordance with the standard terms on which the Investment Manager executes transactions for the Company generally, having regard to its obligation to provide best execution to the Company. Any investor wishing to instruct a transaction on such specific terms should contact the Investment Manager in good time in advance of any proposed trade date to propose the terms of such transaction, provided that neither the Company nor the Investment Manager shall be under any obligation to consent to any such proposal. Investors should note that none of the Company, the Investment Manager or their agents accept any liability for any loss, damage or delay caused by compliance with any such terms agreed with an investor. Investors should also read the risk warning headed **"Directed Trading Risk"** in the **"Risk Information"** section.

SECONDARY MARKET

Secondary Market Purchases and Sales of ETF Shares. The ETF Shares are listed for secondary trading on each Listing Stock Exchange and individual ETF Shares may be purchased and sold on Listing Stock Exchanges through a broker-dealer. The opening and closing days for the Listing Stock Exchanges will be specified on the Website. If an investor buys or sells ETF Shares in the secondary market, such investor will pay the secondary market

Information Classification: Limited Access

price for ETF Shares. In addition, an investor may incur customary brokerage commissions and charges and may pay some or all of the spread between the bid and the offered price in the secondary market on each leg of a round trip (purchase and sale) transaction. Investors should also read the risk warnings headed **"Costs Of Buying And Selling Shares Risk"** and **"Trading Issues Risk"** in the **"Risk Information"** section.

ETF Shares purchased on the secondary market cannot usually be sold directly back to the Company. In exceptional circumstances as determined by the Directors, whether as a result of disruptions in the secondary market or otherwise, investors who have acquired ETF Shares on the secondary market are entitled to apply to the Company in writing to have the ETF Shares in question registered in their own name, to enable them to access the redemption facilities described above in the **"Primary Market"** section. Investors wishing to do so should contact the Administrator to provide such proper information, including original documentation, as the Administrator shall require in order to register the investor as a Shareholder. A charge, which shall be at normal market rates, may apply for this process.

Secondary Market Prices. The trading prices of a Fund's ETF Shares will fluctuate continuously throughout trading hours based on market supply and demand rather than the Net Asset Value per Share, which is only calculated at the end of each business day. The ETF Shares will trade on the Listing Stock Exchange at prices that may be above (i.e., at a premium) or below (i.e., at a discount), to varying degrees, the Net Asset Value per Share. The trading prices of a Fund's ETF Shares may deviate significantly from the Net Asset Value per Share during periods of market volatility and may be subject to brokerage commissions and/or transfer taxes associated with the trading and settlement through the relevant stock exchange. There can be no guarantee that once the ETF Shares are listed on a stock exchange they will remain listed. Information showing the number of days the market price of a Fund's ETF Shares was greater than the Net Asset Value per Share and the number of days it was less than the Net Asset Value per Share (i.e., premium or discount) for various time periods is available on the Website. Investors should also read the risk warning headed **"Fluctuation of Net Asset Value"** in the **"Risk Information"** section.

An **INAV** which is an estimate of the Net Asset Value per Share calculated using market data will be disseminated at regular intervals throughout the day. The INAV is based on quotes and last sale prices from the securities' local market and may not reflect events that occur subsequent to the local market's close. Premiums and discounts between the INAV and the market price may occur and the INAV should not be viewed as a "real-time" update of the Net Asset Value per Share, which is calculated only once a day. Neither the Funds, nor the Investment Manager or any of their affiliates, nor any third party calculation agents involved in, or responsible for, the calculation or publication of such INAVs makes any warranty as to their accuracy. Details of the INAV for each Fund are available on the Website.

Information Classification: Limited Access

Determination of Net Asset Value

The Company has delegated the calculation of the Net Asset Value of each Fund and the Net Asset Value per Share to the Administrator.

The Net Asset Value of a Fund shall be calculated by ascertaining the value of the assets of the relevant Fund and deducting from such amount the liabilities of the Fund, which shall include all fees and expenses payable and/or accrued and/or estimated to be payable out of the assets of the Fund.

The Net Asset Value per Share of a Fund shall be calculated by dividing the Net Asset Value of the relevant Fund by the total number of Shares issued in respect of that Fund or deemed to be in issue as of the relevant Business Day.

The Net Asset Value per Share in each Fund shall be calculated to the nearest four decimal places in the Base Currency of the relevant Fund on each Business Day in accordance with the valuation provisions set out in the Articles and summarised below.

In the event that the Shares of any Fund are divided into different classes of Shares, the amount of the Net Asset Value of the Company attributable to a class shall be determined by establishing the number of Shares issued in the class at the relevant Valuation Point and by allocating the relevant fees and class expenses to the class, making appropriate adjustments to take account of distributions, subscriptions, redemptions, gains and expenses of that class and apportioning the Net Asset Value of the Company accordingly. The Net Asset Value per Share in respect of a class will be calculated by dividing the Net Asset Value of the relevant class by the number of Shares of the relevant class in issue. The Net Asset Value of the Company attributable to a class and the Net Asset Value per Share in respect of a class will be expressed in the class currency of such class if it is different to the Base Currency.

The Net Asset Value per Share in the Company will be calculated at the Valuation Point on each Business Day.

Each asset which is quoted, listed or traded on or under the rules of any Recognised Market shall be valued using the index method of valuations. Accordingly, depending on the terms of the relevant index, such assets will be valued at (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price on the relevant Recognised Market at the close of business on such Recognised Market on each Dealing Day. Prices will be obtained for this purpose by the Administrator from independent sources, such as recognised pricing services or brokers specialising in the relevant markets. If the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market shall be either (a) that which is the main market for the investment or (b) the market which the Directors determine provides the fairest criteria in a value for the security, as the Directors may determine. If prices for an investment quoted, listed or traded on the relevant Recognised Market are not available at the relevant time, or are unrepresentative in the opinion of the Directors, such investment shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Directors and approved for the purpose by the Depositary. If the investment is quoted, listed or traded on a Recognised Market but acquired or traded at a premium or discount outside of or off the Recognised Market, the investment shall be valued taking into account the level of premium or discount as of the date of valuation of the instrument and the Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Neither the Directors or their delegates nor the Depositary shall be under any liability if a price reasonably believed by them to be the (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price for the time being, may be found not to be such.

The value of any investment which is not normally quoted, listed or traded on or under the rules of a Recognised Market, will be valued at its probable realisation value estimated with care and in good faith by the Directors in consultation with the Administrator or by a competent person, firm or corporation appointed by the Directors and approved for such purpose by the Depositary.

Cash in hand or on deposit shall be valued at face value together with accrued interest where applicable, unless in the opinion of the Directors (in consultation with the Administrator and the Depositary) any adjustment should be made to reflect the fair value thereof.

Derivative instruments including swaps, interest rate futures contracts, exchange traded futures, index futures and other financial futures contracts which are traded on a Recognised Market shall be valued at the settlement price as determined by the relevant Recognised Market at the close of business on such Recognised Market, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments shall be valued at their probable realisation value estimated with care and in good faith by the Directors, who shall

Information Classification: Limited Access

be approved for the purpose by the Depositary, in consultation with the Administrator.

OTC derivatives will be valued either using the counterparty's valuation or an alternative valuation provided by the Company or by an independent pricing vendor appointed by the Directors and approved for this purpose by the Depositary. OTC derivatives shall be valued at least daily. If using the counterparty's valuation, such valuation must be approved or verified by a party independent of the counterparty and approved by the Depositary (which may include the Company or a party related to the OTC counterparty provided that it is an independent unit within the same group and which does not rely on the same pricing models employed by the counterparty) on a weekly basis. If using an alternative valuation, the Company will follow international best practice and adhere to the principles on valuation of OTC derivatives established by bodies such as International Organisation of Securities Commissions and Alternative Investment Management Association. In the event that the Company opts to use an alternative valuation, the Company will use a competent person appointed by the Directors, approved for this purpose by the Depositary, or will use a valuation by any other means provided that the value is approved by the Depositary. All alternative valuations will be reconciled with the counterparty's valuation on at least a monthly basis. Any significant differences to the counterparty valuation will be promptly investigated and explained.

Forward foreign exchange and interest rate swap contracts may be valued by reference to freely available market quotations or, if such quotations are not available, in accordance with the provisions in respect of OTC derivatives.

In calculating the Net Asset Value of each Fund and the Net Asset Value per Share in each Fund, the Administrator may rely on such automatic pricing services as it shall determine and the Administrator shall not be liable (in the absence of fraud, negligence or wilful default) for any loss suffered by the Company or any Shareholder by reason of any error in calculation of the Net Asset Value resulting from any inaccuracy in the information provided by any pricing service. The Administrator shall use reasonable endeavours to verify any pricing information supplied by the Investment Manager or any connected person including a connected person who is a broker or market maker or other intermediary, however in certain circumstances it may not be possible or practicable for the Administrator to verify such information and in such circumstances the Administrator shall not be liable (in the absence of fraud, negligence or wilful default) for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by the Investment Manager or its delegates provided that the use of such information in the circumstances was reasonable.

In circumstances where the Administrator is directed by the Investment Manager or its delegates to use particular pricing services, brokers, market makers or other intermediaries, the Administrator shall not be liable for any loss suffered by the Company or any Shareholder by reason of any error in the calculation of the Net Asset Value of the Fund and the Net Asset Value per Share in each Fund resulting from any inaccuracy in the information provided by such pricing services, brokers, market makers or other intermediaries.

Certificates of deposit shall be valued by reference to the latest available sale price for certificates of deposit of like maturity, amount and credit risk on each Dealing Day or, if such price is not available, at the latest bid price or, if such price is not available or is unrepresentative of the value of such certificate of deposit in the opinion of the Directors, at probable realisation value estimated with care and in good faith by a competent person appointed by the Directors and approved for the purpose by the Depositary. Treasury bills and bills of exchange shall be valued with reference to prices ruling in the relevant markets for such instruments of like maturity, amount and credit risk at close of business on such markets on the relevant Dealing Day.

Units or Shares in collective investment schemes shall be valued on the basis of the latest available net asset value per unit or Share as published by the collective investment scheme. If units or Shares in such collective investment schemes are quoted, listed or traded on or under the rules of any Recognised Market then such units or Shares will be valued in accordance with the rules set out above for the valuation of assets which are quoted, listed or traded on or under the rules of any Recognised Market. If such prices are unavailable, the units or Shares will be valued at their probable realisation value estimated with care and in good faith by the Directors in consultation with the Administrator or by a competent person, firm or corporation appointed for such purpose by the Directors and approved for the purpose by the Depositary.

Notwithstanding the above provisions the Directors may, with the approval of the Depositary (a) adjust the valuation of any listed investment where such adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant; or (b) in relation to a specific asset permit an alternative method of valuation approved by the Depositary to be used if they deem it necessary.

In determining the Net Asset Value per Share, all assets and liabilities initially expressed in foreign currencies will be converted into the Base Currency of the relevant Fund at market rates. If such quotations are not available, the rate of exchange will be determined to be the probable realisation value estimated with care and in good faith by the Directors.

Information Classification: Limited Access

Save where the determination of the Net Asset Value per Share in respect of any Fund has been temporarily suspended in the circumstances described under **"Temporary Suspension of Dealings"** below, the Net Asset Value per Share shall be made public after the Valuation Point on the business day following the relevant Dealing Day. Following calculation at the registered office of the Investment Manager and the up to date Net Asset Value per Share will also be available on the Website. The Net Asset Value per Share shall be available from the office of the Administrator and it shall also be published by the Administrator in various publications as required and will be notified to any Listing Stock Exchange in accordance with the rules of the relevant Listing Stock Exchange.

Temporary Suspension of Dealings. The Directors may at any time, with prior notification to the Depositary, temporarily suspend the issue, valuation, sale, purchase, redemption or conversion of Shares of any Fund, or the payment of redemption proceeds, during:

a) any period when any Recognised Market on which a substantial portion of the investments for the time being comprised in the Company are quoted, listed or dealt in is closed otherwise than for ordinary holidays, or during which dealings on any such Recognised Market are restricted or suspended;

b) any period when, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Directors, the disposal or valuation of investments for the time being comprised in the Company cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interests of Shareholders;

c) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the Company or during any period when for any other reason the value of investments for the time being comprised in the Company cannot, in the opinion of the Directors, be promptly or accurately ascertained;

d) any period when the Company is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the Company, or the transfer or payment of funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange;

e) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the Company or the remaining Shareholders in the Company; and

f) any period when the Directors determine that it is in the best interests of the Shareholders to do so.

Notice of any such suspension shall be published by the Company at its registered office and in such newspapers and through such other media as the Directors may from time to time determine and shall be transmitted immediately to the Central Bank (without delay) and the Shareholders. Shareholders who have requested the issue or redemption of Shares of any series or class will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted unless applications or redemption requests have been withdrawn prior to the lifting of the suspension. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Information Classification: Limited Access

Distributions

Dividends and Capital Gains.

Shareholders of each Fund are entitled to their share of a Fund's income and net realised gains on its investments. Each Fund typically earns income in the form of dividends from stocks, interest from debt securities and, if any, securities lending income. Each Fund realises capital gains or losses whenever it sells securities. Depending on the underlying market, if there are capital gains, the Fund may be subject to a capital gains tax in that underlying market.

Each Fund may have accumulating Shares, where income and capital gains are reflected in the Net Asset Value per Share, or distributing Shares, where, at the discretion of the Directors, any combination of income and capital gains are distributed to shareholders on a periodic basis, or both. The distribution policies applicable to Shares of any Fund will be specified in the Relevant Supplement. The distribution policy of any Fund or of any class of Shares may be changed by the Directors upon reasonable notice to Shareholders of that Fund or class of Shares as the case may be and, in such circumstances, the distribution policies will be disclosed in an updated Prospectus and/or Supplement.

Dividends will be declared in the currency of the applicable Share Class. Any dividend paid on a Share of any Fund that has not been claimed within six years of its declaration shall be forfeited and shall be retained for the benefit of the relevant Fund. No interest shall be paid on any dividend.

Fees and Expenses

All of the fees and expenses payable in respect of a Fund are paid as one single fee. This is referred to as the total expense ratio or "TER". The TER does not include extraordinary costs and certain ongoing costs and expenses as outlined below.

After deduction and payment of Directors' fees and expenses and the Auditors' fees and expenses, (both of which are included in the TER), the balance of the TER is paid to the Investment Manager, and the Investment Manager is then responsible for the payment of all operational expenses of the Company. This includes, but is not limited to, fees and expenses of the Investment Manager, Depositary, Administrator, and Company Secretary. The Investment Manager may pay part or all of its fees to any person that invests in or provides services to the Company or in respect of any Fund.

The Investment Manager will also be responsible for the payment of the following fees and expenses:

- the cost of listing and maintaining a listing of Shares on any Listing Stock Exchange;
- the cost of convening and holding Directors' and Shareholders' meetings;
- professional fees and expenses for legal and other consulting services;
- the costs and expenses of preparing, printing, publishing and distributing prospectuses, supplements, annual and semi-annual reports and other documents to current and prospective Shareholders;
- the costs and expenses arising from any licensing or other fees payable to any Index Provider or other licensor of intellectual property, trademarks or service marks used by the Company;
- the costs and expenses of any investment adviser appointed by the Investment Manager;
- all establishment costs of the Company and the Funds not otherwise referred to above; and
- such other costs and expenses (excluding non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Directors as necessary or appropriate for the continued operation of the Company or of any Fund.

The TER does not include extraordinary costs and certain ongoing costs and expenses (including but not limited to transaction charges, stamp duty or other taxes on the investments of the Company, including duty charges for portfolio re-balancing, withholding taxes, commissions and brokerage fees incurred with respect to the Company's investments, interest on borrowings and bank charges incurred in negotiating, effecting or varying the terms of such borrowings, any commissions charged by intermediaries in relation to an investment in the Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the Company, all of which will be paid separately out of the assets of the relevant Fund). The TER also excludes Embedded Costs which, if applicable, will be incurred in addition to the TER out of the assets of the relevant Fund.

The TER is calculated and accrued daily from the Net Asset Value of each Fund and payable monthly in arrears. The TER of each Fund of the Company is as listed in the Relevant Supplement. If a Fund's expenses exceed the TER outlined above in relation to operating the funds, the Investment Manager will cover any shortfall from its own assets.

Remuneration Policy and Practices

The Company is subject to remuneration policies, procedures and practices (together, the "**Remuneration Policy**") which complies with the UCITS Directive. The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed not to encourage risk-taking which is inconsistent with the risk profile of the Funds. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Company and the Funds, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the Company or the Funds, and ensures that no individual will be involved in determining or approving their own remuneration. The Remuneration Policy will be reviewed annually. Details of the up-to-date Remuneration Policy are contained within the Annual Report and Audited Financial Statements under Appendix I Remuneratoin Policy (unaudited), which are available on the Website. The Remuneration Policy will also be made available for inspection and may be obtained, free of charge, at the registered office of the Company.

The Board has delegated certain activities, in respect of the investment management and risk management of the Funds, to the Investment Manager. The global State Street remuneration policy applies to the Investment Manager's employees. Such remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profile of the Funds managed by the Company.

Information Classification: Limited Access

Tax Information

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares (other than dealers in securities). The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.

Taxation of the Company

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

Provided the Shares remain held in a recognised clearing system (which includes CREST, Euroclear and Clearstream Banking), the Company will not be obliged to account for any Irish tax in respect of the Shares. However, if the Shares cease to be held in a recognised clearing system, the Company would be obliged to account for Irish tax to the Irish Revenue Commissioners in certain circumstances.

Taxation of Non-Irish Shareholders

Shareholders who are not resident (or ordinarily resident) in Ireland for Irish tax purposes will have no liability to Irish income tax or capital gains tax in respect of their Shares.

If a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax (on a self-assessment basis) in respect of the Shares.

Taxation of Irish Shareholders

Shareholders who are resident (or ordinarily resident) in Ireland for Irish tax purposes will be obliged to account (on a self-assessment basis) for any Irish tax due arising on distributions, redemptions and disposals (including deemed disposals where Shares are held for eight years) in respect of the Shares. For Shareholders who are individuals, the applicable Irish tax rate is currently 41%. For Shareholders who are companies (other than dealers in securities), the applicable Irish tax rate is currently 25%.

Irish Stamp Duty

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution in specie of assets from the Company, a charge to Irish stamp duty could potentially arise.

Irish Gift & Inheritance Tax

Irish capital acquisitions tax (at a rate of 33%) could apply to gifts or inheritances of the Shares (irrespective of the residence or domicile of the donor or donee) because the Shares could be treated as Irish situate assets. However, any gift or inheritance of Shares will be exempt from Irish capital acquisitions tax once:

a) the Shares are comprised in the gift/inheritance both at the date of the gift/inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);

b) the person from whom the gift/inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and

c) the person taking the gift/inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift/inheritance.

Reporting of Information

The Company may be required to report information on Shareholders in accordance with the EU Reporting Regime adopting the regime known as the OECD Common Reporting Standard.

Withholding tax

The Company may be subject to non-recoverable withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments.

FATCA

Ireland has an intergovernmental agreement with the United States of America (the **"IGA"**) in relation to FATCA, of a type commonly known as a 'model 1' agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Company intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA. Unless an exemption applies, the Company shall be required to register with the U.S. Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified U.S. persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified U.S. persons. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances. Any information reported by the Company to the Irish Revenue Commissioners will be communicated to the U.S. Internal Revenue Service pursuant to the IGA. It is possible

Information Classification: Limited Access

that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Company should generally not be subject to FATCA withholding tax in respect of its U.S. source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on U.S. source payments to the Company if the Company did not comply with its FATCA registration and reporting obligations and the U.S. Internal Revenue Service specifically identified the Company as being a 'non-participating financial institution' for FATCA purposes.

United Kingdom

General

The statements on United Kingdom taxation below are intended to be a general guide to the anticipated tax treatment in the United Kingdom of its Shareholders. This is not a comprehensive summary of United Kingdom taxation in respect of all classes of investors and is not intended to constitute legal or tax advice to investors. Prospective investors should consult their own professional advisers on the overall tax consequences of investing in the Company.

The statements below relate to Shareholders holding Shares as an investment (as opposed to dealers in securities, insurance companies and certain trusts) and are based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) in force at the date of this Prospectus, both of which are subject to change at any time, possibly with retrospective effect. The statements do not cover United Kingdom Shareholders which are tax exempt or subject to special taxation regimes (including pension funds). As is the case with any investment, there can be no guarantee that the tax position prevailing at the time an investment in the Company is made will continue indefinitely. The statements below only relate to the United Kingdom tax treatment of Shareholders who are United Kingdom resident and domiciled individuals and United Kingdom resident companies investing in Shares in the Company. This summary does not apply to any United Kingdom resident companies which are deemed to be interested (whether directly or indirectly) in at least 25% of the profits of the Company or of any Fund.

The Company

Provided that the Directors ensure that central management and control of the Company remains outside of the United Kingdom, and that the Company does not carry on a trade in the United Kingdom, the Company should not be subject to United Kingdom corporation tax on its income or capital gains.

The Offshore Funds Regulations

The Taxation (International and Other Provisions) Act 2010 and The Offshore Funds (Tax) Regulations 2009 (as amended) (the "**Regulations**"), contain provisions which may affect United Kingdom tax resident investors in offshore funds.

The Regulations provide that if an investor resident in the United Kingdom for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that investor upon the sale or other disposal of that interest will be charged to United Kingdom tax as income and not as a chargeable gain, unless an exemption applies.

Alternatively, where an investor resident in the United Kingdom for taxation purposes holds an interest in an offshore fund (unless, as regards United Kingdom resident corporate investors, the offshore fund fails the 'non-qualifying investment test' referred to below) that has been approved by HM Revenue & Customs as a UK 'reporting fund' for all periods of account for which the investor holds its interest, any gain accruing upon sale or other disposal of the interest will be subject to capital gains tax (or corporation tax on chargeable gains in the case of investors within the charge to United Kingdom corporation tax) rather than tax on income.

Where an offshore fund may have been a non-reporting fund for part of the time during which the United Kingdom shareholder held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the shareholder in order to pro-rate any gain made upon disposal; the impact being that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. In these circumstances, from the date the offshore fund changes status such elections have specified time limits in which they can be made.

In the case of an offshore fund which fails the 'non-qualifying investment test' (i.e more than 60% of the offshore fund's assets consist of debt securities or other interest bearing or economically equivalent assets), whether or not the offshore fund is a reporting fund, a United Kingdom resident investor within the charge to corporation tax will be subject to tax as income on all profits and gains arising from, and fluctuations in the value of, its interest in the offshore fund (calculated at the end of each accounting period of the investor and at the date of disposal of the interest) in accordance with fair value accounting.

Information Classification: Limited Access

Separate classes of Shares of the Company will be regarded separately in determining if they constitute 'offshore funds' for the purposes of the Regulations.

It should be noted that a 'disposal' for United Kingdom tax purposes would generally include a redemption or switching of interest between Classes of Shares in the Company.

To obtain reporting fund status for a particular Class of Shares, the Directors of the Company must apply to HM Revenue & Customs for a particular Class of Shares to constitute a reporting fund within specified time limits and demonstrate to HM Revenue & Customs that the particular Class of Shares complies with the applicable rules in force for reporting funds status.

As at the date of this Prospectus, the Company has obtained reporting fund status for each Class of Shares currently in issue from HM Revenue & Customs and reporting fund status will remain in place for so long as the annual requirements of the Regulations are met.

The Directors intend to manage the affairs of the Company and the Funds so that the requirements to obtain and maintain reporting fund status in respect of each Class of Shares are met and continue to be met on an ongoing basis. However, no assurance can be given that any such Class of Shares will continue to qualify as a reporting fund or that the Directors will seek reporting fund status in respect of any new Class of Shares. These requirements include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for United Kingdom tax purposes) on a per-share basis to all relevant shareholders (as defined for these purposes) and HM Revenue & Customs. For so long as reporting fund status is maintained in respect of a Class of Shares United Kingdom tax resident Shareholders which hold their interests in that Class of Shares at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the proportionate share of the full amount of reported income. The reported income will be deemed to arise to United Kingdom Shareholders on the date the report is issued by the Directors.

The Statement of Reportable Income of 'reporting funds' can be found on the Website.

Treatment of Income Received from the Company

Dividend distributions of the Company made to companies resident in the United Kingdom are generally likely to fall within one of a number of exemptions from United Kingdom corporation tax. In addition, dividend distributions to non-United Kingdom resident companies carrying on a trade in the United Kingdom through a permanent establishment in the United Kingdom should also fall within the exemption from United Kingdom corporation tax on dividends to the extent that the Shares held by that company are used by, or held for, that permanent establishment. In the case of a Class of Shares which comprises an offshore fund that fails the 'non-qualifying investment test', all such corporate investors will be subject to United Kingdom corporation tax as income with respect to returns on their Shares, as set out above.

Subject to their personal circumstances, individual Shareholders resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax in respect of dividends or other distributions of income made by the Company (irrespective of whether such distributions are distributed to Shareholders or reinvested and accumulated in the particular Fund) and on the undistributed reported income of any Class of Shares which is a reporting fund as described above.

In respect of Classes of Shares which satisfy the 'non-qualifying investment test' at all times during the relevant accounting period, dividend distributions and undistributed reported income of such Class will be treated and taxed in the hands of an individual Shareholder as dividend income.

A United Kingdom resident individual Shareholder will not be subject to income tax on a dividend such individual Shareholder receives if the total amount of dividend income received by the individual in the tax year (including dividends from the Company) does not exceed a dividend allowance of £5,000 (falling to £2000 in April 2018), which will be taxed at a nil rate (the "**Dividend Allowance**"). To the extent that a United Kingdom resident individual Shareholder's dividend income for the tax year exceeds the Dividend Allowance and, when treated as the top slice of such individual Shareholder's income, falls above such individual Shareholder's personal allowance but below the basic rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend basic rate of 7.5%. To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend upper rate of 32.5%. To the extent that such dividend income falls above the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend additional rate of 38.1%.

If a Class of Shares does not satisfy the 'non-qualifying investment test' (referred to above) at any time in an accounting period, distributions and undistributed reported income will be taxed in the hands of an individual Shareholder as interest. United Kingdom resident Shareholders subject to income tax on interest at the basic rate are taxed at a rate of 20% for the tax year 2017/2018. The rate of tax on income, for the tax year 2017/2018 is 40% for higher rate taxpayers and 45% for additional rate taxpayers.

Transfer Taxes: Stamp Duty Reserve Tax and Stamp Duty

Information Classification: Limited Access

The Directors intend that the register of Shareholders will be kept and maintained outside of the United Kingdom. As a result, no United Kingdom stamp duty reserve tax or stamp duty will be payable by investors in relation to the acquisition of Shares in the Company. The Company itself may, however, be required to pay stamp duty reserve tax or stamp duty in respect of the acquisition of securities constituting investments of the Company. In particular, stamp duty reserve tax will be payable, generally at a rate of 0.5%, on the acquisition of shares in companies which are incorporated in the United Kingdom or which hold and maintain their share register in the United Kingdom.

Transfer of Assets Abroad

The attention of Shareholders who are individuals resident in the United Kingdom for taxation purposes is drawn to the provisions contained in Chapter 2 of Part 13 of Income Tax Act 2007. These provisions are designed to prevent the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. These provisions may render an investor liable to taxation in respect of undistributed amounts which would be treated as UK taxable income and profits of the Company (including, if the Company or any Fund therefore were treated as carrying on a financial trade making profit on the disposition of securities and financial profits) on an annual basis.

There are, however, provisions which provide exemption from a charge to income tax in the above circumstances provided the individual satisfies the Board of HM Revenue & Customs that (i) tax avoidance was not the purpose or one of the purposes for effecting any of the relevant transactions; or (ii) all of the relevant transactions were genuine commercial transactions and it would not be reasonable to draw the conclusion from all the circumstances, that any of the relevant transactions was more than incidentally designed for tax avoidance.

Transactions in Securities

The attention of Shareholders is drawn to the anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 which could apply in respect of any transaction relating to the Shares, including in particular a purchase sale, or exchange of existing Shares or an application or subscription for new Shares, if Shareholders are seeking to obtain tax advantages in prescribed conditions. Subject to certain exceptions, these provisions allow HM Revenue & Customs to counteract the tax advantage, for example by charging an amount to income tax that would otherwise be a capital receipt.

Taxation Considerations Arising from Pooling Arrangements

A review of the tax impact of the pooling arrangements has been undertaken in Ireland. The proposed pooling arrangements are an administrative device designed to reduce operational and other expenses and do not change the legal rights and obligations of the Company's investors. Accordingly, it is not anticipated that any material Irish tax will arise due to the implementation of the pooling arrangements as described in this Prospectus. There may be a risk of taxation impact in other jurisdictions where securities located in those countries are pooled as described in this Prospectus, though any additional taxes arising may not be material.

Potential investors who are in any doubt as to their tax position should consult their own independent tax advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant tax authorities' change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

Information Classification: Limited Access

Management

Directors. The Directors of the Company are listed below with their principal occupations.

- Tom Finlay (Irish).

  Mr Finlay is a barrister by profession who worked for 26 years (February 1975 to May 2001) for Bank of Ireland Asset Management (formerly the Fund Management division of the Bank of Ireland Group). His most recent role was head of their Irish Business. In the early 1990s, Mr Finlay had a direct involvement in the setting up of the Bank of Ireland Group's fund administration and custodial services to international clients. In 2001, Mr Finlay set up his own consultancy business which to date has concentrated on providing strategic advice in the areas of client service and relationship management. Mr Finlay has also been appointed as a non-executive director to a number of companies operating out of Dublin's IFSC (International Financial Services Centre). Mr Finlay is a past Chairman of the Irish Association of Pension Funds and in 2001 was appointed to the Irish Pension Board (the statutory body responsible for regulating Occupational Pension Schemes in Ireland) where he served a full five year term and chaired the board's policy committee.

- James Ross (US).

  James is an Executive Vice President of SSGA and is Chairman of the Global SPDR Business. He also serves as Chairman of the Board of SSGA Funds Management, Inc. (SSGA FM), SSGA's Registered Investment Advisor.

  In these roles, James is responsible for leading SSGA's engagement with ETF stakeholders including regulators, mutual fund and ETF Boards of Directors, industry associations, key clients, partners and the media. James leads SSGA's positioning on important issues related to ETFs and is responsible for advancing SSGA's long-term ETF strategy and innovation. He has an extensive history with exchange traded funds and is frequently quoted in the media. James is responsible for SSGA's Global Funds Management and is a member of the SSGA's Global Product Committee as well as SSGA's Executive Management Group. James also serves on the Investment Company Institute's Board of Governors and is Chairman of the ICI's Exchange Traded Funds Committee.

  James serves as a volunteer board member of the Alzheimer Association of MA/NH.

  Prior to joining State Street in 1992, he worked for Ernst & Young as a senior accountant, responsible for auditing investment companies and insurance companies. James holds a Bachelor's degree in Accountancy from Bentley College.

- Patrick J. Riley (US)

  Mr Riley is a retired Associate Justice of the Superior Court of the Commonwealth of Massachusetts. Mr Riley has been a member of the Board of Trustees of the SSGA Funds in the U.S. from 1988 to present and has served as chairman of the SSGA Funds Board since January 2009. Mr Riley was a senior partner in the Boston law firm of Riley, Burke & Donahue, LLP from 1985 to 2002. He was a trial lawyer with the law firm of Cargill, Masterman & Culbert in Boston from 1982 to 1985 and prior to that served as Assistant District Attorney in the Essex County Superior Court from 1976 to 1982. Mr Riley holds a BA degree from Loyola College, Montreal, Canada and a Juris Doctor degree from Suffolk University Law School in Boston.

- Barbara Healy (Irish)

  Barbara is a chartered accountant by profession and has over 20 years' experience in the asset management industry. From 2004-2009, Barbara was Global Head of Operations for JPMorgan Hedge Fund Services incorporating the role of Executive Director and Head of Technical Solutions EMEA and Asia. During her tenure assets grew from $5 billion to $100 billion, positioning the firm as a top-tier service provider in the hedge fund administration market. Barbara previously ran operations for Tranaut Fund Administration Ltd from 2002 to 2004 which was subsequently acquired by JPMorgan, and before this was Director of Accounting for SEI Investments Europe. Barbara has also worked in fund accounting positions in Banker's Trust and Chase Manhattan. She is currently serving as a non-executive director to Irish, Luxembourg and Cayman domiciled funds. Barbara holds a Bachelor of Commerce Degree (Honours) and a Post-Graduate Diploma in Professional Accounting. She is a member of the Institute of Chartered Accountants in Ireland (FCA) and is also a member of the Institute of Directors in Ireland. Barbara attended the High Performance Boards Corporate Governance Programme at IMD, Lausanne, Switzerland, 2011.

- Kathleen Gallagher (UK).

Kathleen is a Managing Director at State Street Global Advisors and is Head of ETF Model Portfolios in EMEA and APAC for the SPDR business.

In this role she is responsible for delivering State Street Global Advisors' institutional multi-asset class investment capabilities to

Information Classification: Limited Access

the intermediary market, primarily through managed ETF portfolios.

Kathleen also acts as Chief of Staff to the Global Head of SPDR, assisting in the execution of strategic initiatives and the overall business strategy.

Prior to joining SSGA, Kathleen spent 5 years consulting at various financial firms with a focus on multi asset class investments. She also worked at BlackRock/BGI for 4 years, initially as an Asset Allocation Strategist and then as the head of Investment Strategy in the iShares solutions team. In both roles she was responsible for the research and development of multi asset solutions including managed ETF portfolios. Prior to this Kathleen was with asset manager GMO as an Investment Strategist in their European Asset Allocation team. Kathleen started her career at Credit Suisse First Boston as Research Analyst covering initially the mining sector and later the chemicals and healthcare sectors.

Kathleen has a Bachelor of Economics from La Trobe University, Melbourne Australia.

The Directors are responsible for managing the business affairs of the Company. The Directors have delegated (a) the administration of the Company's affairs, including responsibility for the preparation and maintenance of the Company's records and accounts and related fund accounting matters including the calculation of the Net Asset Value per Share to the Administrator; (b) the safe-keeping of the Company's assets to the Depositary; (c) responsibility for the investment management, including the acquisition and disposal of the assets of the Company, to the Investment Manager; and (d) registrar services, including the maintenance of the register of Shareholders, to the Registrar. The Articles do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. The Company has granted indemnities to the Directors in respect of any loss or damages that they may suffer, save where this results from the Directors' negligence, default, breach of duty or breach of trust in relation to the Company.

The address of the Directors is the registered office of the Company.

Investment Manager. State Street Global Advisors Limited serves as the investment manager to each Fund and, subject to the supervision of the Directors, is responsible for the investment management of the Funds pursuant to an investment management agreement dated 7 March 2011 between the Company and the Investment Manager and as may be further amended from time to time (the **"Investment Management Agreement"**). The Investment Manager provides an investment management programme for each Fund and manages the investment of the Funds' assets. The Investment Manager and other affiliates of State Street Corporation, including SSGA (defined below) make up the asset management business of State Street Corporation, which as of 31 March 2013 managed over $2.1 trillion in assets.

The Investment Manager is a wholly-owned subsidiary of State Street Global Advisors International Holdings Inc., whose ultimate parent entity is State Street Corporation. The Investment Manager is authorised by the Financial Conduct Authority (**"FCA"**) and its investment management business includes but is not limited to management of other Irish authorised collective investment schemes.

The Investment Management Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by either party; provided that the Company is not subject to a notice requirement and the Investment Manager must provide three (3) months' prior written notice (although such prior notice is not required if the Investment Manager is required to terminate the agreement by a competent regulatory authority). The Investment Management Agreement contains provisions regarding the Investment Manager's legal responsibilities. The Investment Manager is not liable for losses, liabilities, damages or expenses caused to the Company unless resulting from its negligence, wilful default or fraud.

The Investment Manager has the discretion to delegate to sub-investment managers all the powers, duties and discretions exercisable in respect of the management of the relevant percentage of such of the Funds as the Investment Manager and any Sub-Investment Manager may from time to time agree. Any such appointment will be in accordance with the requirements of the Central Bank. Details of sub-investment managers appointed to any Fund will be available to Shareholders on request and will be disclosed either in the Fund's Relevant Supplement or in the periodic reports of the Company. Fees payable to any Sub-Investment Manager appointed by the Investment Manager shall be paid by the Investment Manager out of the TER.

Administrator and Registrar. The Company has entered into an Administration Agreement with State Street Fund Services (Ireland) Limited dated 7 March 2011 as amended on 30 September 2014 and 11 November 2016 and as may be further amended from time to time (the "Administration Agreement") to

Information Classification: Limited Access

provide administration services to the Company. The Administrator has also been appointed by the Company to act as the registrar in relation to the Shares in the Funds pursuant to the Administration Agreement.

The Administrator is a limited liability company incorporated in Ireland on 23 March, 1992 and is ultimately a wholly-owned subsidiary of the State Street Corporation. The authorised share capital of State Street Fund Services (Ireland) Limited is Stg£5,000,000 with an issued and paid up capital of Stg£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol "STT".

The Administration Agreement provides that the appointment of the Administrator will continue in force unless and until terminated by either party giving to the other not less than ninety days' written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice, etc.) the Administration Agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement contains indemnities in favour of the Administrator other than matters arising by reason of its negligence, fraud, bad faith, wilful default or recklessness in the performance of its duties and obligations.

The Administrator shall establish, maintain and update on a timely basis the register of Shareholders of the Funds, which shall remain the property of the Company and hold the same open for inspection by persons entitled to inspect the register. The Administrator shall keep or cause to be kept at its premises in Ireland the register of Shareholders of the Funds and all other books and records to give a complete record of all activities carried out by it in relation to the Shares of the Funds and such other books, records and statements as may be required by law.

The Depositary. The Company has appointed State Street Custodial Services (Ireland) Limited to act as Depositary of all of the Company's assets, pursuant to an agreement between the Company and the Depositary dated 11 October 2016, as may be further amended from time to time (the "**Depositary Agreement**"). The Depositary is regulated by the Central Bank. The Depositary is a private limited company incorporated in Ireland on 22nd May 1991.

The Depositary has been entrusted with following main functions:

- ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles;
- ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles;
- carrying out the instructions of the Company unless they conflict with applicable law and the Articles;
- ensuring that in transactions involving the assets of the Company any consideration is remitted within the usual time limits;
- ensuring that the income of the Company is applied in accordance with applicable law and the Articles;
- monitoring of each Fund's cash and cash flows; and
- safe-keeping of the Company's assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

Depositary's liability

In carrying out its duties the Depositary shall act honestly, fairly professionally, independently and solely in the interests of the Company and its Shareholders.

In the event of a loss of a financial instrument held in custody, determined in accordance with the UCITS Directive, and in particular Article 18 of the Delegated Regulation, the Depositary shall return financial instruments of identical type or the corresponding amount to the Company without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody 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 pursuant to the UCITS Directive.

In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders. The Depositary will be liable to the Company for all other losses suffered by the Company as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Directive.

To the extent permitted by applicable law the Depositary may not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

Delegation

Information Classification: Limited Access

The Depositary has full power to delegate the whole or any part of its safe-keeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are contained in Schedule III to the Prospectus.

Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the depositary agreement or under separate contractual or other arrangements.

Such activities may include:

- providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
- engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with the Company either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

- will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to, the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
- may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
- may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
- may provide the same or similar services to other clients including competitors of the Company; and
- may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Investment Manager may also be a client or counterparty of the Depositary or its affiliates.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to Shareholders on request.

Paying Agent. Local laws/regulations in certain countries may require (i) the Company to appoint facilities agents / paying agents / representatives / distributors / correspondent banks (any such appointee is hereafter referred to as a "Paying Agent" and provided further that any such appointment may be made notwithstanding that it is not a legal or regulatory requirement) and (ii) the maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or who are obliged under local regulations to pay subscription monies, or receive redemption monies or dividends, through a Paying Agent are subject to the credit risk of the Paying Agent with respect to (a) the subscription monies for investment in a Fund held by the Paying Agent prior to the transmission of such monies to the

Information Classification: Limited Access

Administrator for the account of the relevant Fund, and (b) the redemption monies and dividend payments held by the Paying Agent (after transmission by the Company) prior to payment to the relevant Shareholder. Fees and expenses of the Paying Agents appointed by the Company, which will be at normal commercial rates, will be borne by the Company in respect of which a Paying Agent has been appointed. All Shareholders of the relevant Fund on whose behalf a Paying Agent is appointed may use the services provided by Paying Agents appointed by or on behalf of the Company.

Distributor. State Street Global Advisors Ireland Limited has also been appointed to act as the distributor of the Company and to promote and market the Shares pursuant to a distribution agreement dated 4 January 2019 between the Company and the Distributor and as may be further amended from time to time (the "**Distribution Agreement**"). The Distribution Agreement provides that the appointment of the Distributor will continue in force unless and until terminated by either party on thirty (30) days' prior written notice or otherwise in accordance with its terms. Under the Distribution Agreement, the Distributor agrees to indemnify, defend and hold harmless the Company , or any of its agents, delegates, employees or officers (each an "**Indemnified Party**") against any losses, liabilities, claims, charges, expenses (including reasonable legal fees), actions and demands which may be incurred by an Indemnified Party or which may be made against an Indemnified Party arising out of or in connection with (i) the making by the Distributor of any unauthorised representation; (ii) the distribution by the Distributor of any unauthorised information, marketing or promotional materials; (iii) any marketing in breach of applicable laws; (iv) any breach by the Distributor or its delegate of the Distribution Agreement; or (v) a client, the Distributor's delegate or nominee failing to pay subscription proceeds on time or at all, except to the extent that the relevant damage, liability, loss or expense related to or arises from the Company's gross negligence, fraud or wilful default

Sub-Investment Manager. The Investment Manager has appointed the following discretionary sub-investment managers in respect of certain Funds, as indicated in the Relevant Supplement including, without limitation:

i. State Street Global Advisors Trust Company, (appointed pursuant to a Sub-Investment Management Agreement dated 14 September 2011, as amended from time to time and novated on 7 September 2017).

ii. State Street Global Advisors Singapore Limited (appointed pursuant to a Sub-Investment Management Agreement dated 14 September 2011, as amended).

Under each Sub-Investment Management Agreement, neither the Sub-Investment Manager nor any of its directors, officers, employees or agents is liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Sub-Investment Manager of its obligations and duties unless such loss or damage arises out of or in connection with the negligence, wilful default or fraud of the Sub-Investment Manager in the performance of its duties, and in no circumstances shall the Sub-Investment Manager be liable for special, indirect or consequential damages, or for lost profits or loss of business, arising out of the performance of its duties.

Each Sub-Investment Management Agreement shall continue in force until terminated by either the Investment Manager or the Sub-Investment Manager at any time upon ninety (90) days' prior notice in writing to the other party or until terminated by either the Investment Manager or the relevant Sub-Investment Manager forthwith by notice in writing to the other party in the event that a Force Majeure Event as defined in clause 11 of the relevant Sub-Investment Management Agreement continues for longer than fourteen (14) days or until otherwise terminated by either the Investment Manager or the Sub-Investment Manager in accordance with the terms of the relevant Sub-Investment Management Agreement."

Company Secretary. The company secretary of the Company is Sanne.

Auditors. PricewaterhouseCoopers serve as auditors to the Company.

Legal Counsel. Matheson serve as legal counsel to the Company.

PRC Sub-Custodian and PRC interbank bond trade and settlement agent. The HSBC Bank (China) Company Limited has been appointed as sub-custodian and the interbank bond trade and settlement agent for the relevant Funds for the purposes of investments made through the CIBM Direct Access Programme and/or the RQFII Quota.

Where to Learn More About the Funds

Copies of the following documents may be inspected at the registered offices of the Investment Manager as set out in the Directory during normal business hours on any Dealing Day or online at www.spdrs.com:

a) the material contracts referred to above;

b) the Articles; and

c) the UCITS Regulations and the Central Bank UCITS Regulations issued pursuant thereto.

In addition, the Articles and any yearly or half-yearly reports may be obtained from the Administrator free of charge or may be inspected at the registered office of the Administrator during normal business hours on any Dealing Day.

The most recent audited financial statements for the Company will be available when published at the registered office of the Administrator during normal business hours on any Dealing Day.

Details of each Fund's portfolio and the indicative net asset value per share for each Fund are available on the Website.

SHAREHOLDER INFORMATION: Telephone: +44 (0)203 395 6888, Website: www.spdrs.com

Shareholder inquiries may be directed to the Funds by calling the Shareholder Information number listed above. Email: spdrseurope@SSGA.com.

No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with the offer of each Fund's Shares, and, if given or made, the information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this Prospectus or any Relevant Supplement nor any sale of Shares shall under any circumstance imply that the information contained herein is correct as of any date after the date of this Prospectus.

Schedule I – Definitions

Administrator	State Street Fund Services (Ireland) Limited, or such other company as may from time to time be appointed to provide administration and accounting services to the Company in accordance with the requirements of the Central Bank;
Access Programme(s)	existing or future "access" products or programmes such as RQFII, Stock Connect, the CIBM Direct Access Programme or any other investment programme through which a Fund may access PRC Investments;
Articles	the memorandum and articles of association of the Company for the time being in force and as may be modified from time to time;
Auditors	means PricewaterhouseCoopers or such other firm as may from time to time be appointed as auditors to the Company;
Authorised Participant	with respect to ETF Shares, a market maker or a broker-dealer entity, which has entered into a participating dealer agreement for the purposes of directly subscribing and/or redeeming ETF Shares in a Fund with the Company (i.e. primary market);
Authorised Participant Operating Guidelines	the operating guidelines with respect to ETF Shares for Authorised Participants setting out details for the procedures for directly subscribing and/or redeeming ETF Shares in a Fund with the Company (i.e. primary market) and which is available to Authorised Participants only from the Investment Manager;
Base Currency	the currency in which the Net Asset Value of each Fund is calculated or in which any Class of Shares is denominated;
Business Day	a day on which markets in the United Kingdom are open and/or such other day or days as the Directors may determine and notify in advance to Shareholders;
CCASS	The PRC's Central Clearing and Settlement System;
CCDC	China Central Depositary & Clearing Co., Ltd;
Central Bank	the Central Bank of Ireland or any division thereof or any successor entity;
Central Bank UCITS Regulations	the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended from time to time, and any rules or guidance issued from time to time by the Central Bank;
CFETS	China Foreign Exchange Trading System (also known as the National Interbank Funding Centre);
China A Shares	Shares of companies incorporated in PRC and traded on the Shanghai or Shenzhen stock exchanged which are quoted in RMB;
China Connect Securities	any securities and/or ETFs listed and traded on the SSE or SZSE which may be traded by Hong Kong and international investors under Stock Connect;
CIBM	means the China inter bank bond market;
CIBM Direct Access Programme	direct access programme under the People's Bank of China Announcement [2016] No.3. facilitating direct access to the China interbank bond market;
Class	Shares of a particular Fund representing an interest in the Fund but designated as a class of Shares within such Fund for the purposes of attributing different proportions of the Net Asset Value of the relevant Fund to such Shares to

	accommodate different subscription, conversion and redemption charges, dividend arrangements, base currencies, currency hedging policies and/or fee arrangements specific to such Shares;
CNH	RMB which is traded within the PRC's offshore market;
CNY	RMB which is traded within the PRC's onshore market;
Company	SSGA SPDR ETFs Europe I plc;
CSDCC	China Securities Depository and Clearing Corporation Limited;
CSRC	China Securities Regulatory Commission;
Daily Quota	The daily quota to which each of SHHK and SZHK is subject;
Data Protection Legislation	(i) the Data Protection Acts 1988 and 2003 or any other legislation or regulations implementing Directive 95/46/EC, (ii) the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, (iii) on and with effect from 25 May 2018, the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) and any consequential national data protection legislation and (iv) any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;
Dealing Day	Unless specified otherwise in the Relevant Supplement for any Fund, every Business Day (excluding, for each Fund, any day on which a market on which securities included in the relevant Index are listed or traded is closed and/or the day preceding any such day provided that a list of such closed market days will be published for each Fund on the Website) and/or such other day or days as the Directors may determine and notify to the Administrator and to Shareholders in advance, provided there shall be at least one Dealing Day per fortnight;
Delegated Regulation	The Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries;
Depositary	State Street Custodial Services (Ireland) Limited or such other company as may from time to time be appointed to provide custodian services to the Company in accordance with the requirements of the Central Bank;
Directors	the directors of the Company for the time being and any duly constituted committee thereof;

Duties and Charges	all stamp duties and other duties, taxes, governmental charges, imposts, levies, exchange costs and commissions (including foreign exchange spreads), depositary and sub-custodian charges, transfer fees and expenses, agents' fees, brokerage fees, commissions, bank charges, registration fees and other duties and charges, including any provision for the spread or difference between the price at which any asset was valued for the purpose of calculation of the Net Asset Value per Share of any Fund and the estimated or actual price at which any such asset is purchased or expected to be purchased, in the case of subscriptions to the relevant Fund, or sold or expected to be sold, in the case of redemptions from the relevant Fund, including, for the avoidance of doubt, any charges or costs arising from any adjustment to any swap or other derivative contract required as a result of a subscription or redemption, whether paid, payable or incurred or expected to be paid, payable or incurred in respect of the constitution, increase or reduction of all of the cash and other assets of the Company or the creation, acquisition, issue, conversion, exchange, purchase, holding, repurchase, redemption, sale or transfer of Shares (including, if relevant the issue or cancellation of certificates for Shares) or investments by or on behalf of the Company;
Embedded Costs	any costs indirectly incurred by each Fund as a result of its investment in underlying funds in which the Fund invests (which may be payable to the Investment Manager or an affiliate at normal commercial rates). If a Fund invests in the units of other underlying funds that are managed, directly or by delegation, by a company with which the Investment Manager or an affiliate is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or affiliate shall not charge subscription or redemption fees on account of the Fund's investment in the units of such other underlying funds.
EEA	European Economic Area;
ETF Shares	a Share or Shares of an exchange traded Class in the capital of the Company (other than Subscriber Shares) entitling the holders to participate in the profits of the Company attributable to the relevant Fund as described in this Prospectus;
EU	European Union;
€ or Euro	the single currency of participating member states of the European Monetary Union introduced on 1 January 1999;
FATCA	means the provisions commonly known as the Foreign Accounts Tax Compliance Act in the enactment of the United States of America known as Hiring Incentives to Restore Employment Act 2010;
Fixed Portfolio Basket	a basket of securities and a cash component that is designed by the Investment Manager to be closely aligned with the composition of the relevant Fund (so that the Investment Manager will not be required, following completion of the subscription, to take any further material steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund);
Fund	a portfolio of assets established by the Directors (with the prior approval of the Depositary and the Central Bank) and constituting a separate fund represented by a separate series of Shares and invested in accordance with the investment objective and policies applicable to such Fund;

Information Classification: Limited Access

Global Supplement	the supplement entitled the "Global Supplement" which is issued with the Prospectus and which lists the current Funds of the Company;
HKEx	Hong Kong Exchanges and Clearing Limited;
HKSCC	Hong Kong Securities Clearing Company Limited;
Index	any financial index which a Fund will aim to track, pursuant to its investment objective and/or in accordance with its investment policies, as specified in the Relevant Supplement;
Index Provider	in relation to a Fund, the entity or person who, by itself or through a designated agent, compiles, calculates and publishes information on an Index as specified in the Relevant Supplement;
Index Securities	the securities that constitute each Index;
Investment Manager	State Street Global Advisors Limited or such other company as may from time to time be appointed to provide investment management services to the Company in accordance with the requirements of the Central Bank. For the avoidance of doubt, the term "Investment Manager" shall include, where the context permits, any sub-investment manager appointed from time to time by the Investment Manager pursuant to its authority under the Investment Management Agreement;
Listing Stock Exchange	such selected exchanges as the Directors may determine from time to time in respect of each Fund and which are specified on the Website;
Member State	a member state of the European Union;
Minimum Subscription Amount	the minimum amount to be subscribed for Shares on any Dealing Day, as determined by the Directors in respect of each Fund and specified in the Relevant Supplement or the Authorised Participant Operating Guidelines, which may be expressed as a monetary amount or as a number of Shares;
Minimum Redemption Amount	the minimum amount that may be redeemed from any Fund or any Dealing Day, as determined by the Directors in respect of each Fund and specified in the Relevant Supplement or the Authorised Participant Operating Guidelines, which may be expressed as a monetary amount or as a number of Shares;
Money Market Fund	A collective investment scheme that qualifies as a money market fund under the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.
Negotiated Portfolio Basket	a basket of securities agreed between the investor and the Investment Manager from a list identified by the Investment Manager as appropriate for the Fund in the implementation of its investment policy (but which, in order to enable the Fund to fully achieve its investment objective, may require the Investment Manager to take further steps in the form of additional purchases or sales of securities or adjustment(s) of any other positions maintained in respect of the relevant Fund to re-balance the composition of the Fund) and a cash component;
Net Asset Value	the net asset value of a Fund calculated as described in the "**Determination of Net Asset Value**" section of this Prospectus;
Net Asset Value per Share	the net asset value of a Share in any Fund, including a Share of any Class of Shares issued in a Fund calculated as described in the "**Determination of Net Asset Value**" section of this Prospectus;

Information Classification: Limited Access

Non-ETF Shares	a Share or Shares in the capital of the Company (other than the ETF Shares or the Subscriber Shares) entitling the holders to participate in the profits of the Company attributable to the relevant Fund as described in this Prospectus;
OECD	the Organisation for Economic Co-Operation and Development;
PBoC	the People's Bank of China;
PRC	the People's Republic of China (except, where the context requires, and for the purposes of this Prospectus and its related documents, references to PRC or "China" do not include Hong Kong, Macau and Taiwan);
PRC Investments	investments that create exposure to (i) issuers from the PRC, or other issuers associated with the greater China region, such as Hong Kong, Macau or Taiwan and/or (ii) issuers which may be listed or traded on recognised or over-the-counter markets located both inside and outside of the greater China region, such as the United Kingdom, Singapore, Japan or the United States;
PRC Listco	a PRC incorporated company which is listed on a stock exchange in mainland China;
PRC Sub-Custodian	HSBC Bank (China) Company Limited or any other entity appointed to act as sub-custodian and the interbank bond trade and settlement agent for the relevant Funds for the purposes of the investments made through the CIBM Direct Access Programme and/or the RQFII Quota;
Privacy Statement	the privacy statement adopted by the Company as amended from time to time. The current version will be appended to the application form and available via the Website from 25 May 2018 onwards;
Prospectus	this document, the Relevant Supplement for any Fund and any other supplement or addendum designed to be read and construed together with and to form part of this document;
Recognised Market	any recognised exchange or market listed or referred to in Schedule II to this Prospectus and such other markets as Directors may from time to time determine in accordance with the UCITS Regulations and specify in Schedule II to this Prospectus;
Recognised Rating Agency	Standard & Poor's Rating Group (**"S&P"**), Moody's Investors Services (**"Moody's"**), Fitch IBCA or an equivalent rating agency;
Registrar	the Administrator, or such other company(ies) as may from time to time be appointed to provide registration services to the Company in accordance with the requirements of the Central Bank;
Relevant Institution	(a) a credit institution authorised in the EEA (European Union Member States, Norway, Iceland or Liechtenstein); (b) a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, the United Kingdom or the United States); or (c) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand;
Relevant Supplement	a document containing information relating to each Fund;
RMB	means Renminbi, the official currency of the PBoC;
RMP Statement	any risk management process statement adopted by the Company, from time to time, in accordance with the requirements of the Central Bank;
RQFII	Renminbi qualified foreign institutional investor;

RQFII Licence Holder	holder of an RQFII licence to channel RMB funds raised outside of the PRC to invest into the Chinese securities markets;
RQFII Quota	the investment quota granted by SAFE to an RQFII Licence Holder;
SAFE	the PRC's State Administration of Foreign Exchange;
SC Securities	China Connect Securities invested through Stock Connect (as defined below);
SEHK	the Stock Exchange of Hong Kong Limited;
SFO	the PRC's Securities and Futures Ordinance;
Share or Shares	a Share or Shares (including, both ETF Shares and Non-ETF Shares) of whatsoever Class in the capital of the Company (other than Subscriber Shares) entitling the holders to participate in the profits of the Company attributable to the relevant Fund as described in this Prospectus;
Shareholder	a person registered in the register of members of the Company as a holder of Shares;
SHCH	Shanghai Clearing House;
SHHK	Shanghai-Hong Kong Stock Connect;
SPSA	special segregated account in the CCASS to maintain holdings in SC Securities;
SSE	Shanghai Stock Exchange;
Stock Connect	Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect;
Substantial Shareholder	a shareholder holding 5% or more of the total issued shares, aggregating its positions with other group companies of a PRC Listco;
Sub-Investment Manager	means any entity appointed as sub-investment manager in relation to a Fund and as specified in the Relevant Supplement including, without limitation, State Street Global Advisors Trust Company, and State Street Global Advisors Singapore Limited, each of which will have full power and discretionary authority on behalf and for the account of the Company to manage and invest the cash and other assets of the relevant Fund or a portion of the cash and other assets of the relevant Fund as the parties may agree in writing from time to time;
Subscriber Shares	the two (2) subscriber shares of no par value issued for €1.00 each which are held by the Investment Manager and/or its nominees;
SZSE	Shenzhen Stock Exchange;
SZHK	Shenzhen-Hong Kong Stock Connect;
UCITS	an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
UCITS Directive	means 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 as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations;
UCITS Regulations	the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011) and all applicable

Information Classification: Limited Access

	Central Bank notices issued or conditions imposed or derogations granted thereunder;
Underlying Fund	a collective investment undertaking or a sub-fund of an umbrella collective investment undertaking which is authorised in the European Union under the UCITS Directive or a non-UCITS which is eligible for investment by the portfolio in accordance with the requirements of the Central Bank. Such eligible non-UCITS will be, as provided in Central Bank UCITS Regulations issued by the Central Bank, (i) schemes established in Guernsey and authorised as Class A Schemes; (ii) schemes established in Jersey as Recognised Funds; (iii) schemes established in the Isle of Man as Authorised Schemes; (iv) regulated non-UCITS retail CIS authorised by the Central Bank provided such CIS comply in all material respects with the provisions of the Central Bank UCITS Regulations; and (v) regulated non-UCITS CIS authorised in a Member State of the EEA, the United Kingdom, the US, Jersey, Guernsey or the Isle of Man and which comply, in all material respects, with the provisions of the Central Bank UCITS Regulations. The consideration of "all material respects" will include, inter alia, consideration of the following: (a) the existence of an independent trustee/custodian with similar duties and responsibilities in relation to both safekeeping and supervision; (b) requirements for the spreading of investment risk including concentration limits, ownership restrictions, leverage and borrowing restrictions, etc.; (c) availability of pricing information and reporting requirements; (d) redemption facilities and frequency; and (e) restrictions in relation to dealings by related parties;
U.S. or United States	means the United States of America, its territories and possessions including the States and the District of Columbia;
U.S. Person	means a **"U.S. Person"** as defined under Regulation S of the Securities Act of 1933, as amended;
Valuation Point	means the time specified for each Fund in the Relevant Supplement or such other time as the Directors may determine from time to time and notify to Shareholders. For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after such time as the Directors shall determine as the dealing deadline;
Website	www.spdrs.com, on which the Net Asset Value per Share, the portfolio holdings and any other relevant information relating to any Fund will be published and on which this Prospectus and any other information in respect of the Company, including various shareholder communications, may be published.

Schedule II – Recognised Markets

(i) **Any stock exchange or market in any EU Member State (excluding Malta) or in any of the following member countries of the OECD:**

Australia, Canada, Iceland, Japan, New Zealand, Norway, Switzerland, United Kingdom and the United States of America.

(ii) **Any of the following exchanges or markets:**

Argentina	Bolsa de Comercio de Buenos Aires
	Cordoba Stock Exchange
	La Plata Stock Exchange
	Mercado Argentino de Valores S.A.
	Mercado Abierto Electronico S.A.
	Mercado A Termino de Buenos Aires S.A.
Bangladesh	Chittagong Stock Exchange
	Dhaka Stock Exchange
Bahrain	Bahrain Bourse
Brazil	
	BM&F Bovespa S.A. (B3 S.A.)
Chile	Santiago Stock Exchange
	La Bolsa Electronica de Chile
China	Shanghai Stock Exchange
	Shenzhen Stock Exchange
	China inter bank bond market
Colombia	Bolsa de Valores de Colombia

Egypt	Egyptian Exchange
Hong Kong	Stock Exchange of Hong Kong
	Hong Kong Exchanges and Clearing Ltd.
India	National Stock Exchange of India Limited
	Bombay Stock Exchange
	MCX Stock Exchange (MCX-SX)
	MCX Stock Exchange (MCX-SX)
	Multi Commodity Exchange (MCX)
	National Commodity and Derivatives Exchange
Indonesia	Indonesia Stock Exchange
Israel	Tel Aviv Stock Exchange
Jordan	Amman Stock Exchange
Kazakhstan	Central Asian Stock Exchange
	Kazakhstan Stock Exchange
Kenya	Nairobi Stock Exchange
Korea	Korea Exchange
Kuwait	Kuwait Stock Exchange
Malaysia	Bursa Malaysia Berhad
Mauritius	Stock Exchange of Mauritius
Mexico	Mexico Stock Exchange
Morocco	Casablanca Stock Exchange
Nigeria	Nigeria Stock Exchange
Oman	Muscat Stock Exchange
Pakistan	Pakistan Stock Exchange Limited
	Pakistan Mercantile Exchange
Peru	Lima Stock Exchange
Philippines	Philippines Stock Exchange
Qatar	Qatar Exchange
Russia	Moscow Exchange MICEX-RTS (MICEX-RTS)
Saudi Arabia	Tadawul Stock Exchange

Serbia	Belgrade Stock Exchange
Singapore	Singapore Exchange Limited
South Africa	JSE Limited South African Futures Exchange
Taiwan	Taiwan Stock Exchange Corporation Gretai Securities Market
Thailand	Stock Exchange of Thailand Bond Electronic Exchange
Tunisia	Bourse des Valeurs Mobilieres de Tunis
Turkey	Borsa Istanbul
Ukraine	PFTS Ukraine Stock Exchange
United Arab Emirates	Abu Dhabi Stock Exchange Dubai Financial Market NASDAQ Dubai Limited
Vietnam	Ho Chi Minh Stock Exchange Hanoi Stock Exchange

iii) **The following markets:**

- the market organised by the International Capital Markets Association;
- the UK market (i) conducted by banks and other institutions regulated by the Financial Conduct Authority (FCA) and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the **"Non-Investment Product Code"** drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as **"The Grey Paper"**);
- (a) NASDAQ in the United States, (b) the market in the US government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; (c) the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and the National Association of Securities Dealers and by banking institutions regulated by the US Controller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- (a) NASDAQ Japan, (b) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan, and (c) Market of the High-Growth and Emerging Stocks **("MOTHERS")**
- the alternative investment markets in the United Kingdom regulated and operated by the London Stock Exchange;
- the Hong Kong Growth Enterprise Market (**"GEM"**);

- the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ)
- the Korean Securities Dealers Automated Quotation (**"KOSDAQ"**)
- the French Market for Titres de Créances Négotiables (over the counter market in negotiable debt instruments)
- the over the counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada
- EASDAQ (European Association of Securities Dealers Automated Quotation)

(iv) In relation to Financial Derivative Instruments (FDI) the following markets:

Americas:

Nasdaq, Chicago Mercantile Exchange (CME) (owned by the CME Group), Chicago Board of Trade (CBOT) (owned by the CME Group), Chicago Board Options Exchange, ICE Futures U.S. (ICE), Montreal Exchange (MX), Mexican Derivatives Exchange (MexDer), ROFEX (Rosario Futures Exchange), BM&F Bovespa

Asia:

China Financial Futures Exchange (CFFEX), China Interbank Bond Market (CIBM) Hong Kong Futures Exchange (HKFE) — part of Hong Kong Exchanges and Clearing (HKEx), Bombay Stock Exchange (BSE), Metropolitan Stock Exchange of India Ltd., National Stock Exchange of India (NSE), Bursa Malaysia Derivatives Berhad, Tokyo Financial Exchange (TFX), Tokyo Stock Exchange, Taiwan Futures Exchange (TAIFEX), Thailand Futures Exchange (TFEX), Singapore Exchange (SGX), Osaka Securities Exchange (OSE), Korea Exchange (KRX) Pakistan Stock Exchange, Eurex Asia

Australasia:

ASX, NZX Derivatives

Europe:

Athens Derivative Exchange, IDEM, Borsa Istanbul, Budapest Stock Exchange (BSE), Eurex Deutschland, Eurex Zurich, Euronext Derivatives Amsterdam, Euronext Derivatives Brussels, Euronext Derivatives Paris, Euronext Derivatives Lisbon, ICE Futures Europe, MEFF Exchange, Moscow Exchange, Nasdaq Copenhagen, Nasdaq Stockholm, Nasdaq Oslo, Nasdaq Helsinki, Ukrainian Exchange (UX), Oslo Bors, Warsaw Stock Exchange, London Stock Exchange — Derivatives Market, Euronext EQF

Africa/Middle East:

Johannesburg Stock Exchange ("**JSE**") — Equity Derivatives Market, Dubai Gold & Commodities Exchange, NASDAQ Dubai

Schedule III – Sub-Custodians

The Depositary has appointed local sub-custodians within the State Street Global Custody Network as listed below, as at the date of this Prospectus. The latest version of this list can be consulted on the Website.

Market	Subcustodian
Albania	Raiffeisen Bank sh.a.
Argentina	Citibank, N.A.
Australia	The Hongkong and Shanghai Banking Corporation Limited
Austria	Deutsche Bank AG (operating through its Frankfurt branch with support from its Vienna branch)
	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Bangladesh	Standard Chartered Bank
Belgium	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch)
Benin	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Bermuda	HSBC Bank Bermuda Limited
Federation of Bosnia and Herzegovina	UniCredit Bank d.d.
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank, N.A.
Bulgaria	Citibank Europe plc, Bulgaria Branch
	UniCredit Bulbank AD
Burkina Faso	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Canada	State Street Trust Company Canada
Chile	Itaú CorpBanca S.A.
People's Republic of China	HSBC Bank (China) Company Limited
	(as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	China Construction Bank Corporation
	HSBC Bank (China) Company Limited
	(as delegate of The Hongkong and Shanghai Banking Corporation Limited)
China Connect	Citibank N.A. The Hongkong and Shanghai Banking Corporation Limited Standard Chartered Bank (Hong Kong) Limited
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco BCT S.A.
Croatia	Privredna Banka Zagreb d.d.
	Zagrebacka Banka d.d.
Cyprus	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)
Czech Republic	Československá obchodní banka, a.s.
	UniCredit Bank Czech Republic and Slovakia, a.s.
Denmark	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)
Egypt	Citibank, N.A.
Estonia	AS SEB Pank
Eswatini (previously known as Swaziland)	Standard Bank Eswatini Limited
Finland	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), Finnish branch)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)

Information Classification: Limited Access

Market	Subcustodian
France	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch)
Republic of Georgia	JSC Bank of Georgia
Germany	State Street Bank International GmbH
	Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Limited
Greece	BNP Paribas Securities Services, S.C.A.
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Hong Kong	Standard Chartered Bank (Hong Kong) Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe
	UniCredit Bank Hungary Zrt.
Iceland	Landsbankinn hf.
India	Deutsche Bank AG
	Citibank, N.A.
Indonesia	Deutsche Bank AG
Ireland	State Street Bank and Trust Company, United Kingdom branch
Israel	Bank Hapoalim B.M.
Italy	Deutsche Bank S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.
Japan	Mizuho Bank, Limited
	The Hongkong and Shanghai Banking Corporation Limited
Jordan	Standard Chartered Bank
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited
Republic of Korea	Deutsche Bank AG
	The Hongkong and Shanghai Banking Corporation Limited
Kuwait	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Latvia	AS SEB banka
Lithuania	AB SEB bankas
Malawi	Standard Bank Limited
Malaysia	Deutsche Bank (Malaysia) Berhad
	Standard Chartered Bank Malaysia Berhad
Mali	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banco Nacional de México, S.A.
Morocco	Citibank Maghreb
Namibia	Standard Bank Namibia Limited
Netherlands	Deutsche Bank AG
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Niger	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Nigeria	Stanbic IBTC Bank Plc.
Norway	Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), filial i Norge)
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)
Oman	HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Pakistan	Deutsche Bank AG
Panama	Citibank, N.A.
Peru	Citibank del Perú, S.A.
Philippines	Deutsche Bank AG
Poland	Bank Handlowy w Warszawie S.A.

Information Classification: Limited Access

Market	Subcustodian
Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch)
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Romania	Citibank Europe plc, Dublin — Romania Branch
Russia	AO Citibank
Saudi Arabia	HSBC Saudi Arabia Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
	Saudi British Bank (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
Senegal	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Serbia	UniCredit Bank Serbia JSC
Singapore	Citibank N.A.
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s.
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	FirstRand Bank Limited
	Standard Bank of South Africa Limited
Spain	Deutsche Bank S.A.E.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Republic of Srpska	UniCredit Bank d.d.
Swaziland (see Eswatini)	Swaziland is now known by the name Eswatini
Sweden	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse (Switzerland) Ltd
	UBS Switzerland AG
Taiwan — R.O.C.	Deutsche Bank AG
	Standard Chartered Bank (Taiwan) Limited
Tanzania	Standard Chartered Bank (Tanzania) Limited
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Togo	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.Ş.
	Deutsche Bank A.Ş.
Uganda	Standard Chartered Bank Uganda Limited
Ukraine	JSC Citibank
United Arab Emirates Dubai Financial Market	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Dubai International Financial Center	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Arab Emirates Abu Dhabi	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)
United Kingdom	State Street Bank and Trust Company, United Kingdom branch
United States	State Street Bank and Trust Company
Uruguay	Banco Itaú Uruguay S.A.
Vietnam	HSBC Bank (Vietnam) Limited
Zambia	Standard Chartered Bank Zambia Plc.
Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)

Transnational Depositories	Euroclear Bank S.A./N.V.
	Clearstream Banking, S.A.