

***PREMIUM FUNDS SICAV***

*Société d'investissement à capital variable*

Luxembourg

**Prospectus**

**Dated 1 January 2024**

## TABLE OF CONTENTS

<b>INTRODUCTION</b> .....	4
1. ORGANISATION OF THE COMPANY .....	6
2. LEGAL FORM AND STRUCTURE OF THE COMPANY.....	9
3. SUB-FUNDS.....	10
4. MANAGEMENT AND ADMINISTRATION.....	11
5. INVESTMENT OBJECTIVES AND POLICIES.....	16
6. RISKS.....	16
7. FORM OF SHARES .....	38
8. ISSUE OF SHARES .....	39
9. CLASSES OF SHARES .....	39
10. SUBSCRIPTION FOR SHARES .....	40
11. REDEMPTION OF SHARES.....	43
12. CONVERSION OF SHARES.....	45
13. TEMPORARY SUSPENSION OF SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS .....	46
14. LATE TRADING AND MARKET TIMING.....	47
15. PROCEDURES FOR SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS REPRESENTING 10% OR MORE OF ANY SUB-FUND ....	47
16. COMMISSIONS .....	48
17. NET ASSET VALUE .....	54
18. POOLING .....	58
19. DATA PROTECTION.....	59
20. CERTAIN LUXEMBOURG TAX CONSIDERATIONS.....	61
21. GENERAL MEETINGS AND REPORTS.....	65
22. LIQUIDATION – TERMINATION AND AMALGAMATION OF SUB-FUNDS	66
23. INFORMATION AVAILABLE TO THE PUBLIC.....	67

24. DISTRIBUTION POLICY.....	69
APPENDIX A.....	71
APPENDIX B.....	79
APPENDIX C.....	92

## PREMIUM FUNDS SICAV

*Société d'investissement à capital variable*

*Registered Office:*

*60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg*

*Luxembourg B 141 004*

### INTRODUCTION

*Premium Funds SICAV* (hereinafter also referred to as the "**Company**" or the "**Sicav**") is an investment company, qualifying as a "*société d'investissement à capital variable*" with multiple sub-funds under the laws of the Grand Duchy of Luxembourg, which envisages to invest in a diversified range of transferable securities and/or other liquid financial assets permitted by law, conforming to the investment policy of each particular sub-fund.

The Company is an Undertaking for Collective Investment in Transferable Securities (a "**UCITS**") for the purpose of the Council Directive 2009/65/EC, as amended by Directive 2014/91/EU of the European Parliament and Council of 23 July 2014 as regards depositary functions, remuneration policies and sanctions and as may be further amended in the future ("**UCITS Directive**"). The Company is registered in the Grand Duchy of Luxembourg pursuant to Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment as amended from time to time (the "**UCI Law**"). However, such registration does not imply a positive assessment by the Luxembourg supervisory authority of the contents of the current prospectus (the "**Prospectus**") or of the quality of the Shares offered to sale. Any representation to the contrary is unauthorised and unlawful.

This Prospectus does not constitute an offer to anyone or solicitation by anyone in any jurisdiction in which such an offer or solicitation is unlawful or in which the person making such an offer or solicitation is not qualified to do so.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to subscribe for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Potential subscribers or purchasers of Shares should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding, conversion or sale of Shares.

Any information not mentioned in this Prospectus should be regarded as unauthorised. The information contained in this Prospectus is considered to be accurate at the date of its publication. To reflect material changes, this Prospectus may be updated from time to time and potential subscribers should enquire of the Company as to the issue of any later Prospectus.

The board of directors of the Company (the "**Board of Directors**") is held responsible for the information contained in this Prospectus and has taken all reasonable care to ensure that at the date of this Prospectus the information contained herein is accurate and complete in all material respects. The directors accept responsibility accordingly.

Subscriptions for Shares can be accepted only on the basis of the current Prospectus. The Company will produce an annual report (the "**Annual Report**") containing the audited accounts and semi-annual

reports (the "**Semi-annual Reports**"). Following the publication of the first of either report, the current Prospectus at that date will be valid only if accompanied by such Annual Report or Semi-annual Report.

In addition to this Prospectus, the board of the Management Company publishes a KID (Key Investor Information Document and/or Key Investor Document, as applicable) relating to an investment in each Sub-fund, in particular information on the profile of a typical investor and the historical performance. The KID is available, free of charge, to each subscriber at the registered offices of the Management Company, on its website <https://www.generali-investments.lu/>, the Central Administration and any Distributor and must be considered by an investor before the conclusion of the subscription contract.

The Board of Directors reserves the right to apply in the future for listing the Shares on the Luxembourg Stock Exchange or any other securities exchanges.

In this Prospectus, all references to "EUR" or "Euro" are to the lawful currency of the European Union Member States which adopted the Euro, all references to "US Dollars" and "USD" are to the lawful currency of the United States, all references to "GBP" and "£" are to the lawful currency of Great Britain, all references to "RMB" are to the lawful currency of the People's Republic of China ("**PRC**") (where all references to "RMB(CNY)" are to the RMB traded in the PRC and all references to "RMB(CNH)" are to the RMB traded outside the PRC, all references to "CAD" are to the lawful currency of Canada, and all references to "CHF" and "Swiss Franc" are to the lawful currency of Switzerland.

#### **IMPORTANT INFORMATION**

If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, solicitor, accountant or other financial advisor. No person is authorised to give any information other than that contained in this Prospectus, or any of the documents referred to herein that are available for public inspection at the registered office.

## **1. ORGANISATION OF THE COMPANY**

### **BOARD OF DIRECTORS**

#### CHAIRMAN OF THE BOARD OF DIRECTORS

Mr Filippo Casagrande  
Chief Investment Management & Sustainability Officer  
Generali Investments Holding S.p.A.  
Via Machiavelli, 4  
I-34132 Trieste  
Italy

#### OTHER MEMBERS OF THE BOARD OF DIRECTORS

Mrs Lea Gesua' sive Salvadori  
Head of Products & Distribution, at Investments Legal Affairs  
Generali Investments Holding S.p.A. - French Branch  
2, rue Pillet-Will  
Cedex 09 Paris, 75309  
France

Mr Daniele Fontanili  
Head of Investment Governance & Analytics  
Generali Investments Holding S.p.A.  
Via Machiavelli, 4  
I-34132 Trieste  
Italy

Mr Mattia Scabeni  
Chief Executive Officer  
Generali Investments Luxembourg S.A.  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

Mr Pierre Bouchoms  
Director  
56, Am Millewee  
L-8064 Bertrange  
Grand Duchy of Luxembourg

### **ADMINISTRATION**

#### *MANAGEMENT COMPANY*

Generali Investments Luxembourg S.A.  
4, Rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

#### BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr Pierluigi Martino  
Chairman

Group Investments Asset and Wealth Management General Counsel  
Assicurazioni Generali S.p.A.  
2, Piazza Duca degli Abruzzi  
I-34132 Trieste  
Italy  
Chairman of the Board of Directors

Mr Mattia Scabeni  
Chief Executive Officer  
Generali Investments Luxembourg S.A.  
4, Rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

Mrs Sophie Mosnier  
Independent Director  
41, rue du Cimetière  
L-3350 Leudelange  
Grand Duchy of Luxembourg

Mr Geoffroy Linard de Guertechin  
Independent Director  
2, rue Jean-Pierre Beicht  
L-1226 Luxembourg  
Grand Duchy of Luxembourg

Mr Timothy Cameron Rainsford  
Head of Product & Distribution  
Generali Asset Management S.p.A. Società di gestione del risparmio  
Via Machiavelli 4  
34132 Trieste  
Italy

Mrs Anouk Agnes  
Independent Director  
22, rue Charles Darwin  
L-1433 Luxembourg  
Grand Duchy of Luxembourg

*AUDITOR OF THE MANAGEMENT COMPANY*

KPMG Luxembourg, *Société anonyme*  
39, Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

*DAY-TO-DAY MANAGERS OF THE MANAGEMENT COMPANY*

Mr Mattia Scabeni  
Chief Executive Officer  
Generali Investments Luxembourg S.A.  
4, Rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

Mrs Ilaria Drescher  
Manager  
Generali Investments Luxembourg S.A.  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

Mr Erionald Lico  
Manager  
Generali Investments Luxembourg S.A.  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

Mr Stefano Portolan  
Manager  
Generali Investments Luxembourg S.A.  
4, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

*INVESTMENT MANAGERS*

Generali Asset Management S.p.A. Società di gestione del risparmio  
Via Machiavelli 4  
34132 Trieste  
Italy

Marathon Asset Management LP  
1 Bryant Park, 38<sup>th</sup> floor  
New York, NY 100036  
USA

Abrdn Investment Management Limited  
1 George Street  
Edinburgh EH2 2LL  
Scotland

Western Asset Management Company  
385 East Colorado Boulevard  
Pasadena, California 91101  
USA

SUB-INVESTMENT MANAGERS

MCAP Global Finance (UK) LLP  
Gordon House  
10 Greencoat Place  
London SW1P 1PH  
England

Abrdn Inc.  
1900 Market Street



Suite 200  
Philadelphia  
PA 19103 (215) 405-5700  
United States of America

#### DEPOSITARY, PAYING AGENT AND DOMICILIATION AGENT

BNP Paribas, Luxembourg Branch  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

#### CENTRAL ADMINISTRATION, REGISTRAR AND TRANSFER AGENT

BNP Paribas, Luxembourg Branch  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

#### AUDITOR

KPMG Luxembourg, *Société anonyme*  
39, Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

#### LEGAL ADVISOR, as to Luxembourg law

Arendt & Medernach SA  
41A, avenue J. F. Kennedy  
L-2082 Luxembourg  
Grand-Duchy of Luxembourg

## 2. LEGAL FORM AND STRUCTURE OF THE COMPANY

The Company has been incorporated on 12 August 2008 under Luxembourg law as a "*société d'investissement à capital variable*" (SICAV). The capital of the Company must reach Euro 1,250,000.- within the first six months following its incorporation, and thereafter may not be less than this amount.

The Company's articles of incorporation have been deposited with the registrar of Companies of the District Court of Luxembourg (the "**Registrar**") and have been published in the *Mémorial, Recueil Spécial des Sociétés et Associations* (the "**Mémorial**") on 5 September 2008. The Company has been registered under number B 141 004 at the Luxembourg Commercial Register. The Company's articles of incorporation have been amended for the last time on 2 October 2023, and such amendments will be published in the *Recueil Electronique des Sociétés et Associations* of the Grand Duchy of Luxembourg (the "**RESA**") (the "**Articles of Incorporation**").

The Articles of Incorporation may further be amended from time to time by a meeting of shareholders, subject to the quorum and majority requirements provided by Luxembourg law. Any such amendment shall be published in the RESA, which replaced the Mémorial as of 1 June 2016, in a Luxembourg daily newspaper where appropriate and, if necessary, in the official publications specified for the respective countries in which Company Shares are sold. If all shareholders are registered shareholders, in lieu of a publication, such amendment may be

notified to the shareholders by mail. Such amendments become legally binding on all shareholders, following their approval by the general meeting of shareholders.

Any amendments affecting the rights of the holders of Shares of any Class vis-à-vis those of any other Class shall be subject further to the said quorum and majority requirements in respect of each relevant Class.

The Company is one single entity; however, the right of investors and creditors regarding a Sub-fund or raised by the constitution, operation or liquidation of a Sub-fund are limited to the assets of the Sub-fund, and the assets of a Sub-fund will be answerable exclusively for the rights of the Shareholders relating to the Sub-fund and for those of the creditors whose claim arose in relation to the constitution, operation or liquidation of the Sub-fund. In the relations between the Company's Shareholders, each Sub-fund is treated as a separate entity.

The Board of Directors may decide to create further Sub-funds with different investment objectives, and in such cases, this Prospectus will be updated accordingly. The Board of Directors shall maintain for each Sub-fund a separate pool of assets.

### 3. SUB-FUNDS

This is an offer to subscribe for shares (the "**Shares**") issued without par value in the Company, each Share being linked to one of the Sub-funds of the Company (the "**Sub-funds**"). The details of each Sub-fund are specified in Appendix C.

Different classes of shares may be issued in each Sub-fund of the Company (the "**Classes**"), as determined by the Board of Directors and outlined in Appendix C. For further information about the rights attaching to the various Shares and Classes of Shares, see Section 7 "Form of Shares" and Section 9 "Classes of Shares".

On the initial subscription day (the "**Initial Subscription Day**") or during the initial subscription period (the "**Initial Subscription Period**") Shares in each Sub-fund will be offered at an initial price (the "**Initial Price**") as specified for each Sub-fund in Appendix C. The Initial Price will be subject to the commissions detailed under Section 16 "Commissions".

The reference currency (the "**Reference Currency**") of each Sub-fund is the currency in which the net asset value (the "**Net Asset Value**") of each Sub-fund is denominated, as specified for each Sub-fund in Appendix C. The Board of Directors may however decide to calculate the Net Asset Value per Share of one or more Sub-funds/Class(es) of Shares in addition to the Reference Currency in another denomination currency (the "**Other Denomination Currency**") as further detailed for the respective Sub-funds/Classes of Shares in Appendix C. The Net Asset Value calculated in an Other Denomination Currency is the equivalent of the Net Asset Value in the Reference Currency of the Sub-fund converted at the prevailing exchange rate.

The Board of Directors may decide to create new Sub-funds but not to open them directly for subscription. When the Board of Directors decides to open these Sub-funds for subscription, the Prospectus will be updated accordingly.

The Initial Subscription Day of a Sub-fund or the first day of the Initial Subscription Period shall take place on the launch date as specified for each Sub-fund in Appendix C (the "**Launch Date**"). If no subscriptions are accepted on the Launch Date, the Launch Date will be the next following Valuation Day with respect to which the first subscriptions for the relevant Sub-fund will have been accepted at the Initial Price.

## 4. MANAGEMENT AND ADMINISTRATION

### 4.1 The Board of Directors

The Board of Directors is responsible for the Company's management, control, administration and the determination of its overall investment objectives and policies.

There are no existing or proposed service contracts between any of the directors and the Company, although the directors are entitled to receive remuneration in accordance with usual market practice.

### 4.2 The Management Company

Generali Investments Luxembourg S.A., a limited liability company, *société anonyme*, having its registered office at 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg (the "**Management Company**") has been designated to serve as management company to the Company in accordance with the provisions of the UCI Law.

The Management Company results from the demerger with Generali Fund Management S.A. on 1 July 2014. The Management Company is incorporated for an unlimited duration under the laws of Luxembourg on 1 July 2014 by notarial deed deposited with the Registrar and published in the Mémorial.

As of the date of this Prospectus, its share capital amounts to EUR 1,921,900.-. The shareholder of the Management Company is Generali Investments Holding S.p.A..

The Management Company also acts as Management Company for other investment funds. The names of these other funds will be published in the financial reports of the Company.

The Management Company is according to agreements entered into on 1 September 2008 amended from time to time between the Management Company and the Company appointed to serve as the Company's designated management company. The Management Company shall in particular be responsible for the following duties:

- portfolio management of the Sub-funds;
- central administration, including *inter alia*, the calculation of the net asset value (the "**Net Asset Value**"), the procedure of registration, conversion and redemption of the Shares and the general administration of the Company;
- general co-ordination, distribution of the Shares of the Company and marketing services.

The rights and duties of the Management Company are governed by the UCI Law and an agreement entered into for an unlimited period of time. This agreement may be terminated by either party upon three months' prior written notice.

In accordance with applicable laws and regulations and with the prior consent of the Board of Directors, the Management Company is empowered to delegate, under its control and responsibility, all or part of its duties and powers to any person or entity, which it may consider appropriate. It being understood that the Prospectus shall the case being be amended accordingly.

For the time being the duties of portfolio management, central administrative agent, which include the registrar and transfer agent duties have been delegated as further detailed here-below under Sub-sections 4.3 and 4.5.

Notwithstanding any delegation the Management Company shall remain liable to the Company for the proper performance of its duties.

The Management Company has designed and implemented a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the Company. The Management Company's remuneration policy integrates governance, balanced pay structure between fixed and variable components as well as risk and long-term performance alignment rules, in a multi-year framework, that are designed to be consistent with the business strategy, objectives, values and interests of the Management Company and the Company and the shareholders in the Company, and includes measures to avoid conflicts of interest. Details of the Management Company's up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on <https://www.general-i-investments-luxembourg.com/content/who-we-are/additional-information.aspx> and a paper copy of such remuneration policy is available to investors free of charge upon request at the registered office of the Management Company.

#### 4.3 The Investment Managers

For the definition of the investment policy and the management of each of the Company's Sub-funds, the Management Company may be assisted by one or several investment managers (the "**Investment Manager**").

Pursuant to an investment management agreement, the Management Company has, with the consent of the Board of Directors, expressly delegated to the Investment Manager the discretion, on a daily basis but subject to the overall control and responsibility of the Management Company and the Company, to purchase and sell securities as agents for the Company and otherwise to manage the portfolios of the Sub-funds for the account and in the name of the Company.

The Investment Manager may under the conditions of article 110 of UCI Law delegate the performance of their respective functions to a regulated investment/asset management company of the Generali group or, with the prior consent of the Management Company, to a third party. If functions are delegated to third parties the Prospectus has to be updated accordingly. Pursuant to investment management agreements, the Management Company has appointed the following Investment Managers to manage the assets of some Sub-funds as specified in Appendix C:

- Generali Asset Management S.p.A. Società di gestione del risparmio;
- Marathon Asset Management LP;
- Abrdn Investment Management Limited;
- Western Asset Management Company.

These agreements may be terminated by either party upon three months' prior written notice or as required by applicable laws and regulations.

#### 4.4 The Depositary and Paying Agent

The Company has appointed BNP Paribas, Luxembourg Branch (the "**Depositary**") as its depositary, within the meaning of the UCI Law, and paying agent pursuant to an agreement of unlimited period of time, as may be amended or supplemented from time to time (the "**Depositary Agreement**").

BNP Paribas, Luxembourg Branch is a branch of BNP Paribas, a licensed bank incorporated in France as a *Société Anonyme* (public limited company) with the *Registre du commerce et des sociétés Paris* (Trade and Companies' Register) under No.662.042.449, authorised by the *Autorité de Contrôle Prudentiel et de Résolution (ACPR)* and supervised by the *Autorité des Marchés Financiers (AMF)*, with its registered address at 16, Boulevard des Italiens , 75009 Paris, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 23968, and is supervised by the CSSF.

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the UCI Law), (ii) the monitoring of the cash flows of the Company (as set out in Art 34(2) of the UCI Law) and (iii) the safekeeping of the Company's assets (as set out in Art 34(3) of the UCI Law). Under its oversight duties, the Depositary is required to:

- 1) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the UCI Law and the Articles of Incorporation;
- 2) ensure that the value of the Shares is calculated in accordance with the UCI Law and the Articles of Incorporation;
- 3) carry out the instructions of the Company and/or the Management Company unless they conflict with the UCI Law or the Articles of Incorporation;
- 4) ensure that, in transactions involving the company's assets, the consideration is remitted to the Company within the usual time limits;
- 5) ensure that the Company's income is allocated in accordance with the UCI Law and the Articles of Incorporation.

The overriding objective of the Depositary is to protect the interests of the shareholders, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Company or the Management Company maintains other business relationships with BNP Paribas, Luxembourg Branch in parallel with an appointment of BNP Paribas, Luxembourg Branch acting as Depositary.

Such other business relationships may cover services in relation to:

- outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas or its affiliates act as agent of the Company/Management Company; or
- selection of BNP Paribas or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary is required to ensure that any transaction relating to such business relationships between the Depositary and an entity within the same group as the Depositary is conducted at arm's length and is in the best interests of the shareholders.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- identifying and analysing potential situations of conflicts of interest;
- recording, managing and monitoring the conflict of interest situations either in:
  - o relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
  - o implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new “Chinese wall” (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm’s length and/or informing the concerned shareholders, or (ii) refuse to carry out the activity giving rise to the conflict of interest;
  - o implementing a deontological policy;
  - o recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company’s interests; or
  - o setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interest, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

In the event that such conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the shareholders are fairly treated.

The Depositary may delegate to third parties the safe-keeping of the Company’s assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary’s liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from crystalizing, the Depositary has implemented and maintains an internal organisation whereby such separate commercial and/or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates’ performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available on the website <https://securities.cib.bnpparibas/app/uploads/sites/3/2021/11/ucitsv-list-of-delegates-sub-delegates-en.pdf>. Such list may be updated from time to time. Updated information on the Depositary’s custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary.

BNP Paribas, Luxembourg Branch, being part of a group providing clients with a worldwide network covering different time zones, may entrust parts of its operational processes to other BNP Paribas Group entities and/or third parties, whilst keeping ultimate accountability and responsibility in Luxembourg. The entities involved in the support of internal organisation, banking services, central administration and transfer agency service are listed in the website: <https://securities.cib.bnpparibas/luxembourg/>. Further information on BNP Paribas, Luxembourg Branch international operating model linked to the Fund may be provided upon request by the Management Company.

The Company and/or, as the case may be, the Management Company acting on behalf of the Company may release the Depositary from its duties with 90 days written notice to the Depositary. Likewise, the Depositary may resign from its duties in relation to the Company with 180 days written notice to the Company and/or, as the case may be, the Management Company acting on behalf of the Company. In that case, a new depositary must be designated within two (2) months of the termination of the Depositary's contract to carry out the duties and assume the responsibilities of the Depositary, as defined in the agreement signed to this effect.

As Paying Agent, BNP Paribas, Luxembourg Branch is responsible for the payment of dividends (if any) to the shareholders.

#### 4.5 Central Administration, Registrar and Transfer Agent and Domiciliation Agent

With the prior consent of the Board of Directors, the Management Company has delegated its duties in relation to the central administration and registrar and transfer agency of the Company to BNP Paribas, Luxembourg Branch (the "**Central Administration**").

As Central Administration Agent, BNP Paribas, Luxembourg Branch is responsible for the procedure of registration, conversion and redemption of the Shares, the calculation of the net asset value and the general administration of the Company.

As Domiciliation Agent BNP Paribas, Luxembourg Branch provides administrative and secretarial services to the Company.

#### 4.6 The Global Distributors/the Distributors

The Management Company may decide to appoint distributors/nominees (the "**Distributors**") or global distributors (the "**Global Distributors**") which are authorised, on their turn, to appoint distributors/nominees for the purpose of assisting in the distribution of the Shares of the Company in the countries in which they are marketed. Certain Global Distributors or Distributors may not offer all of the Sub-funds/Classes of Shares/Categories to their investors. Investors are invited to consult their Global Distributors or Distributors for further details.

Distribution and nominee agreements (the "**Distribution and Nominee Agreements**") and Global Distribution agreements (the "**Global Distribution Agreements**") will be signed between the Management Company, the Company and the different Distributors, respectively the different Global Distributors.

In accordance with such Agreements, certain Distributors may act as Nominee. In that case, the Nominee shall be recorded in the register of shareholders and not the clients who have invested in the Company. The terms and conditions of the Agreements shall stipulate, amongst other things, that a client who has invested in the Company via a nominee may at all times require that the Shares thus subscribed be transferred to his name, as a result of which the client shall be registered under his own name in the register of shareholders with effect from the date on which the transfer instructions are received from the Nominee.

Subscribers may subscribe for Shares applying directly to the Company without having to act through one of the Global Distributors or the Distributors.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company if the investor is registered himself and in his own name in the register of shareholders. In cases where an investor invests in the Company, or a Sub-fund, through an intermediary investing into the Company, or a Sub-fund, in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

## **5. INVESTMENT OBJECTIVES AND POLICIES**

The main objective of the Company is to seek capital appreciation by investing in a range of diversified transferable securities and/or other liquid financial assets permitted by law through the constitution of different professionally managed Sub-funds.

Each Sub-fund is managed in accordance with the investment powers and restrictions (the "**Investment Powers and Restrictions**") specified in Appendix A, and may use financial derivatives in accordance with the restrictions of Appendix A or use the financial techniques and instruments (the "**Financial Techniques and Instruments**") specified in Appendix B.

The investment objective and policy of each Sub-fund is described in Appendix C.

## **6. RISKS**

### **6.1 Risk Management**

The Company employs a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Sub-funds and it employs a process allowing for accurate and independent assessment of the value of OTC derivative instruments. The Company must furthermore communicate to the supervisory authority regularly and in accordance with the rules the supervisory authority shall define, the types of derivatives instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with derivative instrument transactions.

### **6.2 Risk Factors**

#### **6.2.1 General**

Despite the possibility for the Company to use option, futures and swap contracts and to enter into forward foreign exchange transactions with the aim to hedge exchange rate risks, all Sub-funds are subject to market or currency fluctuations, and to the risks inherent in all investments. Therefore, no assurance can be given that the invested capital will be preserved, or that capital appreciation will occur.

#### **6.2.2 Exchange Rates**

The Reference Currency of each Sub-fund is not necessarily the investment currency of the Sub-fund concerned. Investments are made in those currencies that best benefit the performance of the Sub-funds in the view of the Investment Manager.

Changes in foreign currency exchange rates will affect the value of Shares held in the Equity and Bond/ Debt Sub-funds.



Shareholders investing in a Sub-fund other than in its Reference Currency should be aware that exchange rate fluctuations could cause the value of their investment to diminish or increase. Where this investment in the Sub-fund is in a currency hedged Class of Shares, these exchange rate risks may exist to a lesser extent. Investors should however be aware that any currency hedging process may not give a precise hedge. Furthermore, there is no guarantee that the hedging will be totally successful.

#### 6.2.3 Interest Rates

The value of fixed income securities held by the Sub-funds generally will vary inversely with changes in interest rates and such variation may affect Share prices accordingly.

#### 6.2.4 Equity Securities

The value of a Sub-fund that invests in equity securities will be affected by changes in the stock markets and changes in the value of individual portfolio securities. At times, stock markets and individual securities can be volatile and prices can change substantially in short periods of time. The equity securities of smaller companies are more sensitive to these changes than those of larger companies. This risk will affect the value of such Sub-funds, which will fluctuate as the value of the underlying equity securities fluctuates.

#### 6.2.5 Investments in other UCI and/or UCITS

The value of an investment represented by a UCI in which the Company invests, may be affected by fluctuations in the currency of the country where such UCI invests, or by foreign exchange rules, the application of the various tax laws of the relevant countries, including withholding taxes, government changes or variations of the monetary and economic policy of the relevant countries. Furthermore, it is to be noted that the Net Asset Value per Share will fluctuate mainly in light of the net asset value of the targeted UCIs.

#### 6.2.6 Duplication of fees

There shall be duplication of management fees and other operating fund related expenses, each time the Company invests in other UCIs and/or UCITS. The maximum proportion of management fees charged both to the Company itself and to the UCIs and/or UCITS in which the Company invests shall be disclosed in the Annual Report of the Company.

#### 6.2.7 Emerging Markets

Potential investors should note that investments in emerging markets carry risks additional to those inherent in other investments. In particular, potential investors should note that investment in any emerging market carries a higher risk than investment in a developed market; emerging markets may afford a lower level of legal protection to investors; some countries may place controls on foreign ownership; and some countries may apply accounting standards and auditing practices which do not necessarily conform with internationally accepted accounting principles.

#### 6.2.8 Investment in China

Certain Sub-funds may invest in securities or instruments which have exposure to the Chinese market. The exposure may be obtained via various channels including the Renminbi Qualified Foreign Institutional Investor (RQFII) scheme or Stock Connect

(as defined below). Other than risks involved in investments on an international basis and in emerging markets, as well as other risks of investments generally as described in this section 6. which are applicable to investments in China, investors should also note the additional specific risks below.

### Renminbi Qualified Foreign Institutional Investor (“RQFII”)

#### a) Regulatory Risks

The RQFII regime is governed by rules and regulations as promulgated by the relevant authorities in the People’s Republic of China (“PRC”), *i.e.*, the China Securities Regulatory Commission (CSRC), the State Administration of Foreign Exchange (SAFE) and the People’s bank of China (PBOC) and/or other relevant authorities (the “**RQFII Regulations**”).

Certain Investment Managers of the Generali Group that meet the relevant prescribed eligibility requirements under the RQFII Regulations have been granted a RQFII license and quota or are in the process of applying for a RQFII license and quota (each “**Generali’s RQFII**” and together “**Generali RQFIIs**”).

Under the SAFE’s and the PBOC’s RQFII quota administration policy, Generali RQFIIs have the flexibility to allocate their RQFII quota across different Sub-funds, or subject to SAFE’s and PBOC’s approvals, as the case may be, to other products which are open-ended funds and/or to products and/or accounts that are not open ended funds. Generali RQFIIs may therefore allocate RQFII quota to a Sub-fund, or allocate RQFII quota which may otherwise be available to a Sub-fund to other products and/or accounts.

Subject to applicable rules and approvals, the RQFII quota(s) obtained/to be obtained by the Generali RQFIIs may be utilised by the Sub-funds they manage and/or by the Sub-funds managed by other Investment Managers of the Generali Group who do not currently hold a RQFII license and quota. In the latter case, in accordance with the RQFII Regulations, the Generali RQFIIs will retain an overall oversight responsibility on the use of the RQFII quota, but will not take on any discretionary investment management role in respect of the Sub-funds managed by such other Investment Managers.

RQFII Regulations may be amended from time to time and include (but are not limited to):

- (i) the “Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors” issued by the CSRC, the PBOC and the SAFE and effective from 1 March 2013;
- (ii) the “Implementation Rules for the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors” issued by the CSRC and effective from 1 March 2013;
- (iii) the “Circular on Issues Related to the Pilot Scheme for Domestic Securities Investment through Renminbi Qualified Foreign Institutional Investors” issued by the SAFE and effective from 21 March 2013 (the “**RQFII Measures**”);
- (iv) the “Notice of the People’s Bank of China on the Relevant Matters concerning the Implementation of the Pilot Scheme for Domestic Securities

Investment through Renminbi Qualified Foreign Institutional Investors”, issued by the PBOC and effective from 2 May 2013; and

- (v) any other applicable regulations promulgated by the relevant authorities.

The RQFII Regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty 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 no precedent or certainty as to how such discretion may be exercised now or in the future.

#### b) RQFII Quota Risks

To the extent a Generali RQFII has utilised its entire RQFII quota, the Generali RQFII may, subject to any applicable regulations, apply for an increase of its RQFII quota which may be utilised by the Sub-funds, other clients of the Generali RQFII or other products managed by the Generali RQFII. There can however be no assurance that additional RQFII quota can be obtained to fully satisfy subscription requests in the relevant Sub-funds, which may result in a need to close such Sub-funds to further subscriptions, to reject and/or (pending receipt of additional RQFII quota) to defer all or part of any new subscription requests, subject to the provisions of the Prospectus. On the other hand, the size of the quota granted to a Generali RQFII may generally be reduced or cancelled by the relevant Chinese authorities if this Generali RQFII is unable to use its RQFII quota effectively. Also, regulatory sanctions may be imposed on Generali RQFIIs if the latter (or the RQFII local custodian – please see “RQFII Custody Risks” below) breach any provision of the RQFII Regulations, which could potentially result in the revocation of the RQFII quota or other regulatory sanctions that may impact on the portion of the quota made available for investment by the relevant Sub-funds. Should a Generali RQFII lose its RQFII status or its investment quota is revoked or reduced, a Sub-fund may no longer be able to invest directly in the PRC or may be required to dispose of its investments in the PRC domestic securities market held through the quota, which could have an adverse effect on its performance or result in a significant loss.

#### c) RQFII Repatriation Risks

A Sub-fund may be impacted by the rules and restrictions under the RQFII Regulations (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. The SAFE regulates and monitors the repatriation of funds out of the PRC by RQFIIs pursuant to the RQFII Regulations. Repatriations by RQFIIs in respect of an open-ended RQFII fund (as defined under RQFII Regulations), such as the relevant Sub-funds, conducted in RMB are currently conducted daily and are not subject to repatriation restrictions or prior approval. There is no assurance, however, that RQFII Regulations will not change or that repatriation restrictions will not be imposed in the future.

Any restrictions on repatriation of the invested capital and net profits may impact on the relevant Sub-fund’s ability to meet redemption requests from the Shareholders. In extreme circumstances, the relevant Sub-funds may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to RQFII investment restrictions, illiquidity of the PRC’s securities market, and delay or disruption in execution of trades or in settlement of trades.

#### d) RQFII Custody Risks

Where a Sub-fund invests in fixed income securities traded on the interbank bond market and the exchange markets in the PRC through a Generali RQFII quota, such securities will be maintained by a local custodian (the “**RQFII Custodian**”) pursuant to PRC regulations through securities accounts with the China Securities Depository and Clearing Corporation Limited or the China Central Depository & Clearing Co. Ltd and/or the Shanghai Clearing House Co. Ltd. and such other relevant depositories in such name as may be permitted or required in accordance with PRC law. Cash shall be maintained in a cash account with the RQFII Custodian.

The Depository will make arrangements to ensure that the RQFII Custodian has appropriate procedures to properly safe-keep the assets of the relevant Sub-funds including maintaining records that clearly show that such Sub-funds assets are recorded in the name of Generali RQFII (as the RQFII license holder) and segregated from the other assets of the RQFII Custodian. Under RQFII Regulations, any securities acquired by a Sub-fund through a RQFII quota held by Generali RQFIIs will be maintained by the RQFII Custodian and should be registered in the name of the Generali RQFII (as the RQFII licence holder) for the sole benefit and use of the Sub-fund. However, it is possible that the judicial and regulatory authorities in China may interpret the position differently in future and determine that Generali RQFIIs could be the party entitled to the securities in such securities trading account. Such securities may be vulnerable to a claim by a liquidator of the Generali RQFII and may not be as well protected as if they were registered solely in the name of the Sub-fund. In particular, there is a risk that creditors of the Generali RQFII may incorrectly assume that the Sub-fund’s assets belong to the Generali RQFII and such creditors may seek to gain control of the Sub-fund’s assets to meet the Generali RQFII’s liabilities owed to such creditors.

Investors should also note that cash deposited in the cash account of the relevant Sub-funds with the RQFII Custodian might not be segregated but will be a debt owing from the RQFII Custodian to the relevant Sub-funds as a depositor. Such cash will be commingled with cash belonging to other clients of the RQFII Custodian. In the event of bankruptcy or liquidation of the RQFII Custodian, the relevant Sub-funds will not have any proprietary rights to the cash deposited in such cash account, and the relevant Sub-funds will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors, of the RQFII Custodian. The relevant Sub-fund may face difficulty 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 Sub-fund will suffer losses. Also, the Sub-fund may incur losses due to the acts or omissions of the RQFII Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities.

#### e) PRC Brokerage Risks under RQFII regime

The execution and settlement of transactions or the transfer of any funds or securities may be conducted by PRC brokers appointed by the Generali RQFIIs. There is a risk that a Sub-fund may suffer losses from the default, bankruptcy or disqualification of the PRC brokers. In such event, the Sub-fund may be adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

In selection of PRC brokers, the Generali RQFIIs will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the Generali RQFIIs consider appropriate and if under market or operational constraints, it is possible that a single PRC broker will be appointed and the Sub-fund may not necessarily pay the lowest commission or the trades may not be executed at the best price available in the market at the relevant time.

## Stock Connect Risks

Certain Sub-funds may invest in China via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (“**Stock Connect**”). Stock Connect is a mutual market access program through which foreign investors such as the Sub-funds can deal in selected securities listed on the Shanghai Stock Exchange (“**SSE**”) and the Shenzhen Stock Exchange (“**SZSE**”), respectively, through the Hong Kong Stock Exchange (“**SEHK**”) and the clearing house in Hong Kong. The securities which can be accessed through Stock Connect are, at the date of this Prospectus, all constituent stocks of the SSE 180 Index, the SSE 380 Index and all China A-Shares listed on the SSE, and certain other securities as well as, since 5 December 2016, selected securities listed on the SZSE including any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A-Shares and H shares (the “**Stock Connect Shares**”). At the initial stage of the northbound Shenzhen trading link, investors eligible to trade shares that are listed on the ChiNext Board of SZSE may be limited. It is expected that the list of eligible securities which may be accessed through Stock Connect will develop over time. In addition to the Stock Connect Shares described in this paragraph, a Sub-fund may, subject to its investment policy, invest in any other security listed on the SSE or SZSE which is made available in the future through Stock Connect.

Stock Connect currently comprises a northbound link, through which Hong Kong and overseas investors like the Company may purchase and hold Stock Connect Shares and a southbound link, through which investors in mainland China (i.e. the PRC with the exception of the special administrative regions of Hong Kong and Macau, the “**Mainland China**”) may purchase and hold shares listed on the SEHK.

### a) Risks linked with dealing in securities in China via Stock Connect

To the extent that a Sub-fund’s investments in China are dealt via Stock Connect, such dealing may be subject to additional risk factors. In particular, investors should note that Stock Connect is a new trading program. The relevant regulations are untested and subject to change. Stock Connect is subject to quota limitations which may restrict a Sub-fund’s ability to deal via Stock Connect on a timely basis. This may impact that Sub-fund’s ability to implement its investment strategy effectively.

Investors should note further that under the relevant regulations a security may be recalled from the scope of Stock Connect. This may adversely affect the Sub-fund’s ability to meet its investment objective, e.g. when the Investment Manager wishes to purchase a security which is recalled from the scope of Stock Connect.

### b) Pre-trade check

PRC law provides that a sell order may be rejected if an investor does not have sufficient available China A-Shares in its account. SEHK will apply a similar check on all sell orders of Stock Connect Shares on the northbound trading link at the level of SEHK’s registered exchange participants (“**Exchange Participants**”) to ensure there is no overselling by any individual exchange participant (“**Pre-Trade Checking**”). In addition, Stock Connect investors will be required to comply with any requirements relating to Pre-Trade Checking imposed by the applicable regulator, agency or authority with jurisdiction, authority or responsibility in respect of Stock Connect (“**Stock Connect Authorities**”).

This Pre-Trade Checking requirement may require a pre-trade delivery of the Stock Connect Shares from a Stock Connect investor's domestic custodian or sub-custodian to the Exchange Participant which will hold and safekeep such securities so as to ensure that they can be traded on a particular trading day. There is a risk that creditors of the Exchange Participant may seek to assert that such securities are owned by the Exchange Participant and not the Stock Connect investor, if it is not made clear that the Exchange Participant acts as a custodian in respect of such securities for the benefit of the Stock Connect investor.

Where a Sub-fund trades Stock Connect Shares through a broker affiliated to the Company's sub-custodian, who is an Exchange Participant and a clearing agent of its affiliated broker, no pre-trade delivery of securities is required and the above risk is mitigated.

c) Beneficial owner of the Stock Connect Shares

Stock Connect Shares will be held following settlement by brokers or custodians as clearing participants in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the Hong Kong Securities and Clearing Corporation Limited ("HKSCC") as central securities depository in Hong Kong and nominee holder. HKSCC in turn holds these Stock Connect Shares of all its participants through a "single nominee omnibus securities account" in its name registered with ChinaClear, the central securities depository in Mainland China.

Because HKSCC is only a nominee holder and not the beneficial owner of these Stock Connect Shares, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that these Stock Connect Shares will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under Mainland China law. However, HKSCC will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in these Stock Connect Shares in Mainland China. Foreign investors like a Sub-fund investing through the Stock Connect holding the Stock Connect Shares through HKSCC are the beneficial owners of the assets and are therefore eligible to exercise their rights through the nominee only.

d) Not protected by Investor Compensation Fund

Investors should note that any northbound or southbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund nor the China Securities Investor Protection Fund and thus investors will not benefit from compensation under such schemes. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Examples of default are insolvency, bankruptcy or winding up, breach of trust, defalcation, fraud, or misfeasance.

e) Restriction on day trading

Save with a few exceptions, day (turnaround) trading is generally not permitted on the China A-Shares market. If a Sub-fund buys Stock Connect Shares on a dealing day (T), the Sub-fund may not be able to sell the Stock Connect Shares until on or after T+1 day.

f) Quotas used up

Dealing on Stock Connect is subject to daily quota limitations. Once the daily quota is used up, acceptance of the corresponding buy orders will also be immediately suspended and no further buy orders will be accepted for the remainder of the day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted. Depending on the aggregate quota balance situation, buying services will be resumed on the following trading day.

g) Difference in trading day and trading hours

Due to differences in public holiday between Hong Kong and Mainland China or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours in the markets accessible through Stock Connect. Stock Connect will only operate on days when these markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but it is not possible to carry out any Stock Connect Shares trading in Hong Kong. The Investment Manager should take note of the days and the hours during which Stock Connect is open for business and decide according to its own risk tolerance capability whether or not to take on the risk of price fluctuations in Stock Connect Shares during the time when Stock Connect is not trading.

h) The recalling of eligible stocks and trading restrictions

A stock may be recalled from the scope of eligible stocks for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. This may affect the investment portfolio or strategies of the Investment Manager. The Investment Manager should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by the PRC and Hong Kong authorities.

Under Stock Connect, the Investment Manager will only be allowed to sell Stock Connect Shares but restricted from further buying if: (i) the Stock Connect Share subsequently ceases to be a constituent stock of the relevant indices; (ii) the Stock Connect Share is subsequently under “risk alert”; and/or (iii) the corresponding H share of the Stock Connect Share subsequently ceases to be traded on SEHK. The Investment Manager should also note that price fluctuation limits would be applicable to Stock Connect Shares.

i) Trading costs

In addition to paying trading fees and stamp duties in connection with Stock Connect Shares trading, a Sub-fund carrying out trading via Stock Connect should also take note of any new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which would be determined by the relevant authorities.

j) Local market rules, foreign shareholding restrictions and disclosure obligations

Under Stock Connect, China A-Shares listed companies and trading of China A-Shares are subject to market rules and disclosure requirements of the China A-Shares market. Any changes in laws, regulations and policies of the China A-Shares market or rules in relation to Stock Connect may affect share prices. The Investment Manager should also take note of the foreign shareholding restrictions and disclosure obligations applicable to China A-Shares.

The Investment Manager will be subject to restrictions on trading (including restriction on retention of proceeds) in China A-Shares as a result of its interest in the China A-Shares. The Investment Manager is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in China A-Shares.

Under the current Mainland China rules, once an investor holds up to 5% of the shares of a company listed in Mainland China, the investor is required to disclose his interest within three working days and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with Mainland China rules.

According to existing Mainland China practices, the Sub-fund as beneficial owners of China A-Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf.

k) Clearing, settlement and custody risks

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

Hong Kong and overseas investors which have acquired Stock Connect Shares through northbound trading should maintain such securities with their brokers' or custodians' stock accounts with CCASS (operated by HKSCC).

l) No manual trade or block trade

Currently there is no manual trade facility or block trade facility for Stock Connect Shares transactions under northbound trading. A Sub-fund's investment options may become limited as a result.

m) Order priority

Trade orders are entered into China Stock Connect System ("CSC") based on time order. Trade orders cannot be amended, but may be cancelled and re-entered into the CSC as new orders at the back of the queue. Due to quota restrictions or other market intervention events, there can be no assurance that trades executed through a broker will be completed.

n) Execution issues

Stock Connect trades may, pursuant to the Stock Connect rules, be executed through one or multiple brokers that may be appointed by the Company for northbound trading. Given the Pre-Trade Checking requirements and hence the pre-trade delivery of Stock Connect Shares to an Exchange Participant, the Investment Manager may determine that it is in the interest of a Sub-fund that it only executes Stock Connect trades through a broker who is affiliated to the Company's sub-custodian that is an Exchange Participant. In that situation, whilst the Investment Manager will be cognisant of its best execution obligations it will not have the ability to trade through multiple brokers and any switch to a new broker will not be possible without a commensurate change to the Company's sub-custody arrangements.



o) No off-exchange trading and transfers

Market participants must match, execute or arrange the execution of any sale and buy orders or any transfer instructions from investors in respect of any Stock Connect Shares in accordance with the Stock Connect rules. This rule against off-exchange trading and transfers for trading of Stock Connect Shares under northbound trading may delay or disrupt reconciliation of orders by market participants. However, to facilitate market players in conducting northbound trading and the normal course of business operation, off-exchange or “non-trade” transfer of Stock Connect Shares for the purposes of post-trade allocation to different funds/Sub-funds by fund managers have been specifically allowed.

p) Currency risks

Northbound investments by a Sub-fund in the Stock Connect Shares will be traded and settled in Renminbi (“RMB”). If a Sub-fund holds a Share Class denominated in a local currency other than RMB, the Sub-fund will be exposed to currency risk if the Sub-fund invests in a RMB product due to the need for the conversion of the local currency into RMB. During the conversion, the Sub-fund will also incur currency conversion costs. Even if the price of the RMB asset remains the same when a Sub-fund purchases it and when the Sub-fund redeems/sells it, the Sub-fund will still incur a loss when it converts the redemption/sale proceeds into local currency if RMB has depreciated.

q) Risk of ChinaClear default

ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. Pursuant to the general rules of CCASS, if ChinaClear (as the host central counterparty) defaults, HKSCC will, in good faith, seek recovery of the outstanding Stock Connect Shares and monies from ChinaClear through available legal channels and through ChinaClear’s liquidation process, if applicable.

HKSCC will in turn distribute the Stock Connect Shares and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect authorities. Although the likelihood of a default by ChinaClear is considered to be remote, investors in the relevant Sub-funds should be aware of this arrangement and of this potential exposure.

r) Risk of HKSCC default

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Shares and/or monies in connection with them and a Sub-fund and its investors may suffer losses as a result. Neither the Company nor the Investment Manager shall be responsible or liable for any such losses.

s) Ownership of Stock Connect Shares

Stock Connect Shares are uncertificated and are held by HKSCC for its accountholders. Physical deposit and withdrawal of Stock Connect Shares are not available currently under the northbound trading for a Sub-fund.

A Sub-fund’s title or interests in, and entitlements to Stock Connect Shares (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case

disputes arise. This is a complex area of law and investors should seek independent professional advice.

The above may not cover all risks related to Stock Connect and any above mentioned laws, rules and regulations are subject to change.

### China Tax Considerations

By investing in China A-Shares, domestic bond or fixed income instruments issued by PRC tax resident enterprises or other permitted securities in China including securities investment funds and warrants listed on the China stock exchanges (together “**China Securities**”) and China H-Shares, a Sub-fund may be subject to withholding and other taxes imposed under Chinese tax law or regulations.

Under current PRC Corporate Income Tax Law (“**PRC CIT Law**”) and regulations, if the Sub-fund is considered as a PRC tax resident enterprise, it will be subject to PRC Corporate Income Tax (“**CIT**”) at 25% on its worldwide taxable income; if the Sub-fund is considered as a non-PRC tax resident enterprise but has an establishment or place of business (“**PE**”) in the PRC, it would be subject to PRC CIT at 25% on the profits attributable to that PE. It is the intention of the Investment Manager to operate the affairs of the Sub-fund such that it should not be treated as a tax resident enterprise of the PRC or a non-tax resident enterprise with PE in the PRC for PRC CIT purposes, although this cannot be guaranteed.

If the Sub-fund is a non-PRC tax resident enterprise, without PE in the PRC, the income derived by it from the investment in PRC securities would be subject to 10% PRC withholding income tax (“**WIT**”) in the PRC, unless exempt or reduced under the relevant tax treaty.

#### 1. Capital gains

### CIT

On 14 November 2014, the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission have jointly released Caishui [2014] No.81 (“**Circular 81**”) which stipulates that PRC CIT will be temporarily exempted on capital gains derived by foreign investors on the trading of China A-Shares through Stock Connect.

On the same day, the Ministry of Finance, the State of Administration of Taxation and the China Securities Regulatory Commission have also jointly released Caishui [2014] No.79 (“**Circular 79**”) which specifies that capital gains derived from trading of PRC shares by QFIIs and RQFIIs, which do not have an establishment or place in China or have an establishment or place in China but the income so derived in China is not effectively connected with such establishment, will be temporarily exempted from PRC CIT from 17 November 2014 onwards. In light of Circular 79, WIT on capital gain attributable to the Sub-fund’s investment in A-Share realised from 17 November 2014 onwards should be exempted. Notwithstanding the foregoing, as and when the PRC tax authorities announce the expiry date of the CIT exemption, the Sub-fund may in future need to make a provision to reflect the taxes payable, which may have a substantial negative impact on the Net Asset Value of the Sub-fund.

It should also be noted that the prevailing PRC tax regulations specified that the tax exemption on capital gains derived from the trading of China A-Shares from 17

November 2014 onwards is temporary. There is a possibility of the PRC tax rule, regulations and practice being changed and taxes being applied retrospectively.

Specific rules governing taxes on capital gains derived by RQFIIs from the trading of PRC securities other than China A-Shares have yet to be announced. Circular 79 is also silent as to the PRC CIT treatment on capital gains arising from investments by RQFIIs in PRC securities other than equity investment assets. In the absence of specific taxation rule, the tax treatment for investment in these securities is governed by the general taxing provisions of the CIT Law. Under such general taxing provision, a Sub-fund would be subject to 10% PRC WIT on capital gains derived from trading of PRC securities other than China A-Shares (i.e. China B-Shares and debt instruments issued by PRC tax resident enterprises), unless exempt or reduced under relevant double tax treaties.

Pursuant to Article 7 of the Detailed Implementation Regulations of CIT Law, where the property concerned is a movable property, the source shall be determined according to the location of the enterprise, establishment or place which transfers the property. The PRC tax authorities have verbally indicated that the debt instruments issued by PRC tax resident enterprises are movable property. In this case, the source shall be determined based on the location of the transferor. As the Sub-funds are located outside the PRC, gains derived by the Sub-funds from the debt instruments issued by PRC tax resident enterprises could be argued as offshore source and thus not subject to PRC WIT.

In addition to the verbal comments, Article 13.6 of the Arrangement between Mainland China and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the “China-Luxembourg Arrangement”) provides that any gains derived by a Luxembourg resident from the disposal of PRC properties that are not referred to in Articles 13.1 to 13.5 of the China-Luxembourg Arrangement shall be taxable only in Luxembourg. As the debt instruments issued by PRC tax resident enterprises are not referred to in Articles 13.1 to 13.5 of the China-Luxembourg Arrangement, capital gains derived by the Luxembourg tax resident from the disposal of these securities should technically be exempt from PRC WIT provided all other relevant treaty conditions are satisfied subject to agreement by the PRC tax authorities. In order to qualify for this preferential treatment, the Manager will further assess and seek agreement from the PRC tax authorities in relation to the relevant Sub-fund, although this cannot be guaranteed.

However, as a matter of practice, the 10% WIT has not been strictly enforced by local tax bureau on capital gains derived by non-PRC tax resident enterprises from the trading of China B-Shares, debt securities issued by PRC tax enterprises and China H-Shares.

#### Value Added Tax (“VAT”)

The Ministry of Finance of the PRC and the State Administration of Taxation of the PRC issued the “*Notice on the Comprehensive Roll-out of the B2V Transformation Pilot Program (the “B2V Pilot Program”)*” Caishui [2016] No.36 (“**Notice 36**”) on 23 March 2016 announcing that the B2V Pilot Program will be rolled out to cover all the remaining industries of the program, including financial services. Notice 36 shall take effect from 1 May 2016, unless otherwise stipulated therein.

Notice 36 provides that VAT at 6% shall be levied on the difference between the selling and buying prices of those marketable securities. However, capital gains derived by the

Sub-fund from trading of offshore PRC marketable securities (e.g. China H-Shares) are not subject to VAT.

Notice 36 also provides that gains derived by QFIIs from trading of marketable securities are exempt from VAT. However, it is not guaranteed whether similar exemptions would be extended to RQFIIs.

Pursuant to Notice 36, gains derived by Hong Kong and overseas investors from trading of China A-Shares through Stock Connect will be exempt from VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

#### Stamp duty:

Stamp duty under the PRC laws generally applies to the execution and receipt of all taxable documents listed in the PRC's Provisional Rules on Stamp Duty. Stamp duty is levied on the execution or receipt in China of certain documents, including contracts for the sale of China A-Shares and China B-Shares traded on the PRC stock exchanges, at the rate of 0.1%. In the case of contracts for sale of China A-Shares and China B shares, such stamp duty is currently imposed on the seller but not on the purchaser.

## 2. Dividends and Interests

### CIT

Sub-fund's income from interests, dividends and profit distributions sourced from China received by the Generali RQFIIs on behalf of the relevant Sub-fund, is generally subject to WIT at a rate of 10%. The entity distributing such dividends and interests is required to withhold such tax.

Interests derived from PRC government bonds issued by the in-charge Finance Bureau of the State Council and/or local government bonds approved by the State Council are exempt from PRC income tax under CIT law.

### VAT

Dividend income or profit distributions on equity investment derived from China are not included in the taxable scope of VAT.

Notice 36 does not specifically exempt VAT on interest income earned by non-financial institution. However, according to Notice 36, deposit interest income is not subject to VAT and interest income earned on government bonds is exempted from VAT. Hence, interest income on corporate bonds in theory should be subject to 6% VAT.

In addition, urban maintenance and construction tax (currently at the rate ranging from 1% to 7%), educational surcharge (currently at the rate of 3%) and local educational surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities.

In order to meet the potential tax liability on capital gains arising from disposal of PRC securities, the relevant Sub-fund reserves the right to provide for WIT on capital gains and withhold the tax for the account of the Sub-fund. The relevant Sub-fund has provided for WIT at 10% on gross realised and unrealised capital gain derived from trading of PRC securities other than China A-Shares. The relevant Sub-fund reserves

the right to provide for WIT on gross realised and unrealised capital gains derived from the trading of PRC equity investment (including China A-Shares) once the abovementioned temporary exemption has been removed.

The PRC tax rules and practices in relation to RQFII and Stock Connect are new and could be uncertain. The Net Asset Value of the relevant Sub-fund on any Valuation Day may not accurately reflect the tax liabilities, and investors should be aware that there may at any point in time be under-accrual or over-accrual for Chinese tax liabilities which impact on the performance of the relevant Sub-fund and the net asset value during the period of such under-accrual or over-accrual and there may be subsequent adjustments to the net asset value. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such capital gains will be taxed, the level of provision and when they subscribed and/or redeemed their Shares in/from the relevant Sub-fund. In case of any shortfall between the provisions and actual tax liabilities, which will be debited from the relevant Sub-fund's assets, the relevant Sub-fund's net asset value will be adversely affected. On the other hand, the actual tax liabilities may be lower than the tax provision made, in which case only the then existing investors will benefit from a return of the extra tax provision. Those persons who have already sold/ redeemed their Shares before the actual tax liabilities are determined will not be entitled to or have any right to claim any part of such over provision. Moreover, there is no assurance that the existing tax laws and regulations will not be revised or amended in the future. There is a possibility of the PRC tax rules, regulations and practice being changed and taxes being applied retrospectively. Any of these changes may reduce the income from, and/or value of, the investments of the relevant Sub-fund.

Investors should seek their own tax advice on their position with regard to their investment in any Sub-fund.

#### 6.2.9 Derivatives

Each of the Sub-funds may use derivatives instruments, such as options, futures and swap contracts and enter into forward foreign exchange transactions. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. Participation in the options or futures markets, in swap contracts and in foreign exchange transactions involves investment risks and transaction costs to which the Sub-funds would not be subject if they did not use these strategies. If the Sub-funds Investment Manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-fund may leave the Sub-fund in a less favourable position than if such strategies were not used.

Risks inherent in the use of options, foreign currency, swaps and futures contracts and options on futures contracts include, but are not limited to (a) dependence on the Investment Manager's ability to predict correctly movements in the direction of interest rates, securities prices and currency markets; (b) imperfect correlation between the price of options and futures contracts and options thereon and movements in the prices of the securities or currencies being hedged; (c) the fact that skills needed to use these strategies are different from those needed to select portfolio securities; (d) the possible absence of a liquid secondary market for any particular instrument at any time; and (e) the possible inability of a Sub-fund to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for a Sub-fund to sell a portfolio security at a disadvantageous time.

Where a Sub-fund enters into swap transactions it is exposed to a potential counterparty risk. In case of insolvency or default of the swap counterparty, such event would affect the assets of the Sub-fund.

#### 6.2.10 OTC financial derivative instruments

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

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

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

EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Company. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of this Prospectus. It is as yet unclear how the OTC derivatives market will adapt to the new regulatory regime. ESMA has published an opinion calling for the UCITS Directive to be amended to reflect the requirements of EMIR and in particular the EMIR clearing obligation. However, it is unclear whether, when and in what form such amendments would take effect. Accordingly, it is difficult to predict the full impact of EMIR on the Company, which may include an increase in the overall costs of entering into and maintaining OTC derivatives.

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

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

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

#### 6.2.11 Credit default swaps (CDS)

A CDS is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations, issued by the reference issuer at their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference or strike price. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The ISDA has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement.

As protection seller, the Company will seek a specific credit exposure to the reference issuer – selling protection (by mitigating the counterparty risk) is economically equivalent to buying a maturity-matching floating rate note on the same reference entity.

As protection buyer, the Company may seek either to hedge a specific credit risk of some issuers in the portfolio or to exploit a negative view on a given reference entity.

When these transactions are used in order to eliminate a credit risk in respect of the issuer of a security, they imply that the Company bears a counterparty risk in respect of the protection seller.

This risk is, however, mitigated by the fact that the Company will only enter into CDS transactions with highly rated financial institutions.

CDS used for a purpose other than hedging, such as for efficient portfolio management purposes or if disclosed in relation to any Sub-fund, as part of the principal investment policy, may present a risk of liquidity if the position must be liquidated before its

maturity for any reason. The Company will mitigate this risk by limiting in an appropriate manner the use of this type of transaction. Furthermore, the valuation of CDS may give rise to difficulties which traditionally occur in connection with the valuation of OTC contracts.

Insofar as the Sub-fund(s) use CDS for efficient portfolio management or hedging purposes, investors should note that such instruments are designed to transfer credit exposure of fixed income products between the buyer and seller.

The Sub-fund(s) would typically buy a CDS to protect against the risk of default of underlying investments, known as the reference entity and would typically sell a CDS for which it receives payment for effectively guaranteeing the creditworthiness of the reference entity to the buyer. In the latter case, the Sub-fund(s) would incur exposure to the creditworthiness of the reference entity but without any legal recourse to such reference entity. In addition, as with all OTC derivatives, CDS expose the buyer and seller to counterparty risk and a Sub-fund may suffer losses in the event of a default by the counterparty of its obligations under the transaction and/or disputes as to whether a credit event has occurred, which could mean the Sub-fund cannot realize the full value of the CDS.

#### 6.2.12 Warrants

With regard to investment in warrants investors should note that the gearing effect of investment in warrants and the volatility of warrant prices make the risk attached to the investment in warrants higher than in the case with investment in equities.

#### 6.2.13 Concentration risk

If a Sub-fund focuses its investments on certain markets or type of investment, by definition this concentration does not allow the same scope of diversification of risks across different markets as would be possible if investments were not as concentrated. Consequently, a Sub-fund is particularly dependent on the development of these investments or of individual or related markets or of companies included in those markets.

#### 6.2.14 Liquidity Risk

Even relatively small orders for purchases or sales of illiquid securities (securities that cannot be sold readily) in particular can lead to significant price changes. If an asset is not liquid, there is the risk that the asset cannot be sold or can only be sold at a significant discount to the purchase price. The lack of liquidity of an asset may cause its purchase price to increase significantly.

#### 6.2.15 Credit (or default) risk

The credit (or default) risk is the risk that an issuer or guarantor of a security or counterparty to a transaction may default on its payment obligations or experience a decline in credit quality. Generally, the lower the credit rating of a security, issuer, guarantor or counterparty, the greater the risk of default will be. Also, a downgrade in the credit quality of a security or its issuer or guarantor may cause the security to decline in value.

Sub-funds investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the



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

When assessing the creditworthiness of an issuer, the Management Company may rely both on the credit ratings granted by credit rating agencies and, when available, on the credit rating as defined by the Investment Manager. This process may take into consideration, among quantitative and qualitative criteria, the credit ratings granted by credit rating agencies established in the European Union and registered in accordance with the Regulation N° 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation N° 1060/2009 on credit rating agencies.

Equivalency table for the long-term credit ratings provided by the main credit rating agencies:

Creditworthiness		Moody's	Standard & Poor's	Fitch	Creditworthiness Description
Investment Grade*	High Grade	From Aaa to A2	From AAA to A	From AAA to A	Strong/very strong capacity for an issuer to meet its financial commitments (high quality debt instruments)
	Medium Grade	From A3 to Baa3	From A- to BBB-	From A- to BBB-	Adequate/strong capacity for an issuer to meet its financial commitment (medium quality debt instruments)
Non-Investment Grade	Speculative Grade	From Ba1 to Ba3	From BB+ to BB-	From BB+ to BB-	Some adverse circumstances (like business, financial or economic conditions) could lead to an inadequate capacity for the issuer to meet its financial commitment (lower quality debt instruments)
	Highly Speculative	From B1 to B3	From B+ to B-	From B+ to B-	Some adverse circumstances (like business, financial or economic conditions) will likely lead to an inadequate capacity for the issuer to meet its financial commitment (lower quality debt instruments)

Creditworthiness		Moody's	Standard & Poor's	Fitch	Creditworthiness Description
	<b>Extremely Speculative</b>	< B3	< B-	< B-	The issuer is either vulnerable and dependent upon favorable business, financial or economic conditions to meet its financial commitment or has failed to meet one or more of its financial commitments

\*Investment grade is the credit rating from AAA to BBB- for Standard & Poors or from Aaa to Baaa3 for Moody's or from AAA to BBB- for Fitch or an equivalent credit rating by a recognised credit rating agency or an equivalent credit rating awarded by the Management Company according to its internal process ("**Investment Grade**").

Among Investment Grade financial instruments, "High Grade" financial instruments are those that report, at issue or issuer level, the highest creditworthiness levels according to the process implemented by the Management Company. Non-Investment Grade financial instruments are considered "Speculative", "Highly Speculative" or "Extremely Speculative" on the basis of the credit ratings awarded by the Management Company according to its internal process.

#### 6.2.16 Rule 144A and Regulation S securities

SEC Rule 144A provides a safe harbour exemption from the registration requirements of the United States Securities Act of 1933, as amended, for resale of restricted securities to qualified institutional buyers, as defined in the rule. Regulation S provides an exclusion from registration requirements of the United States Securities Act of 1933, as amended, for offerings made outside the United States by both U.S. and foreign issuers. A securities offering, whether private or public, made by an issuer outside of the United States in reliance on Regulation S need not be registered. The advantage for investors may be higher returns due to lower administration charges. However, dissemination of secondary market transactions is limited and might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular security.

#### 6.2.17 Counterparty risk

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

#### 6.2.18 Securities lending, repurchase and reverse repurchase transactions

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

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

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

The Sub-funds may enter into securities lending, repurchase or reverse repurchase transactions with other companies in the same group of companies as the Investment Manager. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with a Sub-fund in a commercially reasonable manner. In addition, the Investment Manager will select counterparties and enter into transactions in accordance with best execution principles. However, investors should be aware that the Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

#### 6.2.19 Collateral Management

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

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

## 6.2.20 Exchange of information

### (a) FATCA and CRS

Under the terms of the FATCA Law and CRS Law, the Company is likely to be treated as a Reporting (Foreign) Financial Institution. As such, the Company may require all shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Company become subject to a withholding tax and/or penalties as a result of a non-compliance under the FATCA Law and/or penalties as a result of a non-compliance under the CRS Law, the value of the Shares held by all shareholders may be materially affected.

Furthermore, the Company may also be required to withhold tax on certain payments to its shareholders who would not be compliant with FATCA (i.e. the so-called foreign passthrough payments withholding tax obligation).

## 6.2.21 Depositary risk

The assets owned by the Company are held in custody for account of the Company by a depositary that is also regulated by the CSSF. The Depositary may entrust the safekeeping of the Company's assets to sub-custodians in the markets where the Company invests. Luxembourg law provides that the Depositary's liability shall not be affected by the fact that it has entrusted the assets of the Company to third parties. The CSSF requires that the Depositary ensures that there is legal separation of non-cash assets held under custody, and that records are maintained that clearly identify the nature and amount of all assets under custody, the ownership of each asset and where the documents of title to that asset are located.

Where the Depositary engages a sub-custodian, the CSSF requires that the Depositary ensures that the sub-custodian maintains these standards and the liability of the Depositary will not be affected by the fact that it has entrusted to a sub-custodian some or all of the assets of the Company.

However, certain jurisdictions have different rules regarding the ownership and custody of assets generally and the recognition of the interests of a beneficial owner such as a Sub-fund. There is a risk that in the event the Depositary or sub-custodian becomes insolvent, the relevant Sub-fund's beneficial ownership of assets may not be recognised in foreign jurisdictions and creditors of the Depositary or sub-custodian may seek to have recourse to the Sub-fund's assets. In jurisdictions where the relevant Sub-fund's beneficial ownership is ultimately recognised, the Sub-fund may suffer a delay in recovering its assets, pending the resolution of the relevant insolvency or bankruptcy proceedings.

In respect of cash assets, the general position is that any cash accounts will be designated to the order of the Depositary for the benefit of the relevant Sub-fund. However, due to the fungible nature of cash, it will be held on the balance sheet of the bank with whom such cash accounts are held (whether a sub-custodian or a third party bank), and will not be protected from the bankruptcy of such bank. A Sub-fund will therefore have counterparty exposure risk to such bank. Subject to any applicable government guarantee or insurance arrangements in respect of bank deposits or cash deposits, where a sub-custodian or third party bank holds cash assets and subsequently becomes insolvent, the Sub-fund would be required to prove the debt along with other

unsecured creditors. The Sub-fund will monitor its exposure in respect of such cash assets on an ongoing basis.

#### 6.2.22 Contingent capital securities (CoCos)

In the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as “CoCo” or “CoCos”). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, but other corporate entities may also choose to issue them.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and / or accrued interest, or a conversion to equity. These triggering events may include (i) a deduction in the issuing bank’s capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is “non-viable” or (iii) a national authority deciding to inject capital. Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause a Sub-fund as a CoCo bondholder to suffer losses (i) before both equity investors and other debt holders which may rank pari passu or junior to CoCo investors and (ii) in circumstances where the bank remains a going concern.

The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written-down which may vary across different securities which may have varying structures and terms. CoCo structures may be complex and terms may vary from issuer to issuer and bond to bond.

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

It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right to claim the payment of any foregone interest which may impact the value of the relevant Sub-fund.

Notwithstanding that interest not being paid or being paid only in part in respect of

CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos.

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

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

Shareholders should be aware that the structure of CoCos is yet to be tested and there is some uncertainty as to how they may perform in a stressed environment. Depending on how the market views certain triggering events, as outlined above, there is the potential for price contagion and volatility across the entire asset class. Furthermore, this risk may be increased depending on the level of underlying instrument arbitrage and in an illiquid market, price formation may be increasingly difficult.

#### 6.2.23 Sustainability risk

Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Company ("**Sustainability Risk**"). Sustainability Risk is principally linked to climate-related events resulting from climate change or to the society's response to climate change, which may result in unanticipated losses that could affect the Company investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behavior, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

The list above refers to the most frequently encountered risks and is not an exhaustive list of all the potential risks.

All these risks are correctly identified, monitored and mitigated according to applicable laws and regulations, including CSSF's Circulars 11/512 and 14/592.

Please see Appendix A of the Prospectus "Investment Powers and Restrictions" and Appendix B of the Prospectus "Financial Techniques and Instruments" for more information.

## 7. FORM OF SHARES

All Shares are issued in uncertificated registered form (the share register is conclusive evidence of ownership).

The Shares may be issued in registered form and held in a settlement system represented by a global note. In this case, the investors in Shares will directly or indirectly have their interests in the Shares credited by book-entry in the accounts of the settlement system.

The Company treats the registered owner of a Share as the absolute and beneficial owner thereof.

Shares are freely transferable (with the exception that Shares may not be transferred to a Prohibited Person or a US Person, as defined in Sub-section 10.1 "Subscription Procedure") and may be converted at any time for Shares of another Sub-fund within the same Class. In addition, Shares may be converted for Shares of another Category within the same Class. For any conversion of Shares, a conversion commission, as described under Section 16 "Commissions", may be charged. Upon issue, Shares are entitled to participate equally in the profits and dividends of the Sub-fund attributable to the relevant Class in which the Shares have been issued, as well as in the liquidation proceeds of such Sub-fund.

Shares do not carry any preferential or pre-emptive rights and each Share, irrespective of the Class to which it belongs or its Net Asset Value, is entitled to one vote at all general meetings of shareholders. Fractions of Shares are not entitled to a vote, but are entitled to participate in the liquidation proceeds. Shares are issued without par value and must be fully paid for subscription.

Upon the death of a shareholder, the Board of Directors reserve the right to require the provision of appropriate legal documentation in order to verify the rights of all and any successors in title to Shares.

## **8. ISSUE OF SHARES**

In the absence of any specific instructions, Shares will be issued at the Net Asset Value per Share of the relevant Class in the Reference Currency. Upon written instructions by the shareholder, Shares may be also issued in the Other Denomination Currency, if available.

Fractions of Shares to three decimal places will be issued, the Company being entitled to receive the adjustment.

No Shares of any Class will be issued by the Company during any period in which the determination of the Net Asset Value of the Shares of that Sub-fund is suspended by the Company, as noted under Sub-section 17.2 "Temporary Suspension of Determination of Net Asset Value per Share".

The Board of Directors may decide that for a particular Sub-fund no further Shares will be issued after the Initial Subscription Period or the Launch Date as further specified for the respective Sub-fund in Appendix C.

## **9. CLASSES OF SHARES**

The Company may issue different Classes of Shares, as determined by the Board of Directors which may differ *inter alia* in their fee structure. These Classes of Shares will be sub-divided into accumulation of income and distribution of income categories (the "**Categories**").

The Classes of Shares may also be hedged in order to attempt to mitigate against the effect of exchange rate fluctuations between the currency of the Class of Shares and the Reference Currency of the Sub-fund. The hedging strategies applied to the currency hedged Classes of Shares may be static or dynamic and will vary on a Sub-fund by Sub-fund basis. All gains/losses or expenses arising from hedging transactions are borne separately by the respective currency hedged Classes of Shares.

Certain Classes of Shares are available to retail investors while other Classes of Shares are available only to institutional investors as such term is interpreted by the supervisory authority and any applicable laws and regulations from time to time in Luxembourg.

The Classes of Shares and their Categories for each Sub-fund are indicated in Appendix C.

The amounts invested in the various Classes of Shares of each Sub-fund are themselves invested in a common underlying portfolio of investments. The Board of Directors may decide to create further Classes of Shares with different characteristics, and in such cases, this Prospectus will be updated accordingly.

## **10. SUBSCRIPTION FOR SHARES**

### 10.1 Subscription Procedure

Subscription of the Shares may be performed by means of a single payment as described below under the heading "Single Payment".

Moreover, the Company may issue Shares as consideration for a contribution in kind of securities in compliance with the conditions set forth by Luxembourg law, in particular the obligation to obtain a valuation report from the auditor of the Company.

The Company may restrict or prevent the ownership of Shares in the Company by any person, firm, partnership or corporate body, if in the sole opinion of the Company such holding may be detrimental to the interests of the existing shareholders or of the Company, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the Company may become exposed to tax disadvantages, fines or penalties that it would not have otherwise incurred. Such persons, firms, partnerships or corporate bodies shall be determined by the Board of Directors ("**Prohibited Persons**").

As the Company is not registered under the United States Securities Act of 1933, as amended, nor has the Company been registered under the United States Investment Company Act of 1940, as amended, its Shares may not be offered or sold, directly or indirectly, in the United States of America or its territories or possessions or areas subject to its jurisdiction, or to citizens or residents thereof (hereinafter referred to as "**US Persons**"). Accordingly, the Company may require any subscriber to provide it with any information that it may consider necessary for the purpose of deciding whether or not he is, or will be, a Prohibited Person or a US Person.

The Company retains the right to offer only one or several Classes of Shares for subscription in any particular jurisdiction in order to conform to local law, custom, business practice or the Company's commercial objectives.

As soon as subscriptions are accepted, subscribers will be given a personal identification number (the "**Identification Number**") on acceptance of their initial subscription, and this, together with the shareholder's personal details, is proof of their identity to the Company. The Identification Number should be used by the shareholder for all future dealings with the Company, correspondent bank or paying agent, the Central Administration.

Any changes to the shareholder's personal details and any loss of Identification Number must be notified immediately either to the Central Administration, who will if necessary, inform the Central Administration in writing. Failure to do so may result in the delay of an application for redemption. The Company reserves the right to require an indemnity or other verification of title or claim to title countersigned by a bank, stockbroker or other party acceptable to it before accepting such changes.

Subscription instructions accompany this Prospectus and may also be obtained from the Central Administration.



### 10.1.1 Single Payment

An investor's first subscription for Shares must be made in writing or by fax to the Central Administration in Luxembourg as indicated on the subscription form (the "**Subscription Form**"). Subsequent subscriptions for Shares may be made in writing or by fax to the Central Administration. The Company reserves the right to reject, in whole or in part, any subscription without giving any reason therefore.

Joint subscribers must each sign the Subscription Form unless a power of attorney is provided which is acceptable to the Company.

The minimum initial investment for each Class of Shares of each Sub-fund is specified in Appendix C. The Board of Directors may, at its discretion, waive or modify such minimum limits.

Subscriptions for Shares in any Sub-fund received by the Central Administration on the Luxembourg Business Day preceding the Valuation Day (as defined in Section 17 "Net Asset Value") before the relevant Sub-fund's subscription deadline, which is 2.00 p.m. in Luxembourg (the "**Sub-fund Subscription Deadline**"), will be processed on that Valuation Day using the Net Asset Value per Share determined on such Valuation Day based on the latest available prices in Luxembourg (as described in Section 17 "Net Asset Value").

Any subscriptions received by the Central Administration after this deadline will be processed on the next Valuation Day on the basis of the Net Asset Value per Share determined on such Valuation Day.

### 10.2 Payment Procedure

Payment for Shares must be received by the Depositary no later than two Luxembourg Business Days (as defined in Section 17 "Net Asset Value") following the applicable Valuation Day (except specific payment procedure as detailed in Appendix C).

In the absence of specific instructions, the currency of payment for Shares of each Class will be the Reference Currency. Upon written instructions by the shareholder, the currency of payment for Shares may also be the Other Denomination Currency, if available. In addition, a subscriber may with the agreement of the Central Administration, effect payment in any other freely convertible currency. The Central Administration will arrange for any necessary currency transaction to convert the subscription monies from the currency of subscription (the "**Subscription Currency**") into the Reference Currency or the Other Denomination Currency (if available) of the relevant Sub-fund. Any such currency transaction will be effected with the Depositary at the subscriber's cost and risk. Currency exchange transactions may delay any issue of Shares since the Central Administration may choose at its option to delay executing any foreign exchange transaction until cleared funds have been received.

Subscription instructions accompany this Prospectus and may also be obtained from the Central Administration.

If timely payment for Shares (as detailed under Sub-section 10.1 "Subscription Procedure") is not made (or a completed Subscription Form is not received for an initial subscription), the relevant issue of Shares may be cancelled, and a subscriber may be required to compensate the Company for any loss incurred in relation to such cancellation.

### 10.3 Notification of Transaction

A confirmation statement will be sent to the subscriber (or his nominated agent if so requested by the subscriber) by ordinary post as soon as reasonably practicable after the relevant Valuation Day, providing full details of the transaction. Subscribers should always check this statement to ensure that the transaction has been accurately recorded.

If any subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be returned without delay to the subscriber by post or bank transfer at the subscriber's risk without any interest.

### 10.4 Rejection of Subscriptions

The Company may reject any subscription in whole or in part, in that case, the subscription monies or the balance outstanding will be returned without delay to the subscriber by post or bank transfer at the subscriber's risk without any interest and the Board of Directors may, at any time and from time to time and in its absolute discretion without liability and without notice, discontinue the issue and sale of Shares of any Class in any one or more Sub-funds.

### 10.5 Money Laundering Prevention

Pursuant to the Luxembourg law and regulations relating to the fight against money-laundering and the prevention of the use of the financial sector for money laundering purposes including in particular with the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time (the “**2004 Law**”), and implementing regulations and CSSF circulars adopted from time to time, obligations have been imposed *inter alia* on UCI as well as on professionals of the financial sector to prevent the use of UCI for money laundering purposes. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Company, on a risk sensitive basis, to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the business relationship on an ongoing basis. Namely, the Subscription Form of an investor must be accompanied, in the case of individuals, by a certified copy of the subscriber's passport or identification card and, in the case of legal entities, by a certified copy of the subscriber's articles of incorporation and, where applicable, an extract from the commercial register or a copy of such other documents as may be accepted in the relevant country of the Financial Action Task Force (*Groupe d'Action Financière* (the “**GAFI**”)) as verification of the identity and address of the individual or legal entity in accordance with applicable GAFI rules.

This identification procedure must be complied with by the Central Administration (or the relevant competent agent of the Central Administration) in the case of direct subscriptions to the Company, and in the case of subscriptions received by the Company from any intermediary resident in a country that does not impose on such intermediary an obligation to identify investors equivalent to that required under Luxembourg laws for the prevention of money laundering.

The Central Administration is required to establish anti-money laundering controls and may require from subscribers for Shares all documentation deemed necessary to establish and verify this information. The Company and the Central Administration, or a Distributor, has the right to request additional information until the Company, the Central Administration and/or the Distributor is reasonably satisfied it understands the identity and economic purpose of the subscriber. Furthermore, any investor is required to notify the Central Administration prior to the occurrence of any change in the identity of any beneficial owner of Shares. The Company and the Central Administration may require from existing shareholders, at any time, additional information together with all supporting documentation deemed necessary for the Company to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg.

Any information provided to the Company in this context is collected for anti-money laundering compliance purposes only.

Depending on the circumstances of each application, a simplified customer due diligence might be applicable, where a subscriber is a credit institution or financial institution governed by the 2004 Law or a credit or financial institution, within the meaning of Directive 2005/60/EC, of another EU/EEA member state or situated in a third country which imposes requirements equivalent to those laid down in the 2004 Law or in Directive 2005/60/EC and is supervised for compliance with those requirements. These procedures will only apply if the credit or financial institution referred to above is located within a country recognised by the Company as having equivalent anti-money laundering regulations to the 2004 Law.

Failure to provide information or documentation deemed necessary for the Company to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application. In case of any lack of cooperation of a shareholder, the Company would be obliged to block such shareholder's account until the receipt of the information and documents required by the Company and/or the Central Administration. Any costs (including account maintenance costs) which are related to such non-cooperation will be borne by such shareholder.

The Company shall not release any monies remitted to it by any applicant, pending the receipt of a duly completed Subscription Form and any documents required by the Central Administration for the purposes of compliance with applicable laws and regulations relating to the fight against money-laundering.

## **11. REDEMPTION OF SHARES**

### **11.1 Procedure for Redemption**

Shareholders wishing to have all or some of their Shares redeemed by the Company may apply to do so by fax or by letter to the Central Administration.

The application for redemption of any Shares must include:

- either (i) the monetary amount the shareholder wishes to redeem after deduction of any applicable Redemption Commission; or (ii) the number of Shares the shareholder wishes to redeem; and
- the Class and Sub-funds from which such Shares are to be redeemed.

In addition, the application of redemption should include the following, if applicable:

- instructions on whether the shareholder wishes to redeem its Shares at the Net Asset Value denominated in the Reference Currency or, if available, in the other Denomination Currency; and
- the currency in which the shareholder wishes to receive its redemption proceeds.

In addition, the application for redemption must include the shareholder's personal details together with his Identification Number. Failure to provide any of the aforementioned information may result in delay of such application for redemption whilst verification is being sought from the shareholder.

Applications for redemption must be duly signed by all registered shareholders, save in the case of joint registered shareholders where an acceptable power of attorney has been provided to the Company.

Applications for redemption from any Sub-fund received by the Central Administration on the Luxembourg Business Day preceding the Valuation Day before the relevant Sub-fund redemption deadline, which is 2.00 p.m. in Luxembourg (the "**Sub-fund Redemption Deadline**"), will be processed on that Valuation Day using the Net Asset Value per Share determined on such Valuation Day based on the latest available prices in Luxembourg (as described in Section 17 "Net Asset Value"). Any applications for redemption received by the Central Administration after the Sub-fund Redemption Deadline will be processed on the next Valuation Day on the basis of the Net Asset Value per Share determined on such Valuation Day.

## 11.2 Payment procedures

Payment for Shares redeemed will be effected no later than five Luxembourg Business Days after the relevant Valuation Day for all Sub-funds (except specific payment procedure as detailed in Appendix C), provided that all the documents necessary to the redemption, such as the physical share certificates, if any, have been received by the Company and unless legal constraints, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Depositary, make it impossible or impracticable to transfer the redemption amount to the country in which the application for redemption was submitted.

In the absence of any specific instructions, redemptions will be processed in the Reference Currency of the relevant Sub-fund/Class of Shares. Shareholders may choose, in writing, at the time of giving the redemption instructions to receive the redemption proceeds in an Other Denomination Currency, if available, or (with the agreement of the Central Administration) in any other freely convertible currency (the "**Redemption Currency**"). In the latter case, the Central Administration will arrange the currency transaction required for conversion of the redemption monies from the Reference Currency or Other Denomination Currency of the relevant Sub-fund/Class of Shares into the relevant Redemption Currency. Such currency transaction will be effected with the Depositary or a Global Distributor or a Distributor at the relevant shareholder's cost.

On payment of the Redemption Price, the corresponding Shares will be cancelled immediately in the Company's Share register. Any taxes, commissions and other fees incurred in the respective countries in which the Shares are sold will be charged to the shareholders.

In the context of determining unrealised capital gain/losses, the Board of Directors may authorize the Shareholders to simultaneously redeem and subscribe the same number of Shares of a certain Class of a certain Sub-fund with respect to the same Valuation Day. Such transactions shall be recorded on behalf of the relevant Class of the relevant Sub-fund as transactions with no cash transfer to or from the Shareholder but for which a compensation has occurred. However, the Shareholders should consult their own tax advisers, as to the overall tax consequences in their own particular circumstances, of these simultaneously redemption and subscription orders of the same number of Shares with respect to the same Valuation Day.

## 11.3 Notification of transaction

A confirmation statement will be sent by ordinary post to the shareholder detailing the redemption proceeds due thereto as soon as reasonably practicable after determination of the Redemption Price of the Shares being redeemed. Shareholders should check this statement to ensure that the transaction has been accurately recorded. The redemption proceeds will be net of

any applicable Redemption Commission. In calculating the redemption proceeds, the Company will round down to two decimal places, the Company being entitled to receive the adjustment.

In the event of an excessively large volume of applications for redemption, the Company may decide to delay execution of such applications until the corresponding assets of the Company have been sold without unnecessary delay.

#### 11.4 Compulsory Redemption

If the Company discovers at any time that Shares are owned by a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the Board of Directors may at its discretion and without liability, compulsorily redeem the Shares at the Redemption Price as described above after giving notice of at least ten days, and upon redemption, the Prohibited Person will cease to be the owner of those Shares. The Company may require any shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

## 12. CONVERSION OF SHARES

### 12.1 Conversion procedure

Conversions of Shares between different Classes of the same Sub-fund are not possible.

Shareholders may convert all or part of their Shares of one Sub-fund (the "**Original Sub-fund**") into Shares of the same Class of one or more other Sub-funds (the "**New Sub-fund**") by application in writing or by fax to the Central Administration, stating which Shares are to be converted into which Sub-funds. Shareholders must enclose to their request the physical share certificates, if any.

The application for conversion must include either the monetary amount the shareholder wishes to convert or the number of Shares the shareholder wishes to convert. In addition, the application for conversion must include the shareholder's personal details together with his Identification Number.

The application for conversion must be duly signed by the registered shareholder, save in the case of joint registered shareholders where an acceptable power of attorney has been provided to the Company.

Failure to provide any of this information may result in delay of the application for conversion.

Applications for conversion between any Sub-funds received by the Central Administration on Luxembourg Business Day preceding the Valuation Day before the relevant Sub-fund conversion deadline, which is 2.00 p.m. in Luxembourg (the "**Sub-fund Conversion Deadline**"), will be processed on that Valuation Day using the Net Asset Value per Share determined on such Valuation Day based on the latest available prices in Luxembourg (as described in Section 17 "Net Asset Value").

Any applications for conversion received by the Central Administration after the Sub-fund Conversion Deadline on Luxembourg Business Day preceding the Valuation Day, or on any day preceding the Valuation Day that is not a Business Day, will be processed on the next Valuation Day on the basis of the Net Asset Value per Share determined on such Valuation Day.

The above described conversion procedure for the conversion of Shares of a Sub-fund into Shares of the same Class of one or more other Sub-funds is applicable *mutatis mutandis* for the conversion of Shares of a Category (the "**Original Category**") of a Class of a Sub-fund into Shares of another Category (the "**New Category**") of the same Class and Sub-fund.

The rate at which all or part of the Shares in respectively an Original Sub-fund or an Original Category are converted into Shares in a New Sub-fund or in a New Category is determined in accordance with the following formula:

$$A = \frac{(B \times C \times D) \times (1 - E)}{F}$$

where:

- A is the number of Shares to be allocated respectively in the New Sub-fund or in the New Category;
- B is the number of Shares of respectively the Original Sub-fund or the Original Category to be converted;
- C is the Net Asset Value per Share of the relevant Class of Shares of respectively the Original Sub-fund or the Original Category determined on the relevant Valuation Day;
- D is the actual rate of foreign exchange on the day concerned in respect of the Reference Currency of respectively the Original Sub-fund or the Original Category and the Reference Currency of respectively the New Sub-fund or the New Category, and is equal to 1 in relation to conversions between Sub-funds denominated in the same Reference Currency;
- E is the Conversion Commission percentage payable per Share; and
- F is the Net Asset Value per Share of the relevant Class of Shares of respectively the New Sub-fund or the New Category determined on the relevant Valuation Day, plus any taxes, commissions or other fees.

## 12.2 Notification of Transaction

Following such conversion of Shares, the Company will inform the shareholder in question of the number of Shares of the New Sub-fund or of the New Category obtained by conversion and the price thereof. Fractions of Shares in the New Sub-fund or in the New Category to three decimal places will be issued, the Company being entitled to receive the adjustment.

## 13. TEMPORARY SUSPENSION OF SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS

No Shares will be issued by the Company and the right of any shareholder to require the redemption or conversion of its Shares of the Company will be suspended during any period in which the determination of the Net Asset Value of the relevant Sub-fund is suspended by the Company pursuant to the powers contained in the Articles of Incorporation and as discussed in Sub-section 17.2 "Temporary Suspension of Determination of Net Asset Value per Share".

Notice of suspension will be given to subscribers and to any shareholder tendering Shares for redemption or conversion. Withdrawal of a subscription or of an application for redemption or conversion will only be effective if written notification by letter or by fax is received by the Central Administration before termination of the period of suspension, failing which subscription, redemption and conversion applications not withdrawn will be processed on the first Valuation Day following the end of the suspension period, on the basis of the Net Asset Value per Share determined on such Valuation Day.

## **14. LATE TRADING AND MARKET TIMING**

### 14.1 Late Trading

The Company determines the price of its Shares on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Share at which Shares will be bought or sold (exclusive of any Subscription or Redemption Commission as defined hereafter). Subscription applications have to be received and will be accepted for each Sub-fund only in accordance with the Sub-fund Subscription Deadline.

### 14.2 Market Timing

The Company is not designed for investors with short-term investment horizons. Activities which may adversely affect the interests of the Company's shareholders (for example that disrupt investment strategies or impact expenses) such as market timing or the use of the Company as an excessive or short-term trading vehicle are not permitted.

While recognising that shareholders may have legitimate needs to adjust their investments from time to time, the Board of Directors in its discretion may, if it deems such activities adversely affect the interests of the Company or its shareholders, take action as appropriate to deter such activities.

Accordingly if the Board of Directors determines or suspects that a shareholder has engaged in such activities, it may suspend, cancel, reject or otherwise deal with that shareholder's subscription or conversion applications and take any action or measures as appropriate or necessary to protect the Company and its shareholders.

## **15. PROCEDURES FOR SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS REPRESENTING 10% OR MORE OF ANY SUB-FUND**

If the Board of Directors determines that it would be detrimental to the existing shareholders of the Company to accept a subscription for Shares of any Sub-fund that represents more than 10% of the net assets of such Sub-fund, then they may postpone the acceptance of such subscription and, in consultation with the incoming shareholder, may require him to stagger his proposed subscription over an agreed period of time.

If any application for redemption or conversion is received in respect of any one Valuation Day, which either singly or when aggregated with other such applications so received, represents more than 10% of the net assets of any one Sub-fund, the Company reserves the right, in its sole and absolute discretion and without liability (and in the reasonable opinion of the Board of Directors that to do so is in the best interests of the remaining shareholders), to scale down pro rata each application with respect to such Valuation Day so that not more than 10% of the net assets of the relevant Sub-fund be redeemed or converted on such Valuation Day.

To the extent that any application for redemption or conversion is not given full effect on such Valuation Day by virtue of the exercise by the Company of its power to pro-rate applications, such application shall be treated with respect to the unsatisfied balance thereof as if a further request had been made by the shareholder in question in respect of the next Valuation Day and, if necessary, subsequent Valuation Days, until such application shall have been satisfied in full.

With respect to any application for redemption or conversion received in respect of such Valuation Day, to the extent that subsequent applications shall be received in respect of following Valuation Days, such later applications shall be postponed in priority to the satisfaction of applications relating to such first Valuation Day, but subject thereto shall be dealt with as set out above.

## 16. COMMISSIONS

### 16.1 Subscription commission

The subscription price (the "**Subscription Price**") of the Class of Shares reserved to Retail Investors on the Initial Subscription Day or during the Initial Subscription Period will be equal to the Initial Price (as set out in Appendix C), plus a subscription commission (the "**Subscription Commission**") determined as a proportion of the Initial Price in favour of any distributor (if any and as set out in Appendix C). Thereafter, the Subscription Price of each Class of Shares of each Sub-fund will be equal to the Net Asset Value per Share (as described under Sub-section 10.1 "Subscription Procedure"), plus any applicable Subscription Commission determined as a proportion of the Net Asset Value per Share in favour of any distributor (if any and as set out in Appendix C). The balance of the subscription payment, after deduction of the applicable Subscription Commission, will be applied to the purchase of Shares.

No Subscription Commission will be charged with regard to Classes of Shares reserved to Institutional Investors.

Any taxes, commissions and other fees incurred in the respective countries in which Company Shares are sold will also be charged, if any, to the shareholders.

### 16.2 Redemption commission

Holdings of Shares of any Class may be redeemed in whole or in part on the Luxembourg Business Day preceding the Valuation Day at the redemption price (the "**Redemption Price**") on the basis of the Net Asset Value per Share determined on such Valuation Day less a redemption commission (the "**Redemption Commission**") determined as a proportion of the Net Asset Value per Share with regard to the Class of Shares reserved to Retail Investors (if any and as set out in Appendix C). Such Redemption Commission may be charged in favour of any distributor (if any).

In addition and where specifically provided in Appendix C for a specific Sub-fund, a Redemption Commission may be charged in favour of the relevant Sub-fund. Such Redemption Commission may, under certain circumstances and subject to the principle of equal treatment between investors, be waived by the Board of Directors for all Shareholders redeeming their Shares with respect to the same Valuation Day.

No Redemption Commission will be charged with regard to Classes of Shares reserved to Institutional Investors.

### 16.3 Conversion commission

For the conversion with regard to the Class of Shares reserved to Retail Investors, a conversion commission (the "**Conversion Commission**") determined as a proportion of the Net Asset Value per Share of the Class of Shares of the Original Sub-fund to be converted may be charged in favour of any distributor (if any and as set out in Appendix C). This charge shall be automatically deducted when the number of Shares in the New Sub-fund is calculated.

No conversion commission will be charged with regard to Classes of Shares reserved to Institutional Investors.

The above mentioned conversion commission is applicable *mutatis mutandis* to the conversion of Shares in the Original Category of a Class of a Sub-fund into Shares in the New Category of the same Class and Sub-fund.



## 16.4 Company Charges

### a) Aggregate Fee

The Company pays for the various Sub-funds and by Class of Shares an annual aggregate fee expressed as a percentage on an annual basis (p.a.) on a quarterly basis in arrears (the "**Aggregate Fee**"), as described for each Sub-fund in Appendix C. Unless otherwise provided in Appendix C for a specific Sub-fund, this Aggregate Fee may be used to pay the Management Company for the portfolio management, and, if any, the Investment Managers, Investment Advisor, any distributors and/or any permanent representatives in places of registration of the Company or any Sub-fund.

Unless otherwise indicated in Appendix C for a Sub-fund, the Sub-Investment Managers are entitled to a management fee payable by the Investment Manager out of its own assets.

### b) Performance Fee

In respect of certain Sub-funds and certain Share Classes, the Management Company and/or the Investment Manager is entitled to receive from the net assets of the relevant Share Class of the relevant Sub-fund a performance-based incentive fee (the "**Performance Fee**").

The Performance Fee is calculated, and where applicable accrued, separately per Share Class within a Sub-fund on each Valuation Day, using the methodology described below.

The performance reference period (i.e. the time horizon over which the performance is measured and compared with that of the reference indicator) for any Share Class of any Sub-fund corresponds to the whole life of the relevant Share Class.

The applicable performance fee rate (the "**Performance Fee Rate**") and performance fee benchmark (the "**Performance Fee Benchmark**") are specified in Appendix C for each relevant Sub-fund.

The Performance Fee is calculated in respect of each performance fee period (the "**Performance Fee Period**") as described in Appendix C for each relevant Sub-fund.

The Performance Fee is calculated on the basis of the Net Asset Value per Share after deducting all expenses, fees (but not any accrued unpaid Performance Fee except for the unpaid Performance Fee in respect of Shares redeemed, subject to termination, merger or conversion during a Performance Fee Period as further described below) and adjusting for subscriptions, redemptions and distributions during the relevant Performance Fee Period so that these will not affect the Performance Fee payable.

Unless otherwise provided in Appendix C for a specific Sub-fund and subject to the provision of the below paragraph, the accrued Performance Fee is payable in arrears as at the end of the Performance Fee Period within 10 Luxembourg Business Days ("**Crystallisation Date**") for all the Share Classes that levy Performance Fee. The performance fee crystallisation will be aligned with the Performance Fee Period. However, if a new Share Class is launched after 1 January in any calendar year, the Performance Fee Period for the first year will be shorter than one calendar year and the performance fee will crystallise at the Crystallisation Date of that calendar year.

If an Investment Management Agreement with an Investment Manager entitled to a Performance Fee is terminated before the end of any Performance Fee Period, the Performance Fee in respect of such Performance Fee Period will be calculated and, where applicable, paid as if the date of termination was the end of the relevant Performance Fee Period.

Unless otherwise provided for in Appendix C for a specific Sub-fund, the Performance Fee mechanism that is employed in respect of the relevant Sub-fund is the “High Water Mark with Performance Fee Benchmark” mechanism. This mechanism seeks to ensure that the Management Company and/or Investment Manager cannot earn a Performance Fee as a consequence of previous underperformance against the Performance Fee Benchmark – i.e. where there is a period of underperformance against the Performance Fee Benchmark following payment of a Performance Fee, it is not possible for any Performance Fee to be earned until that underperformance, adjusted for any dividend paid, has been recovered, as set out in detail below.

The high water mark for a specified Share Class (the “**High Water Mark**”) is defined as the greater of:

- (i) the Net Asset Value per Share as of the Valuation Day dated 29 November 2019 for Share Classes that were active as at 29 November 2019 or the Net Asset Value per Share as of the date of launch or as of the date of reactivation of the Share Class launched or reactivated after 29 November 2019;
- (ii) the highest Net Asset Value per Share at the end of a Performance Fee Period where a Performance Fee was effectively due.

Unless otherwise provided for in Appendix C for a specific Sub-fund, the Performance Fee in respect of any Share Class will be paid if:

- (i) the Net Asset Value per Share as at the end of the Performance Fee Period exceeds the latest applicable High Water Mark; and
- (ii) the difference between the performance of the Net Asset Value per Share above the latest applicable High Water Mark at the end of a Performance Fee Period and the performance of the Performance Fee Benchmark over the period from the date of the latest applicable High Water Mark to the end of a Performance Fee Period is positive (the “**Excess Return**”).

In case the Performance Fee Benchmark is a deposit rate, the performance of the Performance Fee Benchmark is determined as the compound return of the deposit rate over the period from the date of the latest applicable High Water Mark to the end of the relevant Performance Fee Period.

Unless otherwise provided for in Appendix C for a specific Sub-fund, an accrual in respect of Performance Fee will be made on each Valuation Day if conditions (i) and (ii) referred to in the previous paragraphs are met. For this purpose, those conditions will be assessed by reference to the performance of the Net Asset Value per Share of the Share Class and the performance of the Performance Fee Benchmark over the period from the date of the latest applicable High Water Mark up to the Valuation Day. If either of the conditions is not met, no accrual will be made in respect of the Valuation Day in question.

The Performance Fee accrual on a specific Valuation Day is calculated, where applicable, by multiplying the Excess Return by the Performance Fee Rate, the latest applicable High Water Mark and the number of Shares outstanding on the Valuation Day, adjusted for subscriptions, redemptions and distributions.

If (i) Shares are redeemed or converted into other Shares of any Share Class of a Sub-fund or of another existing Sub-fund or of another fund during the financial year and a Performance Fee has accrued for those Shares, (ii) the assets of a Sub-fund or of a Share Class are transferred to or merged with those of another Sub-Fund, or Share Class of another Sub-fund within the Company or within another fund, (iii) a Sub-fund or of a Share Class are terminated, and a Performance Fee has accrued for those Shares, such Performance Fee will be crystallized respectively at the

date of redemption or conversion, at the effective date of the merger or at the effective date of termination and it will be considered as payable.

However, no Performance Fee shall crystallise where a Sub-fund or a Share Class of a Sub-Fund is merged with a newly established receiving fund or Sub-fund with no performance history and with an investment policy that does not substantially differ from that of the merging Sub-Fund. In that case, the performance reference period of the merging Sub-fund shall continue applying in the receiving fund or Sub-fund.

Examples of determination of Performance Fee (assuming a Performance Fee Rate at 10% and one Share outstanding)

	Net Asset Value per Share before any accrual of Performance Fee	Performance Fee Benchmark
Initial	100	100
End of Performance Fee Period #1	120	110
End of Performance Fee Period #2	115	108
End of Performance Fee Period #3	125	120
End of Performance Fee Period #4	125	100

#### Performance Fee Period #1

The initial High Water Mark is 100.

The performance of the Net Asset Value per Share is positive (120 vs 100 = +20%) and the performance of the Performance Fee Benchmark is +10% (110 vs 100).

A Performance Fee is calculated on the Excess Return:  $(20\% - 10\%) * 10\% * 100 * 1 = 1$ .

The High Water Mark for the Performance Fee Period #2 becomes  $120 - 1 = 119$ .

#### Performance Fee Period #2

The applicable High Water Mark is 119.

The performance of the Net Asset Value per Share compared to the applicable High Water Mark is negative (115 vs 119 = -3.36%) and the performance of the Performance Fee Benchmark since the date of the applicable High Water Mark (end of Performance Fee Period #1) is -1.81% (108 vs 110).

The Net Asset Value per Share at the end of the Performance Fee Period #2 does not exceed the applicable High Water Mark, no Performance Fee is due.

The High Water Mark remains at 119.

#### Performance Fee Period #3

The applicable High Water Mark is 119.

The performance of the Net Asset Value per Share compared to the applicable High Water Mark is positive (125 vs 119 = +5.04%) and the performance of the Performance Fee Benchmark since the date of the applicable High Water Mark (end of Performance Fee Period #1) is +9.09% (120 vs 110).

The Net Asset Value per Share at the end of the Performance Fee Period #3 exceeds the applicable High Water Mark, but the performance of the Net Asset Value per Share since the date of the latest applicable High Water Mark does not exceed the performance of the Performance Fee Benchmark since the date of the latest applicable High Water Mark (5.04% vs 9.09%), no Performance Fee is due.

The High Water Mark remains at 119.

#### Performance Fee Period #4

The applicable High Water Mark is 119.

The performance of the Net Asset Value per Share compared to the applicable High Water Mark is positive (125 vs 119 = +5.04%) and the performance of the Performance Fee Benchmark since the date of the applicable High Water Mark (end of Performance Fee Period #1) is -9.09% (100 vs 110).

The Net Asset Value per Share at the end of the Performance Fee Period #3 exceeds the applicable High Water Mark and the performance of the Net Asset Value per Share since the date of the latest applicable High Water Mark exceeds the performance of the Performance Fee Benchmark since the date of the latest applicable High Water Mark.

The Performance Fee is calculated on the Excess Return:  $(5.04\% - (-9.09\%)) * 10\% * 119 * 1 = 1.68$ .

The High Water Mark for the Performance Fee Period #5 becomes  $125 - 1.68 = 123.32$ .

#### c) Soft Commissions

In addition, subject to applicable laws and regulations, the Management Company and/or the Investment Managers may be entitled to receive soft commissions in the form of supplemental goods and services such as consultancy and research, information-technology material associated with specialist software, performance methods and instruments for setting prices, subscriptions to financial information or pricing providers. Brokers who provide supplemental goods and services to the Management Company and/or the Investment Manager may receive orders for transactions by the Company. The following goods and services are expressly excluded from the soft commissions: travel, accommodation costs, entertainment, current goods and services connected with the management, the offices, the office equipment, staff costs, clerical salaries and all financial charges. Soft commission services so received by the Management Company and/or the Investment Manager will be in addition to and not in lieu of the services required to be performed by the Management Company and/or the Investment Manager and the fees of the Management Company and/or the Investment Manager will not be reduced as a result of the receipt of such soft commissions. The Management Company and/or the Investment Manager, in using a broker who provides soft commission services, will do so only on the basis that the broker is not a physical person and will execute the relevant transactions on a best execution basis and that there will be no comparative price disadvantage in using that broker. The Management Company and/or the Investment Managers or anyone connected to them shall not personally benefit from any financial return on the commissions collected by brokers or dealers.

The Investment Managers will provide the Company with the details of the soft commissions effectively received on an annual basis. This information will be inserted in the Annual Reports of the Company.

d) Co-operation Agreements

Subject to applicable laws and regulations, the Management Company in its capacity of distributor may reallocate a portion of its fees to distributors, dealers, other intermediaries or entities with whom it has a distribution agreement, or to or for the benefit of a holder or prospective holder of Shares.

The Management Company in its capacity of distributor may also on a negotiated basis enter into private arrangements (so called “co-operation agreements” with the Investment Manager being a party to such agreements) with a distributor, dealer, other intermediary, entity, holder or prospective holder of Shares (or an agent thereof) under which the Management Company in its capacity of distributor is authorized to make payments to or for the benefit of such distributor, dealer, other intermediary, entity, holder or prospective holder of Shares which represent a retrocession of or a rebate on all or part of the fees paid by the Company to the Investment Manager, provided that such co-operation agreements comply with the applicable laws and regulations.

e) Administration Fee (including Depositary and Central Administration Fees)

Unless otherwise provided in Appendix C for a specific Sub-fund, the Management Company is entitled to receive fees (including Depositary and Central Administration Fees and the fees to be paid to the correspondents of the Depositary or the local custodian fees disclosed in Appendix C) of up to 0.15% p.a. out of the respective Sub-fund’s average net assets .

Unless otherwise provided in Appendix C for a specific Sub-fund, such fees are calculated and accrued on each Valuation Day and are payable monthly in arrears. All taxes levied on the assets and the income of the Company (in particular, but not limited to, the *taxe d'abonnement* and any stamp duties payable), fees for legal and auditing services, costs of any proposed listings and of maintaining such listings, promotion, printing, reporting and publishing expenses (including reasonable marketing and advertising expenses) of prospectuses, KID, addenda, explanatory memoranda, registration statements, global note if any, Annual Reports and Semi-annual Reports, all reasonable out-of-pocket expenses of the directors, all taxes levied on the assets, registration fees and other expenses payable to governmental and supervisory authorities in any relevant jurisdictions, insurance costs, costs of extraordinary measures carried out in the interests of shareholders (in particular, but not limited to, arranging expert opinions and dealing with legal proceedings) and all other operating expenses, including fees payable to trustees, fiduciaries, correspondent banks and local paying agents and any other agents employed by the Company, the cost of buying and selling assets, customary transaction fees and commissions charged by custodian banks or their agents (including free payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc.), customary brokerage fees and commissions charged by banks and brokers for securities transactions and similar transactions, in case of guaranteed or structured Sub-funds, fees charged by a guarantor or derivative counterparty, interest and postage, telephone, facsimile, telex charges and all the costs related to securities lending transactions (agency fees and transactions costs), shall be borne by the Company.

The allocation of costs and expenses to be borne by the Company will be made pro rata to the net assets of each Sub-fund in accordance with the Articles of Incorporation.

f) Formation Expenses

The Company was charged with the expenses of setting up, including costs for drafting and printing of the Prospectus, expenses for notarial deeds, costs relating to the filing of the Company with administrative and stock exchange authorities and any other cost relating to the incorporation and launching of the Company. The preliminary expenses were borne by the Sub-funds which were initially launched. Further Sub-funds will only bear the preliminary expenses relating to their own launching.

## 17. NET ASSET VALUE

### 17.1 Definition

The Net Asset Value per Share of each Class and/or Category of Shares in each Sub-fund shall be determined each valuation day ("**Valuation Day**"), being any Luxembourg business day ("**Luxembourg Business Day**"), being any full working day in Luxembourg when the banks are open for business (except if another frequency for the valuation is indicated for a particular Sub-fund in Appendix C).

The Net Asset Value per Share of each Class and/or Category of Shares in each Sub-fund will be expressed in the Reference Currency of the Sub-fund. The Board of Directors may however decide to calculate the Net Asset Value per Share for certain Sub-funds/Classes of Shares in the Other Denomination Currency as further detailed for the respective Sub-funds/Classes of Shares in Appendix C. The Net Asset Value calculated in the Other Denomination Currency is the equivalent of the Net Asset Value in the Reference Currency of the Sub-fund converted at the prevailing exchange rate.

Unless otherwise indicated for a given Sub-fund in Appendix C, the Sub-funds are valued daily and the Net Asset Value per Share of each Class and/or Category of Shares in each Sub-fund is determined on each Valuation Day in Luxembourg.

The Net Asset Value per Share of each Class and/or Category of Shares in each Sub-fund with respect to any Valuation Day is determined by dividing the value of the total assets of that Sub-fund properly allocable to such Class and/or Category less the liabilities of such Sub-fund properly allocable to such Class and/or Category by the total number of Shares of such Class and/or Category outstanding on such Valuation Day.

The Subscription Price and the Redemption Price of the different Classes and/or Categories of Shares will differ within each Sub-fund as a result of the differing fee structure and/or distribution policy for each Class and/or Category.

The valuation of the Net Asset Value per Share of each Class and/or Category of Shares in each Sub-fund shall be made in the following manner:

**The assets of the Company shall include:**

- (1) all cash on hand or on deposit, including any interest accrued thereon;
- (2) all bills and demand notes payable and accounts receivable (including proceeds of securities sold but not delivered);
- (3) all bonds, time notes, certificates of deposit, shares, stock, debentures, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Company (provided that the Company may make adjustments in a manner not inconsistent with paragraph (a) below with

regards to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);

- (4) all stock dividends, cash dividends and cash distributions receivable by the Company to the extent information thereon is reasonably available to the Company;
- (5) all interest accrued on any interest bearing assets owned by the Company except to the extent that the same is included or reflected in the principal amount of such asset;
- (6) the preliminary expenses of the Company, including the cost of issuing and distributing Shares of the Company, insofar as the same have not been written off;
- (7) the liquidating value of all forward contracts, swaps and all call or put options the Company has an open position in;
- (8) all other assets of any kind and nature including expenses paid in advance.

**The value of such assets shall be determined as follows:**

- (i) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received, is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof;
- (ii) the value of financial assets listed or dealt in on a Regulated Market (as this term is defined in Appendix A) or on any other regulated market will be valued at their latest available prices, or, in the event that there should be several such markets, on the basis of their latest available prices on the main market for the relevant asset;
- (iii) in the event that the assets are not listed or dealt in on a Regulated Market or on any other regulated market or if, in the opinion of the Board of Directors, the latest available price does not truly reflect the fair market value of the relevant asset, the value of such asset will be defined by the Board of Directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith by the Board of Directors;
- (iv) the liquidating value of futures, forward or options contracts not dealt in on Regulated Markets or on other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts dealt in on Regulated Market or on other regulated markets shall be based upon the last available settlement prices of these contracts on Regulated Markets and other regulated markets on which the particular futures, forward or options contracts are dealt in by the Company; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable;
- (v) the Net Asset Value per Share of any Class and/or Category in any Sub-fund of the Company may be determined by using an amortised cost method for all investments with a known short term maturity date. This involves valuing an investment at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of the investments. While this method provides certainty in valuation, it may result in

periods during which value, as determined by amortisation cost, is higher or lower than the price such Sub-fund would receive if it sold the investment. The Board of Directors will continually assess this method of valuation and recommend changes, where necessary, to ensure that the relevant Sub-fund's investments will be valued at their fair value as determined in good faith by the Board of Directors. If the Board of Directors believes that a deviation from the amortised cost per Share may result in material dilution or other unfair results to shareholders, the Board of Directors shall take such corrective action, if any, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or unfair results. The relevant Sub-fund shall, in principle, keep in its portfolio the investments determined by the amortisation cost method until their respective maturity date;

- (vi) interest rate swaps will be valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps will be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument related swap agreement shall be based upon the market value of such swap transaction established in good faith pursuant to procedures established by the Board of Directors;
- (vii) all other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors;
- (viii) the Board of Directors, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Company.

**The liabilities of the Company shall include:**

- (1) all loans, bills and accounts payable;
- (2) all accrued interest on loans of the Company (including accrued fees for commitment for such loans);
- (3) all accrued or payable administrative expenses (including the aggregate fee and any other third party fees);
- (4) all known liabilities, present and future, including all matured contractual obligations for payment of money or property, including the amount of any unpaid dividends declared by the Company;
- (5) an appropriate provision for future taxes based on capital and income to the relevant Valuation Day, as determined from time to time by the Company, and other reserves, if any, authorised and approved by the Board of Directors; and
- (6) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares of the Company. In determining the amount of such liabilities, the Company shall take into account all expenses payable and all costs incurred by the Company, which shall comprise the Aggregate Fee, fees payable to its Directors (including all reasonable out-of-pocket expenses), the Management Company, investment advisors (if any), investment or sub-investment managers (if any), accountants, the custodian bank, the administrative agent, corporate agents, domiciliary agents, paying agents, registrars, transfer agents, permanent representatives in places of registration, distributors, trustees, fiduciaries, correspondent banks and any other agent employed by the Company, fees for legal and auditing services, costs of any proposed listings and of maintaining such listings, promotion, printing, reporting and



publishing expenses (including reasonable marketing and advertising expenses and costs of preparing, translating and printing in different languages) of prospectuses, KID, addenda, explanatory memoranda, registration statements, Annual Reports and Semi-annual Reports, all taxes levied on the assets and the income of the Company (in particular, the *taxe d'abonnement* and any stamp duties payable), registration fees and other expenses payable to governmental and supervisory authorities in any relevant jurisdictions, insurance costs, costs of extraordinary measures carried out in the interests of shareholders (in particular, but not limited to, arranging expert opinions and dealing with legal proceedings) and all other operating expenses, including the cost of buying and selling assets, customary transaction fees and charges charged by custodian banks or their agents (including free payments and receipts and any reasonable out-of-pocket expenses, i.e. stamp taxes, registration costs, scrip fees, special transportation costs, etc.), customary brokerage fees and commissions charged by banks and brokers for securities transactions and similar transactions, interest and postage, telephone, facsimile, telex charges and all the costs related to securities lending transactions (agency fees and transactions costs). The Company may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

The net assets of the Company are at any time equal to the total of the net assets of the various Sub-funds.

In determining the Net Asset Value per Share, income and expenditure are treated as accruing daily.

#### 17.2 Temporary Suspension of Determination of Net Asset Value per Share

The Company may suspend the determination of the Net Asset Value per Share of one or more Sub-funds and the issue, redemption and conversion of any Shares in the following circumstances:

- (i) during any period when any of the principal stock exchanges or other markets on which a substantial portion of the investments of the Company attributable to such Sub-fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation of the investments of the Company attributable to such Sub-fund quoted thereon;
- (ii) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board of Directors as a result of which disposal or valuation of assets owned by the Company attributable to such Sub-fund would be impracticable;
- (iii) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of such Sub-fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-fund;
- (iv) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange;
- (v) when for any other reason the prices of any investments owned by the Company attributable to such Sub-fund cannot promptly or accurately be ascertained; or

- (vi) upon the publication of a notice convening a general meeting of shareholders for the purpose of winding-up the Company.

The suspension of a Sub-fund shall have no effect on the determination of the Net Asset Value per Share or on the issue, redemption and conversion of Shares of any other Sub-fund that is not suspended.

Any request for subscription, redemption or conversion shall be irrevocable except in the event of a suspension of the determination of the Net Asset Value per Share.

Notice of the beginning and of the end of any period of suspension will be published in a Luxembourg daily newspaper and in any other newspaper(s) selected by the Board of Directors, as well as in the official publications specified for the respective countries in which Company Shares are sold. The Luxembourg regulatory authority, and the relevant authorities of any Member States of the European Union in which Shares of the Company are marketed, will be informed of any such suspension. Notice will likewise be given to any subscriber or shareholder as the case may be applying for subscription, conversion or redemption of Shares in the Sub-fund(s) concerned.

## **18. POOLING**

In order to reduce operational administrative charges while allowing a wider diversification of the investments, the Board of Directors may decide that part or all of the assets of any Sub-fund will be co-managed with assets belonging to other Luxembourg collective investment schemes. In the following paragraphs, the words "co-managed entities" shall refer to any Sub-fund and all entities with and between which there would exist any given co-management arrangement and the words "co-managed assets" shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the Sub-fund's assets. Each co-managed entity shall hold a portion of the co-managed assets corresponding to the proportion of its net assets to the total value of the co-managed assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such cases, all lines of investment shall be adjusted to the modified proportions. Shareholders should be aware that, in the absence of any specific action by the Board of Directors of the Company or its appointed agents, the co-management arrangement may cause the composition of assets of a Sub-fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which any Sub-fund is co-managed will lead to an increase of the Sub-fund's reserve of cash. Conversely, redemptions made in one entity with which any Sub-fund is co-managed will lead to a reduction of the Sub-fund's reserve of cash. Subscriptions and redemptions may

however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Board of Directors of the Company or its appointed agents to decide at any time to terminate a Sub-fund's participation in the co-management arrangement permit the Sub-fund to avoid the readjustments of its portfolio if these adjustments are likely to affect the interest of the Company and of its shareholders.

If a modification of the composition of the Sub-fund's assets resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Sub-fund) is likely to result in a breach of the investment restrictions applicable to the Sub-fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed assets of any Sub-fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed assets of such Sub-fund in order to assure that investment decisions are fully compatible with the investment policy of the Sub-fund. Co-managed assets of any Sub-fund shall only be co-managed with assets for which the Depositary is also acting as depository in order to assure that the Depositary is able, with respect to the Company, to fully carry out its functions and responsibilities pursuant to the UCI Law on undertakings of collective investment. The Depositary shall at all times keep the Company's assets segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of the Company. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-funds, it is possible that as a result the common policy implemented may be more restrictive than that of the Sub-fund.

The Board of Directors may decide at any time and without notice to terminate the co-management arrangement.

Shareholders may at all times contact the registered office of the Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management at the time of their request. Annual and Semi-annual Reports shall state the co-managed assets' composition and percentages.

## 19. DATA PROTECTION

In accordance with the applicable Luxembourg data protection law and, as of 25 May 2018, the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (“**Data Protection Law**”), the Company, acting as data controller (“**Data Controller**”), collects stores and processes, by electronic or other means, the data supplied by the investor at the time of his/her/its subscription for the purpose of fulfilling the services required by the investor and complying with its legal obligations.

The data processed may include the name, contact details (including postal and/or e-mail address), banking details and the invested amount of the investor (or, when the shareholder is a legal person, of its contact person(s) and/or beneficial owner(s)) (“**Personal Data**”).

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Company. In this event however the shareholder's subscription in the Company may be impaired.

Personal Data supplied by the investor is processed in order to enter into and execute the agreement with the Company, for the legitimate interests of the Company and to comply with the legal obligations imposed on the Company. In particular, the Personal Data supplied by the

shareholder is processed for the purposes of (i) subscribing and redeeming in the Company, (ii) maintaining the shares register; (iii) processing subscriptions and withdrawals of and payments of dividends to the investor; (iv) account administration (v) sending legal information or notices to the investors, (vi) complying with applicable anti-money laundering rules and other legal obligations, such as maintaining controls in respect of CRS/FATCA obligations and (vii) complying with legal or regulatory requirements, including foreign laws. Personal Data is not used for marketing purposes.

The “legitimate interests” referred to above are (i) the processing purposes described in point (v) of the above paragraph of this data protection section, and (ii) exercising the business of the Company in accordance with reasonable market standards.

The Personal Data may also be processed by the Company’s data recipients (the “**Recipients**”) which, in the context of the above mentioned purposes, refer to the Management Company, the Investment Manager, the Depositary and paying agent, the Central Administration, the auditor, the Distributor, the legal advisers and their respective affiliated entity or any other third party supporting the activity of the Company.

The Recipients may, under their own responsibility, disclose the Personal Data to their agents, delegates and/or service providers employed to provide administrative, computer or other services or facilities (the “**Sub-Recipients**”), which shall process the Personal Data for purposes of assisting the Recipients in providing their services to the Data Controller and/or assisting the Recipients in fulfilling their own legal obligations. The Recipients and the Sub-Recipients may be located either inside or outside the European Union (the “**EU**”).

Where the Recipients are located outside the EU in a country which does not ensure an adequate level of protection for Personal Data, the Data Controller has entered into legally binding transfer agreements with the relevant Recipients in the form of the EU Commission approved model clauses. In this respect, the data subjects have a right to request copies of the relevant document for enabling the Personal Data transfer(s) towards such countries by writing to the Data Controller. The Recipients and Sub-Recipients may, as the case may be, process the Personal Data as data processors (when processing the Personal Data upon instructions of the Data Controller), or as distinct data controllers (when processing the Personal Data for their own purposes, namely fulfilling their own legal obligations).

The Personal Data may also be transferred to third-parties such as governmental or regulatory agencies, including tax authorities, in accordance with applicable laws and regulations. In particular, Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may acting as data controller, disclose the same to foreign tax authorities.

In accordance with the conditions laid down by the Data Protection Law, the investor acknowledges his/her/its right to:

- access his/her/its Personal Data;
- correct his/her/its Personal Data where it is inaccurate or incomplete;
- object to the processing of his/her/its Personal Data;
- restrict the use of his/her/its Personal Data;
- ask for erasure of his/her/its Personal Data;
- ask for Personal Data portability.

The investor also acknowledges the existence of his/her/its right to lodge a complaint with the National Commission for Data Protection (“**CNPD**”).

The investor may exercise the above rights by writing to the Company at the following address: 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Personal Data shall not be retained for periods longer than those required for the purpose of their processing subject to any limitation periods imposed by law.

## 20. CERTAIN LUXEMBOURG TAX CONSIDERATIONS

The following is a summary of certain material Luxembourg tax consequences of the purchasing, owning and disposing of Shares. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell Shares. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based on the Luxembourg law and regulations in effect and as interpreted by the Luxembourg tax authorities on the date of the Prospectus. These laws and interpretations are subject to change that may occur after such date, even with retroactive or retrospective effect.

Prospective purchasers of the Shares should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing of the Shares, including the application and effect of any federal, state or local taxes under the tax laws of the Grand Duchy of Luxembourg and each country of which they are residents or citizens.

Please be aware that the residency concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu des personnes physiques*). Corporate taxpayers may further be subject to net worth tax (*impôt sur la fortune*), as well as other duties, levies and taxes.

Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where individual taxpayers act in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

### 20.1 The Company

Under current law and practice, the Company is not liable for any Luxembourg income or net wealth tax nor are distributions, redemptions or payments made by the Company to its shareholders under the Shares and distribution of liquidation proceeds subject to any Luxembourg withholding tax.

At the date of this Prospectus, the Company is not liable for any Luxembourg tax other than a registration duty of EUR 75 if the Articles of Incorporation are amended and a subscription tax (*taxe d'abonnement*) of 0.05% per annum, such tax being payable quarterly and calculated on the aggregate net assets of the Company valued at the end of the relevant calendar quarter, unless a reduced tax rate of 0.01% per annum is applicable. Furthermore, some exemptions from subscription tax are available.

The Company may be subject to withholding tax on dividends and interest as well as to tax on capital gains in the country of origin of its investments. As the Company itself is exempt from income tax, withholding tax levied at source, if any, may not be creditable/refundable in Luxembourg. Whether the Company may benefit from a double tax treaty concluded by

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

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

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

## 20.2 Shareholders

Subject to the provisions of section 20.3 below, shareholders may not be subject to any capital gains, income or withholding tax in Luxembourg unless the shareholders are Luxembourg residents or non-resident shareholders who or which have a permanent establishment or a permanent representative in Luxembourg.

## 20.3 Exchange of information

### a) FATCA

Capitalized terms used in this section should have the meaning as set forth in the Luxembourg law dated 24 July 2015 implementing the Model 1 Intergovernmental Agreement between the Government of the Grand Duchy of Luxembourg and the Government of the United States of America to Improve International Tax Compliance and with respect to the United States information reporting provisions commonly known as the Foreign Account Tax Compliance Act (FATCA) (the “**FATCA Law**”), unless provided otherwise herein.

The Company may be subject to the so-called FATCA legislation which generally requires reporting to the US Internal Revenue Service of non-US financial institutions that do not comply with FATCA and direct or indirect ownership by US persons of non-US entities.

As part of the process of implementing the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA), and other regulations promulgated thereunder (“**FATCA**”), the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

Luxembourg has entered into a Model 1 Intergovernmental Agreement implemented by the FATCA Law which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by Specified US Persons if any, to the Luxembourg tax authorities (*administration des contributions directes*).

Under the terms of the FATCA Law the Company is likely to be treated as a Luxembourg Reporting Financial Institution.

This status imposes on the Company the obligation to regularly obtain and verify information on all of its shareholders. On the request of the Company, each shareholder shall agree to provide certain information, including, in the case of a passive Non-Financial Foreign Entity (“NFFE”), information on the Controlling Persons of such NFFE, along with the required supporting documentation. Similarly, each shareholder shall agree to actively provide to the Company within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

FATCA may require the Company to disclose the names, addresses and taxpayer identification number (if available) of its shareholder as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities for the purposes set out in the FATCA Law. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Service.

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

Additionally, the Company is responsible for the processing of personal data and each shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct this data (if necessary). Any data obtained by the Company is to be processed in accordance with the Data Protection Law as defined above.

Although the Company will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the Shares held by the shareholders may suffer material losses. The failure for the Company to obtain such information from each shareholder and to transmit it to the Luxembourg tax authorities may trigger a 30% withholding tax on payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends as well as penalties.

Any Shareholder that fails to comply with the Company’s documentation requests may be charged with any taxes and/or penalties imposed on the Company as a result of such shareholder’s failure to provide the information and the Company may, in its sole discretion, redeem the Shares of such shareholder.

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

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

b) CRS

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

The Company may be subject to the Common Reporting Standard for Automatic Exchange of financial account information in tax matters as set out in the CRS Law (“CRS”) as set out in the amended Luxembourg Law dated 18 December 2015 on the Common Reporting Standard implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory exchange of information in the field of taxation and setting forth to the OECD’s multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016 (“CRS Law.”).

Under the terms of the CRS Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, the Company is required to annually report to the Luxembourg tax authorities personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to (i) certain shareholders qualifying as Reportable Persons and (ii) Controlling Persons of certain non-financial entities (“NFEs”) which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the “**Information**”), will include personal data related to the Reportable Persons.

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

Additionally, the Company is responsible for the processing of personal data and each shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Company are to be processed in accordance with the Data Protection Law as defined above.

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

Similarly, the shareholders undertake to inform the Company within thirty (30) days of receipt of these statements should any included personal data be not accurate. The shareholders further undertake to immediately inform the Company of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Although the Company will attempt to satisfy any obligation imposed on it to avoid any fines or penalties imposed by the CRS Law, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a fine or penalty as a result of the CRS Law, the value of the Shares held by the shareholders may suffer material losses.

Any shareholder that fails to comply with the Company’s Information or documentation requests may be held liable for penalties imposed on the Company as a result of such shareholder’s failure to provide the Information or subject to disclosure of the Information by the Company to the Luxembourg tax authorities and the Company may, in its sole discretion, redeem the Shares of such shareholders.

**Prospective investors should inform themselves of, and where appropriate take advice on the laws and regulations in particular those relating to taxation (but also those relating to foreign exchange controls and being Prohibited Persons) applicable to the subscription, purchase, holding, conversion and redemption of Shares in the country of their citizenship, residence or domicile and their current tax situation and the current tax status of the Company in Luxembourg.**



## 20.4 Applicable law

The Luxembourg District Court is the place of performance for all legal disputes between the shareholders and the Company. Luxembourg law applies. The English version of this Prospectus is the authoritative version and shall prevail in the event of any inconsistency with any translation hereof.

Statements made in this Prospectus are based on the laws and practice in force at the date of this Prospectus in the Grand Duchy of Luxembourg, and are subject to changes in those laws and practice.

## 21. GENERAL MEETINGS AND REPORTS

### 21.1 General Meetings

The annual general meeting of shareholders will be held at the registered office of the Company on the last Tuesday in April each year (unless such date falls on a legal bank holiday, in which case on the next Luxembourg Business Day) at 11:00 am. Notices of all general meetings are sent by mail to all registered shareholders at their registered address at least eight days prior to such meeting. Such notice will indicate the time and place of such meeting and the conditions of admission thereto, will contain the agenda and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities at such meeting. To the extent required by Luxembourg law, further notices will be published in the RESA and in one Luxembourg newspaper.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

### 21.2 Annual and Semi-annual Reports

Audited Annual Reports and unaudited Semi-annual Reports will be sent to the shareholders upon request and will be made available for public inspection at the website [www.general-investments-luxembourg.com](http://www.general-investments-luxembourg.com) and at each of the registered offices of the Company, and the Central Administration respectively, and the latest Annual Report shall be available at least fifteen (15) days before the annual general meeting. Semi-annual Reports will be published within 2 months after the end of the relevant period.

The Company will issue audited Annual Reports as of 31 December and unaudited Semi-annual Reports as of 30 June.

The Company's financial year ends on 31 December of each year.

The consolidation currency of the Company is EURO ("EUR").

## **22. LIQUIDATION – TERMINATION AND AMALGAMATION OF SUB-FUNDS**

### **22.1 Dissolution and Liquidation of the Company**

The Company may at any time be dissolved by a resolution taken by the general meeting of shareholders subject to the quorum and majority requirements as defined in the Articles of Incorporation.

Whenever the capital falls below two thirds of the minimum capital as provided by the UCI Law, the Board of Directors must submit the question of the dissolution of the Company to the general meeting of shareholders. The general meeting, for which no quorum shall be required, shall decide on simple majority of the votes of the Shares present and represented at the meeting.

The question of the dissolution of the Company shall also be referred to the general meeting of shareholders whenever the capital falls below one quarter of the minimum capital. In such event, the general meeting shall be held without quorum requirements, and the dissolution may be decided by the shareholders holding one quarter of the votes present and represented at that meeting.

The meeting must be convened so that it is held within a period of 40 days from when it is ascertained that the net assets of the Company have fallen below two thirds or one quarter of the legal minimum as the case may be.

The issue of new Shares by the Company shall cease on the date of publication of the notice of the general meeting of shareholders, to which the dissolution and liquidation of the Company shall be proposed. One or more liquidators shall be appointed by the general meeting of shareholders to realize the assets of the Company, subject to the supervision of the relevant supervisory authority in the best interests of the shareholders. The proceeds of the liquidation of each Sub-fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class and/or Category in accordance with their respective rights. The amounts not claimed by shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignations* in Luxembourg until the statutory limitation period has lapsed.

### **22.2 Termination of a Sub-fund, Class or Category**

In the event that for any reason the value of the total net assets in any Sub-fund, Class or Category has decreased to, or has not reached, an amount determined by the board of directors to be the minimum level for such Sub-fund, Class and/or Category, to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation relating to such Sub-fund, Class and/or Category which would have potential material adverse consequences on the investments of the Sub-fund, Class and/or Category or as a matter of economic rationalisation, the Board of Directors may decide to compulsorily redeem all the Shares of the relevant Sub-fund, Class and/or Category at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses) as calculated on the Valuation Day at which such decision shall take effect.

The Company shall serve a notice to the holders of the relevant Sub-fund, Class and/or Category prior to the effective date for the compulsory redemption, which will indicate the reasons for, and the procedure of, the redemption operations: registered holders shall be notified in writing.

Unless it is otherwise decided in the interests of, or to keep equal treatment between, the shareholders, the shareholders of the Sub-fund, Class and/or Category concerned may continue to request redemption or conversion of their Shares free of charge (but taking into account actual

realisation prices of investments and realisation expenses) prior to the date effective for the compulsory redemption.

Any request for subscription shall be suspended as from the moment of the decision by the competent body of the Company with regard to the termination, the amalgamation or the transfer of the relevant Sub-fund, Class and/or Category.

In addition, the general meeting of shareholders of any Sub-fund, Class or Category may, upon proposal from the Board of Directors, resolve to redeem all the Shares of the relevant Sub-fund, Class and/or Category and refund to the shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders which shall decide by resolution taken by simple majority of the Shares present or represented at such meeting.

Assets which may not be distributed to their beneficiaries upon the implementation of the redemption will be deposited with the *Caisse de Consignations* on behalf of the persons entitled thereto.

All redeemed Shares shall be cancelled by the Company.

### 22.3 Amalgamation, Division or Transfer of Sub-funds, Classes and Categories

As provided in the articles of incorporation, the Board of Directors have the right from time to time to amalgamate or divide any Sub-fund, Class or Category or to transfer one or more Sub-funds, Classes and/or Categories to another Luxembourg based or foreign UCITS. In the case of the amalgamation or division of Sub-funds, Classes and/or Categories, the existing shareholders of the respective Sub-funds, Classes or Categories have the right to require, within one month of notification of such event, the redemption by the Company of their Shares free of charge. Any merger, as defined in Article 1 (20) of the UCI Law, will be realised in accordance with Chapter 8 of the UCI Law.

The Board of Directors will decide on the effective date of any merger of the Company with another UCITS pursuant to article 66 (4) of the UCI Law.

## 23. INFORMATION AVAILABLE TO THE PUBLIC

### 23.1 Use of benchmarks

The Management Company and/or the Investment Manager are using benchmarks within the meaning of the 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, as may be amended or supplemented from time to time (the “**Benchmarks Regulation**”).

Therefore, to comply with its legal obligations, the Management Company has adopted written plans setting out actions, which it will take with respect to the relevant Sub-fund, in the event that any of the benchmarks listed in the table below materially changes or ceases to be provided (the “**Contingency Plan**”), as required by article 28(2) of the Benchmarks Regulation. Shareholders may access the Contingency Plans free of charge upon request at the registered office of the Management Company, as indicated in section 23.2 “Documents Available for Inspection”.

The benchmarks listed in the table below are being provided by the entity specified next to the name of the relevant benchmark in the table below, in its capacity as administrator, as defined in the Benchmarks Regulation (each a “**Benchmark Administrator**”). The status of each

Benchmark Administrator in relation to the register referred to in article 36 of the Benchmarks Regulation as of the date of this visa-stamped Prospectus is set out next to the name of the relevant Benchmark Administrator in the table below. Should the status of the administrator change, this Prospectus will be updated accordingly as part of its next update.

<i>Sub-fund</i>	<i>Benchmark(s)</i>	<i>Benchmark Administrator</i>	<i>Status of the Benchmark Administrator</i>
Multi Alternative Risk Premia	Euro short-term rate (€STER)	European Central Bank	Benefits from the exemption under article 2 2 (a) of the Benchmarks Regulation
Euro Short-Term High Yield Fund	ICE BofAML Euro High-Yield	Intercontinental Exchange (ICE) Benchmark Administration Limited	Listed in the register referred to in article 36 of the Benchmarks Regulation as an administrator authorised pursuant to article 34 of the Benchmarks Regulation

## 23.2 Sustainability-related disclosures

### Integration of Sustainability Risk

Pursuant to the EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“**SFDR**”), the Company is required to disclose the manner in which Sustainability Risks are integrated into the investment decision and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Company.

The Company does not actively promote environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters (“**Sustainability Factors**”) and does not maximize portfolio alignment with Sustainability Factors, however it remains exposed to Sustainability Risks. Such Sustainability Risks may be integrated, through the incorporation of ESG issues into the investment analysis and decision-making processes, to the extent that they represent a potential or actual material risks and/or opportunities to maximizing the long-term risk-adjusted returns. ESG integration consists of taking into account some key environmental, social and governance indicators in the “mainstream” portfolio management and making ESG data available, whenever possible/feasible, to all portfolio management teams in order to foster consideration of ESG directly as another criteria of decision added to the financial analysis parameters and portfolio construction processes.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. In general, where an unexpected sustainability risk materialises in respect of an asset, there could be a negative impact on, or entire loss of, its value.

Unless otherwise specified in Appendix C for a particular Sub-fund, it is expected that the Sub-funds will be exposed to a broad range of Sustainability Risks. However, it is not anticipated that any single Sustainability Risk will drive a material negative financial impact on the value of the Sub-funds.

### Principal adverse impacts on Sustainability Factors

Generali Investments Luxembourg S.A. acting as Management Company of the Fund does not consider the adverse impacts of its investment decisions on sustainability factors considering that non-financial data is still not available in satisfactory quality and quantity to allow the firm

to adequately assess the potential adverse impact of its investment decision on sustainability factors.

### 23.3 Documents Available for Inspection

The following documents may be inspected free of charge during usual business hours on any business day at the registered office of the Company:

- the Articles of Incorporation;
- the agreement(s) concluded between the Management Company and the Company;
- the agreement concluded between the Depositary and the Company;
- the agreements concluded with the Investment Manager, if any, and the Central Administration;
- the historical performances of the Sub-funds as published in the latest KID; and
- the Contingency Plan.

Copies of the Prospectuses and Key Investor Information, the Articles of Incorporation and of the latest Annual and Semi-annual Reports of the Company may be obtained without cost at the same address as well as at the website <https://www.generali-investments.lu/>.

### 23.4 Publication of Net Asset Value per Share

The Net Asset Value per Share of each Class of Shares in each Sub-fund is made public at the registered office of the Company and is available at the offices of the Depositary. The Company will arrange for the publication of this information in the Reference Currency in leading financial newspapers. The Company cannot accept any responsibility for any error or delay in publication or for non-publication of prices.

## 24. DISTRIBUTION POLICY

Whether accumulation or distribution Categories have been issued in relation to a particular Sub-fund is indicated in Appendix C.

Each year the general meeting of shareholders will decide, based on a proposal from the Board of Directors, for each Sub-fund and for distribution Categories on the use of the Company's net income.

Over and above the distributions mentioned in the preceding paragraph, the Board of Directors may decide to the payment of interim dividends in the form and under the conditions as provided by law.

Part or all of the net income and realised and unrealised capital gains may be distributed provided that after the distribution the net assets of the Company total more than EUR 1,250,000.

The part of the year's net income that has been decided to be distributed in relation of the distribution Categories will be distributed to the holders of the distribution Shares in cash. Should the board of director decide to allow distributions in kind, which will be valued in a report established by the auditor of the Company, qualifying as a *réviseur d'entreprises agréé* drawn up in accordance with the requirements of Luxembourg law and the costs of which report will be borne by the relevant investor. Should the board of directors decide to allow distributions

in kind, this Prospectus will be updated accordingly. In addition thereto, no distribution in kind will be allowed if not agreed by the relevant shareholder.

The part of the year's net income corresponding to accumulation Categories will be capitalised in the relevant Sub-fund for the benefit of the accumulation Category.

Dividends will be declared in the Reference Currency of each Sub-fund but, for the convenience of shareholders, payment may be made in a currency chosen by the investor. The exchange rates used to calculate payments will be determined by the Central Administration by reference to normal banking rates. Such currency transaction will be effected with the Depositary at the relevant shareholder's cost. In the absence of written instructions, dividends will be paid in the Reference Currency of the Sub-fund.

Dividends remaining unclaimed for five years after their declaration will be forfeited and revert to the relevant Sub-fund/ relevant Category of the relevant Class.

## APPENDIX A

### INVESTMENT POWERS AND RESTRICTIONS

#### Definitions:

“Ancillary Liquid Assets” shall mean bank deposits at sight, such as cash held in current accounts with a bank accessible at any time.

"CSSF" shall mean the Commission de Surveillance du Secteur Financier.

"Directive 78/660/EEC" shall mean Directive 78/660/EEC of 25 July 1978 based on Article 54 paragraph 3 g) of the Treaty on the annual accounts of certain types of companies, as amended.

"Group of Companies" shall mean companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC on the preparation of consolidated accounts or in accordance with recognised international accounting rules.

“Member States” shall mean a member state of the European Union.

"Money Market Instruments" shall mean instruments normally dealt with in on the money market, which are liquid and have a value, which can be accurately determined at any time.

"Regulated Market" shall mean market referred to in Article 4 Section 14 of the Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.

“Supranational Organisations” shall mean entities designated or supported by a government or governmental entity to promote economic development such as the Asian Development Bank, the European Communities, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, the United Nations, the International Bank for Reconstruction and Development (“World Bank”) and the European Bank for Reconstruction and Development.

"Transferable Securities" shall mean:

- shares in companies and other securities equivalent to shares in companies;
- bonds and other forms of securitised debt ("**debt securities**");
- any other negotiable securities, which carry the right to acquire any such transferable securities by subscription or exchange;

excluding the techniques and instruments referred to in Appendix B.

In order to achieve the Company's investment objectives and policies, the Board of Directors have determined that the following investment powers and restrictions shall apply to all investments by the Company:

1. The Company, in each Sub-fund, may invest in:
  - (a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
  - (b) Transferable Securities and Money Market Instruments dealt in on another regulated market in a Member State of the European Union, which operates regularly and is recognised and open to the public;

- (c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in a non-EU Member State or dealt in on another regulated market in a non-EU Member State, which operates regularly and is recognised and open to the public located within any other country of Europe, Asia Oceania, the American continent or Africa;
- (d) recently issued Transferable Securities and Money Market Instruments provided that:
- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under a) to c) above; and
  - such admission is secured within one year of issue.
- (e) Shares or units of UCITS authorised according to UCITS Directive and/or other undertakings for collective investment (UCI) within the meaning of the points a) and b) of Article 1 paragraph 2 of the UCITS Directive, should they be situated in a Member State of the European Union or not, provided that:
- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law and that cooperation between authorities is sufficiently ensured;
  - the level of guaranteed protection for share- or unit-holders in such other UCIs is equivalent to that provided for share- or unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of UCITS Directive;
  - the business of the other UCI is reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
  - no more than 10% of the UCITS or the other UCI assets, whose acquisition is contemplated, can be, according to its instruments of incorporation, invested in aggregate in shares or units of other UCITS or UCIs.
- (f) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the member states of the OECD and GAFI as equivalent to those laid down in Community law. If a description of a Sub-fund's investment policy is related to deposits, such reference means deposits under this item (f) / article 41(1) f) of the UCI Law (excluding Ancillary Liquid Asset);
- (g) financial derivatives, including equivalent cash settled instruments, dealt in on a regulated market referred to under a), b) and c) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:
- the underlying consist of instruments covered by Section 1. of this Appendix A, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest in accordance with its investment objectives;
  - the counterparties to OTC derivative transactions are institutions subject to



prudential supervision, and belonging to the categories approved by the CSSF as further explained in section D), b) of Appendix B; and

- OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Company's initiative.
- (h) Money market instruments other than those dealt in on Regulated Markets, if the issuer or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:
- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
  - issued by an undertaking any securities of which are dealt in on Regulated Markets referred to under (a), (b) or (c) above; or
  - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
  - issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second and third indent of this Sub-section h) of Section 1 of this Appendix A, and provided that the issuer (i) is a company whose capital and reserves amount at least to ten million Euro (EUR 10,000,000) and (ii) which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, (iii) is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group, or (iv) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. Moreover, and for each of the Sub-funds, the Company may:

- (a) invest up to 10% of the net assets of each of the Sub-funds in transferable securities and money market instruments other than those referred to under Section 1 of this Appendix A above;
- (b) hold Ancillary Liquid Assets, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets or for a period of time strictly necessary in case of unfavourable market conditions. The holding of Ancillary Liquid Assets is limited to 20% of the net assets of the Sub-fund. This limit shall only be temporarily breached for a period of time strictly necessary when, because of exceptionally unfavourable market conditions, circumstances so require and where such breach is justified having regard to the interest of the Sub-fund and the shareholders. Initial and variation margins relating to financial derivative instruments do not fall under this restriction;
- (c) borrow the equivalent of up to 10% of its net assets provided that the borrowing is on a temporary basis;

- (d) acquire foreign currencies by means of back-to-back loans.
3. Moreover, concerning the net assets of each Sub-fund, the following investment restrictions shall be observed by the Company in respect of each issuer:

- (e) Rules for risk spreading

For the calculation of the limits defined in points (1) to (5) and (7) below, companies belonging to the same Group of Companies shall be treated as a single issuer.

- **Transferable Securities and Money Market Instruments**

- (1) A Sub-fund may not invest more than 10% of its net assets in Transferable Securities or Money Market Instruments issued by the same body.

The total value of the Transferable Securities and Money Market Instruments held by the Sub-fund in the issuing bodies in each of which it invests more than 5% of its net assets must not exceed 40% of the value of its net assets. This restriction does not apply to deposits with financial institutions that are governed by prudential regulations or to transactions in OTC derivative instruments with these institutions.

- (2) A Sub-fund may invest in aggregate up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
- (3) The 10% limit laid down in paragraph (1) is raised to a maximum of 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State of the European Union, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States are members.
- (4) The 10% limit laid down in paragraph (1) is increased to 25% in respect of bonds that fall under the definition of covered bonds in point (1) of Article 3 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU ("Directive (EU) 2019/2162"), and for certain bonds where they are issued before 8 July 2022 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 bondholders. In particular, sums deriving from the issue of those bonds issued before 8 July 2022 must be invested, in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. To the extent that the Sub-fund invests more than 5% of its assets in such debt securities, issued by the same issuer, the total value of such investments may not exceed 80% of the value of the Sub-fund's net assets.
- (5) The values mentioned in (3) and (4) above are not taken into account for the purpose of applying the 40% limit referred to under paragraph (1) above.

- (6) **Notwithstanding the limits indicated above, and in accordance with the principle of risk-spreading, each Sub-fund is authorised to invest up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union, its local authorities, a member state of the OECD or public international bodies of which one or more Member States of the European Union are members, provided that (i) these securities consist of at least six different issues and (ii) securities from any one issue may not account for more than 30% of the Sub-fund's net assets.**
- (7) Without prejudice to the limits laid down in (b) below, the limits laid down in (1) above are raised to maximum 20% for investment in shares and/or debt securities issued by the same body and when the Company's investment policy is aimed at duplicating the composition of a certain share or debt securities index, which is recognised by the CSSF and meets the following criteria:
- the index's composition is sufficiently diversified;
  - the index represents an adequate benchmark for the market to which it refers;
  - the index is published in an appropriate manner.

The 20% limit is increased to 35% where that proves to be justified by exceptional conditions, in particular in regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for one single issuer.

- **Bank deposits**

- (8) The Company may, for each of its Sub-funds, not invest more than 20% of its net assets in deposits made with the same entity.

- **Derivatives**

- (9) The risk exposure to a counterparty of the Company in an OTC derivative transaction may not exceed 10% of the Sub-fund's net assets when the counterparty is a credit institution referred to in Sub-section f) of Section 1 of this Appendix A, or 5% of its net assets in the other cases.
- (10) The Company may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in (1) to (5), (8), (16) and (17). When the Company invests in index based financial derivative instruments, these investments do not have to be combined to the limits laid down in (1) to (5), (8), (16) and (17).
- (11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when applying the provisions laid down in (12), (16) and (17), and when determining the risks arising on transactions in derivative instruments.

- (12) With regard to derivative instruments, the Company, for each Sub-fund, will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The risks exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

- **Shares or units in open-ended funds**

- (13) The Company, for each of its Sub-funds, may not invest more than 20% of its net assets in shares or units of a single UCITS or other UCI referred to in 1) e) above.
- (14) Furthermore, investments made in UCIs other than UCITS, may not exceed, in aggregate, 30% of the net assets of the Company.
- (15) To the extent that a UCITS or UCI is composed of several sub-funds and provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties, each Sub-fund shall be considered as a separate entity for the application of the limit laid down in (13) hereabove.

When the Company invests in the units of other UCITS and/or UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control or by way of a direct or indirect stake of more than 10% of the capital or votes, the management company or other company may not charge any management fee nor any subscription or redemption fees on account of the Company's investment in the units of other UCITS and/or other UCI.

If the Company shall decide to invest in respect to a particular Sub-fund a substantial proportion of its assets in other UCITS and/or UCIs the maximum level of management fees that may be charged to both the Sub-fund and to the UCITS and/or UCI in which it intends to invest will be disclosed in the Appendix C of this Prospectus under the detailed information regarding the concerned Sub-fund.

- **Combined limits**

- (16) Notwithstanding the individual limits laid down in (1), (8) and (9), the Company, for each of its Sub-funds may not combine:
- investments in Transferable Securities and Money Market Instruments issued by;
  - deposits made with; and/or
  - exposures arising from OTC derivatives transactions undertaken with;
  - a single body in excess of 20% of its net assets.
- (17) The limits set out in (1) to (5), (8) and (9) cannot be combined. Thus, investments by each Sub-fund in Transferable Securities and Money Market Instruments issued by the same body or in deposits or derivative

instruments made with this body in accordance with (1) to (5), (8) and (9) may not exceed a total of 35% of the net assets of the Sub-fund.

(f) **Restrictions with regard to control**

(18) The Company for all its Sub-funds may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

(19) A Sub-fund may acquire no more than:

- (i) 10% of the outstanding non-voting shares of the same issuer;
- (ii) 10% of the outstanding debt securities of the same issuer;
- (iii) 25% of the outstanding shares or units of the same UCITS and/or other UCI;
- (iv) 10% of the outstanding Money Market Instruments of the same issuer.

The limits set in points (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

(20) The limits laid down in (18) and (19) are waived as regards:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the European Union or its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State of the European Union;
- Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States of the European Union are members;
- Shares held in the capital of a company incorporated in a non-Member State of the European Union which invests its assets mainly in securities of issuing bodies having their registered office in that State, where under the legislation of that State, such holding represents the only way in which the Company can invest in the securities of issuing bodies of that State and provided that the investment policy of the company complies with regulations governing risk diversification and restrictions with regard to control laid down herein;
- Shares held in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country/ state where the subsidiary is located, in regard to the repurchase of the shares at the shareholders request exclusively on its or their behalf.

4. Furthermore, the following restrictions will have to be complied with:

- (1) the Company may not acquire either precious metals or certificates representing them;
- (2) the Company may not acquire real estate, except when such acquisition is essential for the direct pursuit of its business;

- (3) the Company may not issue warrants or other instruments giving holders the right to purchase shares in the Company;
- (4) without prejudice to the possibility of the Company to acquire debt securities and to hold bank deposits, the Company may not grant loans or act as guarantor on behalf of third parties. This restriction does not prohibit the Company from acquiring Transferable Securities, Money Market Instruments or other financial instruments that are not fully paid-up;
- (5) the Company may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.

5. Notwithstanding the above provisions:

- (1) the Company, for each of the Sub-funds, need not necessarily to comply with the limits referred to herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets of the Sub-fund concerned;
- (2) if the limits referred to above are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

## APPENDIX B

### FINANCIAL TECHNIQUES AND INSTRUMENTS

#### (A) General provisions

Where specified in Appendix C of this Prospectus for a given Sub-fund, for the purpose of efficient portfolio management and/or hedging purposes and/or investment purposes, the Company may arrange for such Sub-fund to make use of techniques and instruments relating to Transferable Securities and Money Market Instruments or other types of underlying assets in compliance with applicable laws and regulations, including CSSF's Circular 08/356 relating to the rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments, amended from time to time (the "CSSF's Circular 08/356"), CSSF's Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS issues (the "CSSF's Circular 14/592"), and Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("SFTR").

Such techniques and instruments must be economically appropriate and must be realised in a cost-effective way.

The relating risks of these transactions will be adequately captured by the Company's risk management process.

The techniques and instruments referred to in this paragraph include, among others, the purchase and sale of call and put options and the purchase and sale of future contracts or the entering into swaps relating to foreign exchange rates, currencies, securities, indices, interest rates or other admissible financial instruments as further described herein below. The Sub-funds shall use instruments dealt in on a Regulated Market referred to under a), b) and c) of section 1 of Appendix A above or dealt in over-the-counter in accordance with the conditions set out in Appendix A. In general, when these transactions involve the use of derivatives, the conditions and restrictions set out in Appendix A must also be complied with.

In addition, such techniques and instruments include the following efficient portfolio management techniques: securities lending and borrowing transactions, repurchase or reverse repurchase agreements, and buy-sell back or sell-buy back transactions ("EMT").

"Efficient portfolio management" allows techniques and instruments to be used for the purpose of reducing risks and/or costs and/or increasing capital or income returns with a level of risk which is consistent with the risk profile and risk diversification requirements of the relevant Sub-fund. "Investment purposes" refers to the use of techniques and instruments to fulfil the investment objectives of the relevant Sub-fund. "Hedging purposes" refers to combinations of positions on derivative instruments and/or positions in cash realised for the purpose of reducing risks linked to derivatives and/or securities held by the relevant Sub-fund.

In no case whatsoever must the recourse to transactions involving derivatives or other techniques and instruments cause the Company to depart from the investment objectives set out in the Prospectus.

#### (B) Efficient portfolio management techniques ("EMT")

Where specified in Appendix C for a given Sub-fund, the Company may use EMT, in accordance with the conditions set out in this Appendix B and the investment objective and policy of the Sub-fund, as set out in Appendix C to this Prospectus. The use of EMT should not result in a change of

the declared investment objective of any Sub-fund or substantially increase the risk profile of such Sub-fund.

### ***1. Securities lending and borrowing transactions***

Securities lending transactions consist in transactions whereby a lender transfers securities or instruments to a borrower, subject to a commitment that the borrower will return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred.

Securities lending transactions to be entered into exclusively aim to generate additional capital or income. Therefore, the Sub-funds will in particular engage in securities lending transactions based on the expected revenues and costs of the transaction which are essentially driven by the borrowers' demand for the securities held in each Sub-fund's portfolio at any time. As such, there is no restriction on the frequency under which a Sub-fund may engage into such type of transactions. Nevertheless, the Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardize the management of the Sub-fund's assets in accordance with its investment policy.

In particular, the expected and maximum proportion of the Net Asset Value that each Sub-fund intends to engage in securities lending transactions is disclosed in Appendix C.

Where a Sub-fund engages into securities lending transactions, such transactions will be made exclusively through the use of the securities lending program organized by BNP Paribas (formerly BNP Paribas Securities Services). BNP Paribas (formerly BNP Paribas Securities Services) will be acting as principal and exclusive borrower, and no securities lending agent will be involved. The Management Company receives a fee up to 15% of the gross revenue received from BNP Paribas (formerly BNP Paribas Securities Services) for the monitoring of the securities lending program. The remainder of the gross revenue, that is at least 85%, is received by the lending Sub-funds.

The Company may also engage for each Sub-fund in securities borrowing transactions provided that these transactions comply with the following rules:

- (1) the Company is authorised to borrow securities within a standardised system organised by a recognised securities clearing institution or a first rate financial institution specialised in this type of transaction.
- (2) the Company cannot sell any securities borrowed during the period of the borrowing agreement unless hedging has been arranged by means of financial instruments that will enable the Company to return the securities borrowed when the agreement expires.
- (3) borrowing transactions may not extend beyond a period of 30 days, nor may they exceed 50% of the aggregate market value of the securities in the portfolio of the Sub-fund concerned.
- (4) the Company may engage in securities borrowing only in the following exceptional circumstances. First, when the Company is committed to selling certain securities in its portfolio at a time when these securities are in the process of being registered with a government agency and are therefore not available. Second, when securities lent were not returned at the specified time. Third, to avoid the situation whereby a delivery of securities



as promised cannot be made in the event that the Depository did not fulfil its obligation to complete delivery of the said securities.

## **2. *Sale with right of repurchase transactions / reverse repurchase and repurchase agreement transactions and buy-sell back transactions***

Repurchase agreements consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, subject to a commitment to repurchase them, or substituted securities or instruments of the same description, from the counterparty at a specified price on a future date specified, or to be specified, by the transferor. Such transactions are commonly referred to as repurchase agreements (“**Repo**”) for the party selling the securities or instruments, and reverse repurchase agreements (“**Reverse Repo**”) for the counterparty buying them.

Buy-sell back transactions consist of transactions, not being governed by a Repo or a Reverse Repo as described above, whereby a party buys or sells securities or instruments to a counterparty, agreeing, respectively, to sell to or buy back from that counterparty securities or instruments of the same description at a specified price on a future date. Such transactions are commonly referred to as buy-sell back transactions for the party buying the securities or instruments, and sell-buy back transactions for the counterparty selling them.

Where a Sub-fund engages in Repo/Reverse repo transactions, such transactions to be entered into exclusively aim to generate additional capital or income as well as to manage excess cash. Therefore, the Sub-funds will engage in repo/reverse repo transactions to meet extraordinary short-term cash funding requirements, to manage temporary excess cash balances or to sell securities which are trading in demand in the Repo and cash markets, offering higher returns compared to holding similar securities for yield enhancement purposes.

When entering into Repo/reverse repo transactions, a Sub-fund will generally seek to reinvest the cash collateral received in eligible financial instruments with the aim to generate additional return. As such, there is no restriction on the frequency under which a Sub-fund may engage into such type of transactions.

In particular, the expected and maximum proportion the Net Asset Value that each Sub-fund intends to engage in Repo, Reverse Repo is disclosed in Appendix C.

Where a Sub-fund engages into Repo and Reverse Repo, such transactions will in principle be made directly with the counterparty with no involvement of intermediaries. Furthermore, the Investment Manager does not charge any additional costs or fees or receive any additional revenues in connection with these transactions, so that 100% of the revenues (or losses) generated by their execution are allocated to the Sub-funds.

The counterparties to Repo, Reverse Repo and buy-sell back transactions must be establishments:

- authorised by a financial authority;
- subject to prudential supervision;
- and either be located in the EEA or in a country belonging to the Group of ten or have at least an investment grade rating. Considering such criteria, the legal form of the counterparties shall not be relevant;
- specialised in such transactions; and
- in accordance with the standard terms laid down by the ISDA, as applicable.

During the duration of a buy-sell back or of a Reverse Repo transaction, the Company may not sell or pledge/give as security the securities which are the subject of the contract, before the counterparty

has exercised its option or until the deadline for the repurchase has expired, unless it has other means of coverage.

It must ensure that it is able, at all times, to meet its redemption obligations towards its shareholders.

Securities that are the subject of buy-sell back or Reverse Repo transactions are limited to:

- (i) short term bank certificates or money market instruments such as defined within Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions;
- (ii) bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
- (iv) bonds issued by non-governmental issuers offering an adequate liquidity;
- (v) shares quoted or negotiated on a regulated market of a European Union Member State or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

The securities purchased through buy-sell back or Reverse Repo transactions must be in accordance with the Sub-fund investment policy and must, together with the other securities that it holds in its portfolio, globally comply with its investment restrictions.

Where it invests in such transactions, a Sub-fund may incur costs and fees. In particular, a Sub-fund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary, the Investment Manager or the Management Company, in consideration for the functions and risks they assume. The amount of these fees may be fixed or variable.

All revenues arising from such transactions, net of any direct or indirect operating costs, shall be returned to the relevant Sub-fund.

None of the Sub-funds intends to engage into buy-sell back transactions at the date of this prospectus.

### **3. Common provisions to EMT**

In order to limit the exposure of a Sub-fund to the risk of default of the counterparty under an EMT, the Sub-fund will receive cash or other assets as collateral, as further specified in section C below.

Assets received under an EMT are held by the Depositary or its delegate in accordance with section 4.4 of this Prospectus.

The Company's Annual Report will contain information on income from EMT for the Sub-funds' entire reporting period, together with details of the Sub-funds' direct and indirect operational costs and fees, insofar as they are associated with the management of the corresponding Company/Sub-fund.

The Company's Annual Report will also provide information on the identity of entities to which such costs and fees are paid and any affiliation they may have with the Management Company, the Investment Manager or the Depositary, as applicable.

**(C) Management of collateral for OTC derivatives and EMT**

As guarantee for any EMT and OTC derivatives transactions, the relevant Sub-fund will obtain the following type of collateral covering at least the market value of the financial instruments object of EMT and OTC derivatives:

- (i) liquid assets which include not only cash and short term bank certificates, but also money market instruments such as defined within Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to certain UCITS as regards the clarification of certain definitions. A letter of credit or a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty are considered as equivalent to liquid assets;

Haircut comprised between 0% and 2% depending on market conditions.

- (ii) bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;

Haircut comprised between 0% and 5% depending on market conditions.

- (iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

Haircut comprised between 0% and 2% depending on market conditions.

- (iv) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below;

Haircut comprised between 4% and 20% depending on market conditions.

- (v) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or

Haircut comprised between 4% and 20% depending on market conditions.

- (vi) shares admitted to or dealt in on a regulated market of a member state of the OECD, on the condition that these shares are included in a main index.

Haircut comprised between 5% and 20% depending on market conditions.

Collateral will be valued and exchanged, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined for each asset class based on the above haircut policy. That policy takes into account a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out under normal and exceptional liquidity conditions.

The Company, for each relevant Sub-fund, must make sure that it is able to claim its rights on the guarantee in case of the occurrence of an event requiring the execution thereof. Therefore, the guarantee must be available at all times, either directly or through the intermediary of a first class financial institution or a wholly-owned subsidiary of this institution, in such a manner that the Company is able to appropriate or realize the assets given as guarantee, without delay, if the counterparty does not comply with its obligation to return the securities.

During the duration of the agreement, the guarantee cannot be sold or given as a security or pledged, except when the Sub-fund has other means of coverage.

Collateral received must at all times meet with the following criteria:

(a) liquidity: collateral must be sufficiently liquid in order that it can be sold quickly at a robust price that is close to its pre-sale valuation.

(b) valuation: collateral must be capable of being valued on at least a daily basis and must be marked to market daily.

(c) issuer credit quality: the Company will ordinarily only accept high quality collateral.

(d) correlation: the collateral will 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.

(e) collateral diversification (asset concentration): the collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Sub-fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the Sub-fund' net asset value. When a Sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a Sub-fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Sub-fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-fund' net asset value.

(f) safe-keeping: collateral must be held by the Depositary or its delegate.

(g) enforceable: collateral must be immediately available to the Company without recourse to the counterparty, in the event of a default by that entity.

(h) non-cash collateral

- cannot be sold, pledged or re-invested;

- must be issued by an entity independent of the counterparty; and

- must be diversified to avoid concentration risk in one issue, sector or country.

(i) If the guarantee is given in the form of cash, such cash should only be:

(a) placed on deposit with entities prescribed in Article 41 (1) f) of the UCI Law;

(b) invested in high-quality government bonds;

(c) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and that each Sub-fund is able to recall at any time the full amount of cash on accrued basis;

(d) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

Financial assets other than bank deposits and units or shares of funds acquired by means of reinvestment of cash received as a guarantee, must be issued by an entity not affiliated to the counterparty.

Financial assets may not be pledged/given as a guarantee, except when the Sub-fund has sufficient liquid assets enabling it to return the guarantee by a cash payment.

Short-term bank deposits, money market funds and bonds referred to above must be eligible investments within the meaning of Article 41 (1) of the law of the UCI Law.

Exposures arising from the reinvestment of collateral received by the Sub-fund shall be taken into account within the diversification limits applicable under the UCI Law.

If the short-term bank deposits referred to in (a) are likely to expose each Sub-fund to a credit risk vis-à-vis the trustee, the Company must take this into consideration for the purpose of the limits on deposits prescribed by article 43 (1) of the amended law of the UCI Law.

The Company, when receiving collateral for at least 30% of the assets of a Sub-fund, must have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- c) reporting frequency and limit/loss tolerance threshold(s); and
- d) mitigation actions to reduce loss including haircut policy and gap risk protection.

The reinvestment must, in particular if it creates a leverage effect, be taken into account for the calculation of each Sub-fund's global exposure. Any reinvestment of a guarantee provided in the form of cash in financial assets providing a return in excess of the risk free rate, is subject to this requirement.

Reinvestments will be mentioned with their respective value in an appendix to the Annual Reports of the Company.

The Annual Reports will also mention the following information:

- a) if the Collateral received from an issuer has exceeded 20% of the Net Asset Value of a Sub-fund; and/or
- b) if a Sub-fund has been fully collateralised in securities issued or guaranteed by a Member State.

**(D) Use of financial derivative instruments (“FDI”)**

***a) General***

A Sub-fund may use FDI such as options, futures, forwards and swaps or any variation or combination of such instruments, for hedging and/or investment and/or efficient portfolio management purposes, in accordance with the provisions of this Prospectus and the investment objective and policy of the Sub-fund, as set out in Appendix C. The use of FDI may not, under any circumstances, cause a Sub-fund to deviate from its investment objective.

FDI used by a Sub-fund may include, without limitation, the following categories of instruments.

- (A) Options: an option is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to buy or sell a specified amount of an underlying asset at an agreed price (the strike or exercise price) on or until the expiration of the contract. A call option is an option to buy, and a put option an option to sell.
- (B) Futures contracts: a futures contract is an agreement to buy or sell a stated amount of a security, currency, index (including an eligible commodity index) or other asset at a specific future date and at a pre-agreed price.
- (C) Forward agreements: a forward agreement is a customised, bilateral agreement to exchange an asset or cash flows at a specified future settlement date at a forward price agreed on the trade date. One party to the forward is the buyer (long), who agrees to pay the forward price on the settlement date; the other is the seller (short), who agrees to receive the forward price.
- (D) Interest rate swaps: an interest rate swap is an agreement to exchange interest rate cash flows, calculated on a notional principal amount, at specified intervals (payment dates) during the life of the agreement.
- (E) Swaptions: a swaption is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to enter into an interest rate swap at a present interest rate within a specified period of time.
- (F) Credit default swaps: a credit default swap or CDS is a credit derivative agreement that gives the buyer protection, usually the full recovery, in case the reference entity or debt obligation defaults or suffers a credit event. In return the seller of the CDS receives from the buyer a regular fee, called the spread.
- (G) Total return swaps: a total return swap (TRS) is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.
- (H) Contracts for differences: a contract for differences (CFD) is an agreement between two parties to pay the other the change in the price of an underlying asset. Depending on which way the price moves, one party pays the other the difference from the time the contract was agreed to the point in time where it ends. The difference in the settlements is generally made by payment in cash more than by physical delivery of underlying assets.

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

Investments in FDI may be carried out provided the global risk relating to FDI does not exceed the total net assets of a Sub-fund.

In such context “global risk relating to FDI does not exceed the total net value of the portfolio” means that the global risk relating to the use of FDI shall not exceed 100% of the Net Asset Value and that the global risk for a Sub-fund shall not be higher on a long-term basis than 200% of the Net Asset Value. The global risk for the Sub-fund may be increased by 10% by way of temporary borrowings in such a way that such global risk shall never be higher than 210% of the Net Asset Value.

The risks exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Short and long positions on the same underlying asset or on assets having an important historical correlation, may be set off.

The exposure of a Sub-fund to underlying assets referenced by FDI, combined with any direct investment in such assets, may not exceed in aggregate the investment limits set out in Appendix A of this Prospectus. However, to the extent a Sub-fund invests in FDI referencing financial indices as described in sub-section g) below, the exposure of the Sub-fund to the underlying assets of the financial indices do not have to be combined with any direct or indirect investment of the Sub-fund in such assets for the purposes of the limits set out in Appendix A of this Prospectus.

When a Transferable Security or a Money Market Instrument embeds a derivative product, the latter must be taken into account when complying with the risk diversification rules, global exposure limits and information requirements of this Prospectus applicable to FDI.

***b) OTC derivatives***

A Sub-fund may invest into OTC derivatives including, without limitation, TRS or other FDI with similar characteristics, in accordance with the conditions set out in this section and the investment objective and policy of the Sub-fund, as set out in Appendix C.

The counterparties to OTC derivatives transactions must be establishments:

- authorised by a financial authority;
- subject to prudential supervision;
- and either be located in the EEA or in a country belonging to the Group of ten or have at least an investment grade rating. Considering such criteria, the legal form of the counterparties shall not be relevant;
- specialised in such transactions; and
- in accordance with the standard terms laid down by the ISDA.

The identity of the counterparties will be disclosed in the Annual Report.

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

In order to limit the exposure of a Sub-fund to the risk of default of the counterparty under OTC derivatives, the Sub-fund may receive cash or other assets as collateral, as further specified in section C above.

Information on income from TRS and other FDI with similar characteristics, costs and fees incurred by each Sub-fund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Investment Manager or the Management Company, if applicable, may be available in the Annual Report and, to the extent relevant and practicable, in Appendix C.

Assets received under a TRS or other FDI with similar characteristics (other than as collateral) are held by the Depositary or its delegate in accordance with section 8 of this Prospectus.

The Sub-funds will engage in TRS or other FDI with similar characteristics on the market opportunities and in particular depending on the market demand for the securities held in each Sub-fund's portfolio at any time and the expected revenues of the transaction compared to the market conditions on the investment side. TRS (or other FDI with similar characteristics) to be entered into exclusively aim to generate additional capital or income. As such, there is no restriction on the frequency under which a Sub-fund may engage into such type of transactions.

The expected and maximum portion of the Net Asset Value of the Sub-funds that could be subject TRS or other FDI with similar characteristics are disclosed in Appendix C.

All revenues arising from TRS or other FDI with similar characteristics, net of any direct or indirect

operating costs, shall be returned to the relevant Sub-fund.

In particular, such type of transactions will be made either directly with the counterparty, or through the use of a broker or intermediary.

When engaging in TRS (or other FDI with similar characteristics) directly without the counterparty (without an intermediary/broker), the Investment Manager does not charge any additional costs or fees or receive any additional revenues, so that 100% of the revenues (or losses) generated by their execution are allocated to the Sub-funds.

Where an intermediary/broker is used, 100% of the revenues (or losses) generated by the execution of the transactions are likewise to be allocated to the Sub-funds. Indeed in such a case, the Investment Manager does not charge any additional costs or fees or receive any additional revenues in connection with these transactions.

Investors should note that additional costs may be inherent in certain products (e.g. the financing leg on a CFD), these are imposed by the counterparty based on market pricing, form part of the revenues or losses generated by the relevant product, and are allocated 100% to the Sub-funds.

***c) Special limits relating to credit derivatives***

Each Sub-fund may carry out transactions on credit derivatives:

- whose underlying assets comply with the investment objectives and policy of the Sub-fund,
- that may be liquidated at any time at their valuation value,
- whose valuation, realised independently, must be reliable and verifiable on a daily basis,
- for hedging purposes or not.

If the credit derivatives are concluded for another purpose than hedging, the following requirements must be fulfilled:

- credit derivatives must be used in the exclusive interest of investors by assuming an interesting return balanced against risks of the Company and in accordance with the investment objectives,
- investment restrictions in Appendix A) shall apply to the issuer of a CDS and to the risk of the final debtor of the credit derivative (underlying), except if the credit derivative is based on an index,
- the Sub-fund must ensure an appropriate and permanent covering of the commitments relating to CDS in order to be able at any time to meet the redemption requests from investors.

Claimed strategies relating to credit derivatives are notably the following (which may, as appropriate, be combined):

- to invest quickly the newly subscribed amounts in a fund in the credit market via the sale of credit derivatives,
- in case of positive anticipation on the evolution of spreads, to take a credit exposure (global or targeted) thanks to the sale of credit derivatives,
- in case of negative anticipation on the evolution of spreads, to protect or take actions (globally or targeted) by the purchase of credit derivatives.



***d) Special limits relating to equity swaps and index swaps***

Each Sub-fund may conclude equity swaps and swaps on market index, in accordance with the investment restrictions set out in Appendix A):

- where underlying assets comply with the investment objectives and policy of the Sub-fund,
- they may be liquidated at any time at their valuation value,
- whose valuation, realised independently, must be reliable and verifiable on a daily basis,
- for hedging purposes or not.

Each index will comply with the classification of “financial index” pursuant to article 9 of the Grand Ducal Regulation of February 8, 2008 relating to certain definitions of the UCI Law and with CSSF’s Circular 14/592.

***e) Conclusion of “Contracts for Difference” (“CFD”)***

Each Sub-fund may enter into CFD.

When these CFD transactions are carried out for a different purpose than risk hedging, the risk exposure relating to these transactions, together with the global risk relating to other derivative instruments shall not, at any time, exceed the Net Asset Value of the concerned Sub-fund.

Particularly, the CFD on transferable securities, on financial index or on swaps shall be used strictly in accordance with the investment policy followed by each Sub-fund. Each Sub-fund shall ensure an adequate and permanent coverage of its commitments related to CFDs in order to face the redemption requests of shareholders.

***f) Intervention on currency markets***

Each Sub-fund may enter into transactions on derivatives on currencies (such as forward exchange, options, futures and swaps) for hedging purposes or intended to take exchange risks within its investment policy without however diverting from its investment objectives.

Moreover, Sub-funds which follow a benchmark may also purchase, or sell, forward contracts on currencies within an efficient management of its portfolio in order to maintain the same exposure on currencies as the one of the benchmark of each Sub-fund. These forward contracts on currencies must be within the limits of the benchmark of the Sub-fund in the way that an exposure in currency other than the reference currency of the Sub-fund shall not, in principle, be higher than the portion of this currency being part of the benchmark. The use of these forward contracts on currencies shall be made in the best interest of shareholders.

In addition, Sub-funds which follow a benchmark may purchase, or sell, forward contracts on currencies in order to protect itself against the risk of exchange rate fluctuation with the view to acquire future investments. The hedging purpose of these transactions presupposes the existence of a direct relationship between them and the future commitments to be covered taking into account the benchmark of the Sub-funds; consequently, the transactions made in one currency may in principle no exceed the valuation of the aggregate future commitments in that currency nor exceed the presumed period during which such future commitments will be held.

***g) Derivatives referencing financial indices***

Each Sub-fund may use financial derivative instruments to replicate or gain exposure to one or more financial indices in accordance with its investment objective and policy. The underlying assets of

financial indices may comprise eligible assets described in Appendix A to this Prospectus and instruments with one or more characteristics of those assets, as well as interest rates, foreign exchange rates or currencies, other financial indices and/or other assets, such as commodities or real estate.

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

When a Sub-fund uses derivatives on indices, the frequency of the review and rebalancing of the composition of the underlying index of such financial derivative instruments varies per index and could generally be weekly, monthly, quarterly or annually. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the relevant Sub-fund.

These conditions are further specified in and supplemented by regulations and guidance issued by the CSSF from time to time.

Further information relating to such indices is available from the Company on request.

(E) **Classification of the Sub-funds pursuant to CSSF’s Circular 11/512 concerning the risk transparency**

SUB-FUND DESCRIPTION	Global Exposure Determination Methodology	
	Commitment Approach	Absolute VaR approach
PREMIUM FUNDS SICAV - MAM GLOBAL HIGH YIELD CORPORATE BOND FUND BB/B	YES	NO
PREMIUM FUNDS SICAV – SLI GLOBAL HIGH YIELD BOND FUND	YES	NO
PREMIUM FUNDS SICAV - EM CURRENCIES SUPRANATIONAL FUND	YES	NO
PREMIUM FUNDS SICAV - EURO COVERED-CALL	YES	NO
PREMIUM FUNDS SICAV – MULTI ALTERNATIVE RISK PREMIA	NO	YES
PREMIUM FUNDS SICAV –EURO SHORT TERM HIGH YIELD FUND	YES	NO
PREMIUM FUNDS SICAV – PREMIUM SELECTION – ANLEIHEN	YES	NO
PREMIUM FUNDS SICAV - PREMIUM SELECTION – AKTIEN	YES	NO
PREMIUM FUNDS SICAV - PREMIUM SELECTION – AUSGEWOGEN	YES	NO
PREMIUM FUNDS SICAV - PREMIUM SELECTION – DYNAMISCH	YES	NO

## **APPENDIX C**

### **DETAILS OF EACH SUB-FUND**

#### **List of Sub-funds:**

- 1. PREMIUM FUNDS SICAV - MAM Global High Yield Corporate Bond Fund BB/B**
- 2. PREMIUM FUNDS SICAV - SLI Global High Yield Bond Fund**
- 3. PREMIUM FUNDS SICAV - Euro Covered-Call**
- 4. PREMIUM FUNDS SICAV - EM Currencies Supranational Fund**
- 5. PREMIUM FUNDS SICAV – Multi Alternative Risk Premia**
- 6. PREMIUM FUNDS SICAV – Euro Short-Term High Yield Fund**
- 7. PREMIUM FUNDS SICAV – Premium Selection - Anleihen**
- 8. PREMIUM FUNDS SICAV – Premium Selection - Aktien**
- 9. PREMIUM FUNDS SICAV – Premium Selection - Ausgewogen**
- 10. PREMIUM FUNDS SICAV – Premium Selection - Dynamisch**

**PREMIUM FUNDS SICAV -**

**MAM GLOBAL HIGH YIELD CORPORATE BOND FUND BB/B**

**Investment policy**

The Sub-fund seeks to maximize absolute return from a combination of current income and capital appreciation by investing in high yield corporate debt securities denominated in USD and EUR.

The Sub-fund will be essentially invested in high yield corporate debt securities denominated in USD and EUR.

Investments in issuers of Emerging Market countries (as defined below) are limited to 10% of the Net Asset Value. The Sub-fund will not invest directly in securities traded on Chinese domestic securities markets.

The maximum unhedged non-USD and non-EUR currency exposure cannot exceed 10% of the Net Asset Value.

The Sub-fund may invest up to 10% of the Net Asset Value in securitisation instruments (e.g. asset-backed securities (ABS) and mortgage-backed securities (MBS)) having a minimum rating of BBB from S&P or Baa2 from Moody's (or equivalent rating agency).

The Sub-fund may purchase debt securities having a rating not below B- from S&P or B3 from Moody's (or equivalent rating agency), or, that are in the opinion of the Investment Manager, of comparable quality. The Sub-fund must ensure that investments having a rating below B- from S&P or B3 from Moody's (or equivalent rating agency) due to a downgrade, do not amount to more than 3% of its Net Asset Value. Securities having a rating CCC from S&P or Caa2 from Moody's are explicitly forbidden. If no rating is available, then an equivalent credit rating, as deemed by the Investment Manager, may be used. Non rated bonds are not allowed.

The Sub-fund may invest in securities issued pursuant to Rule 144A and/or Regulation S provided that such securities meet the conditions provided for by the Grand Ducal Regulation of February 8, 2008 relating to certain definitions of the UCI Law and by CESR Guidelines 06-005 of January 2006 Box 1 and section 1.a), 1.b), 1.c) or 1.d), as applicable, of Appendix A of the Prospectus. In particular:

- such securities must not expose the Sub-fund to loss beyond the amount paid for them or where they are partly paid securities, to be paid for them;
- their liquidity must not compromise the Sub-fund's ability to comply with the obligation of redemption of the Company's Shares upon request from the shareholders;
- there must be accurate, reliable and regular prices, either being market prices or prices made available by valuation systems independent from issuers;
- there must be regular, accurate and comprehensive information available to the market on such securities or, where relevant, on the portfolio of such securities;
- they must be negotiable; and
- their risk must be adequately captured in the risk management process of the Company.

The Sub-fund shall not invest more than 10% of the Net Asset Value into other UCITS or UCIs. Such other UCITS or UCIs must be compliant with the provisions set out in Article 41(1) e) of the UCI Law.

Definition of Emerging Market: any country that is included in the JP Morgan Corporate Emerging Markets Bond Index (CEMBI) - Broad Diversified Index.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to, futures, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically, investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.

The Sub-fund's use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.
TRS and other FDI with the same characteristics	0%	0%
Repo/Reverse Repo	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	15%	45%

<b>Profile of the typical investor</b>	The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section "Risk Factors" below. The typical investor will be seeking to invest a portion of its overall portfolio in global non-Investment Grade USD and EUR denominated bonds issued by high yield corporate, financial, governments, government agencies and supra-national issuers.
<b>Taxonomy Regulation and principal adverse impact</b>	The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation"). The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <p>General risks:</p> <ul style="list-style-type: none"> <li>➤ fixed-income and floating rate securities are subject to interest rate risk and credit risk, which is an issuer's inability to meet principal and interest payments on the obligations, and may be subject to price volatility due to interest rate, foreign exchange and credit spread sensitivity. Floating rate securities are in addition with respect to their return subject to market risks;</li> <li>➤ derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments;</li> <li>➤ emerging country securities involve greater risk than those associated with developed countries including greater currency risk, economic and political risk, settlement risk, price volatility and may have debt unrated by internationally recognised credit rating organisations.</li> </ul> <p>Risks specific to Rule 144A and/or Regulation S securities:</p> <ul style="list-style-type: none"> <li>➤ dissemination of secondary market transactions is limited and might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular security.</li> </ul>
<b>Investment Manager</b>	Marathon Asset Management, LP
<b>Sub-Investment Manager</b>	MCAP Global Finance (UK) LLP
<b>Reference Currency</b>	USD
<b>Other Denomination Currency</b>	Class 3H EUR: EUR Class 3H CHF: CHF

<b>Launch Date of the Sub-fund</b>	5 February 2016
<b>Initial Price</b>	Class 3: USD 100 Class 3H EUR: EUR 100 Class 3H CHF: CHF 100
<b>Minimum initial investment</b>	Class 3: USD 1,000,000 Class 3H EUR: EUR 1,000,000 Class 3H CHF: CHF 1,000,000
<b>Valuation frequency</b>	Weekly and the first Luxembourg Business Day of each calendar month
<b>Valuation Day</b>	Every Monday being a Luxembourg Business Day and the first Luxembourg Business Day of each calendar month
<b>Classes of Shares</b>	
<ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> <li>• <b>Institutional Investors Euro Hedged</b></li> <li>• <b>Institutional Investors Swiss Franc Hedged</b></li> </ul>	<p>Class 3*</p> <p>Class 3H EUR**</p> <p>Class 3H CHF***</p>
<b>Categories of Shares</b>	Only distribution of income (“y”) Shares are issued.
<b>Subscription Commission</b>	N/A
<b>Redemption Commission</b>	N/A
<b>Conversion Commission</b>	N/A
<b>Aggregate fee</b>	Class 3: maximum 1.00% Class 3H EUR: maximum 1.00% Class 3H CHF: maximum 1.00%

\* Class 3 is reserved only for investments made by the companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\* Class 3H EUR will allow Institutional Investors to invest in Euro without taking on the risk between its investment currency and the Reference Currency of the Sub-fund.

\*\*\* Class 3H CHF will allow Institutional Investors to invest in CHF without taking on the risk between its investment currency and the Reference Currency of the Sub-fund.



**PREMIUM FUNDS SICAV -**

**SLI GLOBAL HIGH YIELD BOND FUND**

**Investment policy**

The objective of this Sub-fund is to achieve long-term capital appreciation investing in high yield corporate debt securities.

The Sub-fund's Net Asset Value will be essentially invested in high yield corporate debt securities denominated in USD, CAD, GBP and EUR.

The maximum unhedged non-USD currency exposure cannot exceed 10% of the Net Asset Value.

The Sub-fund may purchase debt securities having a rating not below B- from S&P or B3 from Moody's (or equivalent rating agency), or, that are in the opinion of the Investment Manager, of comparable quality. The Sub-fund must ensure that investments having a rating below B- from S&P or B3 from Moody's (or equivalent rating agency) due to a downgrade, do not amount to more than 3% of its Net Asset Value. Securities having a rating CCC from S&P or Caa2 from Moody's are explicitly forbidden. If no rating is available, then an equivalent credit rating, as deemed by the Investment Manager, may be used. Non rated bonds are not allowed.

The Sub-fund may invest in securities issued pursuant to Rule 144A and/or Regulation S provided that such securities meet the conditions provided for by the Grand Ducal Regulation of February 8, 2008 relating to certain definitions of the UCI Law and by CESR Guidelines 06-005 of January 2006 Box 1 and section 1.a), 1.b), 1.c) or 1.d), as applicable, of Appendix A of the Prospectus. In particular:

- such securities must not expose the Sub-fund to loss beyond the amount paid for them or where they are partly paid securities, to be paid for them;
- their liquidity must not compromise the Sub-fund's ability to comply with the obligation of redemption of the Company's Shares upon request from the shareholders;
- there must be accurate, reliable and regular prices, either being market prices or prices made available by valuation systems independent from issuers;
- there must be regular, accurate and comprehensive information available to the market on such securities or, where relevant, on the portfolio of such securities;
- they must be negotiable; and
- their risk must be adequately captured in the risk management process of the Company.

The Sub-fund shall not invest more than 10% of the Net Asset Value into other UCITS or UCIs. Such other UCITS or UCIs must be compliant with the provisions set out in Article 41(1) e) of the UCI Law.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to,

	<p>futures, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.</p> <p>In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.</p> <p>EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically, investments in such instruments is made to adjust the portfolio’s market exposure in a more cost efficient way.</p> <p>The Sub-fund’s use of, or investment in, EMT and TRS will be as follows:</p> <table border="1" data-bbox="586 709 1422 1413"> <tr> <td data-bbox="586 709 743 947">Type of transactions</td> <td data-bbox="743 709 1065 947">Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund’s Net Asset Value indicated below. In certain circumstances this proportion may be higher.</td> <td data-bbox="1065 709 1422 947">The principal amount of the Sub-fund’s assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund’s Net Asset Value indicated below.</td> </tr> <tr> <td data-bbox="586 947 743 1079">TRS and other FDI with the same characteristics</td> <td data-bbox="743 947 1065 1079">0%</td> <td data-bbox="1065 947 1422 1079">0%</td> </tr> <tr> <td data-bbox="586 1079 743 1163">Repo/Reverse Repo</td> <td data-bbox="743 1079 1065 1163">0%</td> <td data-bbox="1065 1079 1422 1163">0%</td> </tr> <tr> <td data-bbox="586 1163 743 1247">Sell-buy back transactions</td> <td data-bbox="743 1163 1065 1247">0%</td> <td data-bbox="1065 1163 1422 1247">0%</td> </tr> <tr> <td data-bbox="586 1247 743 1331">Buy-sell back transactions</td> <td data-bbox="743 1247 1065 1331">0%</td> <td data-bbox="1065 1247 1422 1331">0%</td> </tr> <tr> <td data-bbox="586 1331 743 1413">Securities Lending</td> <td data-bbox="743 1331 1065 1413">20%</td> <td data-bbox="1065 1331 1422 1413">35%</td> </tr> </table>	Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund’s Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund’s assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund’s Net Asset Value indicated below.	TRS and other FDI with the same characteristics	0%	0%	Repo/Reverse Repo	0%	0%	Sell-buy back transactions	0%	0%	Buy-sell back transactions	0%	0%	Securities Lending	20%	35%
Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund’s Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund’s assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund’s Net Asset Value indicated below.																	
TRS and other FDI with the same characteristics	0%	0%																	
Repo/Reverse Repo	0%	0%																	
Sell-buy back transactions	0%	0%																	
Buy-sell back transactions	0%	0%																	
Securities Lending	20%	35%																	
<b>Profile of the typical investor</b>	<p>The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section “Risk Factors” below. The typical investor will be seeking to invest a portion of its overall portfolio in global non-investment grade USD, CAD, GBP and EUR denominated bonds issued by high yield corporate, financial, governments, government agencies and supra-national issuers.</p>																		
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the “Taxonomy Regulation”).</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>																		

<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <p>General risks:</p> <ul style="list-style-type: none"> <li>➤ fixed-income and floating rate securities are subject to interest rate risk and credit risk (linked to the issuer's creditworthiness), which is an issuer's inability to meet principal and interest payments on the obligations, and may be subject to price volatility due to interest rate, foreign exchange and credit spread sensitivity. Floating rate securities are in addition with respect to their return subject to market risks;</li> <li>➤ derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments.</li> </ul> <p>risks specific to Rule 144A and/or Regulation S securities:</p> <ul style="list-style-type: none"> <li>➤ dissemination of secondary market transactions is limited and might increase the volatility of the security prices and, in extreme conditions, decrease the liquidity of a particular security.</li> </ul>
<b>Investment Manager</b>	Abrdn Investment Management Limited
<b>Sub-Investment Manager</b>	Abrdn Inc.
<b>Reference Currency</b>	USD
<b>Other Denomination Currency</b>	<p>Class 3H EUR: EUR</p> <p>Class 3H CHF: CHF</p>
<b>Launch Date of the Sub-fund</b>	6 September 2016
<b>Initial Price</b>	<p>Class 3: USD 100</p> <p>Class 3H EUR: EUR 100</p> <p>Class 3H CHF: CHF 100</p>
<b>Minimum initial investment</b>	<p>Class 3: USD 1,000,000</p> <p>Class 3H EUR: 1,000,000</p> <p>Class 3H CHF: 1,000,000</p>
<b>Classes of Shares</b> <ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> <li>• <b>Institutional Investors Euro Hedged</b></li> </ul>	<p>Class 3*</p> <p>Class 3H EUR**</p>

<b>• Institutional Investors Swiss Franc Hedged</b>	Class 3H CHF***
<b>Categories of Shares</b>	Only distribution of income (“y”) Shares are issued.
<b>Subscription Commission</b>	N/A
<b>Redemption Commission</b>	N/A
<b>Conversion Commission</b>	N/A
<b>Aggregate fee</b>	Class 3: 0.29% Class 3H EUR: 0.29% Class 3H CHF: 0.29%

\* Class 3 is reserved only for investments made by the companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\* Class 3H EUR will allow Institutional Investors to invest in Euro without taking on the risk between its investment currency and the Reference Currency of the Sub-fund.

\*\*\* Class 3H CHF will allow Institutional Investors to invest in CHF without taking on the risk between its investment currency and the Reference Currency of the Sub-fund.

**PREMIUM FUNDS SICAV -**

**EURO COVERED-CALL**

**Investment policy**

The objective of this Sub-fund is to achieve long-term capital appreciation and generate a stable level of income, investing, directly or indirectly, in equities and equity-linked securities of companies listed on the Regulated Markets of any Member State participating to the Eurozone (the “Eurozone Equities”).

The Sub-fund will be essentially invested in Eurozone Equities and, as further described below, derivative instruments relating to Eurozone Equities such as, but not limited to, index or single name futures (including dividend futures) and TRS.

With the aim to enhance the Sub-fund’s income level, the Investment Manager will implement a covered call strategy which will be achieved either directly by writing covered call options on single stocks and/or on well-known equity indices (the “Covered-Call Options”) or indirectly by investing through unfunded TRS, which will have as underlying a basket of Covered-Call Options, when the Investment Manager considers the use of such TRS more appropriate.

The Sub-fund may also invest on an ancillary basis in participation rights and in equity-linked securities – such as, but not limited to, debt securities convertible into common shares, preference shares, and warrants on Transferable Securities – listed on stock exchanges of other EU Member States..

The Sub-fund shall not invest more than 10% of its net assets into other UCITS or UCIs. Such other UCITS or UCIs must be compliant with the provisions set out in Article 41 (1) e) of the UCI Law.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to, futures, options, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes, and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or

	<p>undertakings for collective investment. Typically, investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.</p> <p>The Sub-fund's use of, or investment in, EMT and TRS will be as follows:</p> <table border="1" data-bbox="586 331 1422 1037"> <tr> <td data-bbox="586 331 743 569">Type of transactions</td> <td data-bbox="743 331 1065 569">Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.</td> <td data-bbox="1065 331 1422 569">The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.</td> </tr> <tr> <td data-bbox="586 569 743 705">TRS and other FDI with the same characteristics</td> <td data-bbox="743 569 1065 705">0%</td> <td data-bbox="1065 569 1422 705">0%</td> </tr> <tr> <td data-bbox="586 705 743 789">Repo/Reverse Repo</td> <td data-bbox="743 705 1065 789">0%</td> <td data-bbox="1065 705 1422 789">0%</td> </tr> <tr> <td data-bbox="586 789 743 873">Sell-buy back transactions</td> <td data-bbox="743 789 1065 873">0%</td> <td data-bbox="1065 789 1422 873">0%</td> </tr> <tr> <td data-bbox="586 873 743 957">Buy-sell back transactions</td> <td data-bbox="743 873 1065 957">0%</td> <td data-bbox="1065 873 1422 957">0%</td> </tr> <tr> <td data-bbox="586 957 743 1037">Securities Lending</td> <td data-bbox="743 957 1065 1037">40%</td> <td data-bbox="1065 957 1422 1037">50%</td> </tr> </table>	Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.	TRS and other FDI with the same characteristics	0%	0%	Repo/Reverse Repo	0%	0%	Sell-buy back transactions	0%	0%	Buy-sell back transactions	0%	0%	Securities Lending	40%	50%
Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.																	
TRS and other FDI with the same characteristics	0%	0%																	
Repo/Reverse Repo	0%	0%																	
Sell-buy back transactions	0%	0%																	
Buy-sell back transactions	0%	0%																	
Securities Lending	40%	50%																	
<b>Profile of the typical investor</b>	<p>The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section "Risk Factors" below.</p> <p>The typical investor will be seeking to invest a portion of its overall portfolio in a diversified portfolio of equities or equity-linked securities of companies listed on the Regulated Markets of any Member State participating to the Eurozone with the goal of achieving income and long-term capital appreciation.</p>																		
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>																		
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>➤ equity instruments are generally considered higher risk investments, and the returns may be volatile;</li> <li>➤ derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments.</li> </ul>																		

	<p>➤ the covered-call strategy followed by the Investment Manager foresees the use of derivatives to implement synthetic short positions, which may or may not offset with corresponding long positions. Taking short positions involves leverage of the Sub-fund assets and presents the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment.</p>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	6 September 2018
<b>Initial Price</b>	Class 3: EUR 100
<b>Minimum initial investment</b>	Class 3: EUR 1,000,000
<b>Classes of Shares</b> • <b>Institutional Investors</b>	Class 3*
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	N/A
<b>Redemption Commission</b>	N/A
<b>Conversion Commission</b>	N/A
<b>Aggregate fee</b>	Class 3: maximum 0.50%

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

**PREMIUM FUNDS SICAV -**

**EM CURRENCIES SUPRANATIONAL FUND**

**Investment policy**

The objective of this Sub-fund is to achieve an attractive blend of total return and income while minimising volatility.

The Sub-fund will be essentially invested in debt securities issued by Supranational Organisations and denominated in emerging market currencies.

The Sub-fund may not purchase debt securities having a rating below A- by S&P or A3 by Moody's (or equivalent rating agency) or which are, in the opinion of the Investment Manager, of comparable quality. The Sub-fund must ensure that debt securities having a rating below A- by S&P or A3 by Moody's (or equivalent rating agency), due to a downgrade, do not amount to more than 3% of its Net Asset Value. Securities having a rating CCC from S&P or Caa2 from Moody's are explicitly forbidden. Where no rating is available, such as for newly-issued bonds, the internal credit rating given by the Investment Manager may be used until a definitive credit rating is assigned by the credit rating agencies. In such case, the debt securities may be purchased if it is expected that the definitive credit rating assigned by the credit rating agencies will be compliant with this investment policy.

The Sub-fund may not invest in equities or units or shares of other UCITS or UCIs.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may, in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to, futures, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes, and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically, investments in such



	<p>instruments is made to adjust the portfolio's market exposure in a more cost efficient way.</p> <p>The Sub-fund's use of, or investment in, EMT and TRS will be as follows:</p> <table border="1" data-bbox="586 302 1422 1003"> <tr> <td data-bbox="586 302 743 537">Type of transactions</td> <td data-bbox="743 302 1065 537">Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.</td> <td data-bbox="1065 302 1422 537">The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.</td> </tr> <tr> <td data-bbox="586 537 743 674">TRS and other FDI with the same characteristics</td> <td data-bbox="743 537 1065 674">0%</td> <td data-bbox="1065 537 1422 674">0%</td> </tr> <tr> <td data-bbox="586 674 743 758">Repo/Reverse Repo</td> <td data-bbox="743 674 1065 758">0%</td> <td data-bbox="1065 674 1422 758">0%</td> </tr> <tr> <td data-bbox="586 758 743 842">Sell-buy back transactions</td> <td data-bbox="743 758 1065 842">0%</td> <td data-bbox="1065 758 1422 842">0%</td> </tr> <tr> <td data-bbox="586 842 743 926">Buy-sell back transactions</td> <td data-bbox="743 842 1065 926">0%</td> <td data-bbox="1065 842 1422 926">0%</td> </tr> <tr> <td data-bbox="586 926 743 1003">Securities Lending</td> <td data-bbox="743 926 1065 1003">0%</td> <td data-bbox="1065 926 1422 1003">0%</td> </tr> </table>	Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.	TRS and other FDI with the same characteristics	0%	0%	Repo/Reverse Repo	0%	0%	Sell-buy back transactions	0%	0%	Buy-sell back transactions	0%	0%	Securities Lending	0%	0%
Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.																	
TRS and other FDI with the same characteristics	0%	0%																	
Repo/Reverse Repo	0%	0%																	
Sell-buy back transactions	0%	0%																	
Buy-sell back transactions	0%	0%																	
Securities Lending	0%	0%																	
<b>Profile of the typical investor</b>	<p>The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section "Risk Factors" below. The typical investor will be seeking to invest a portion of its overall portfolio in high quality debt securities issued by supranational organisations and denominated in emerging market currencies.</p>																		
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>																		
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <p>General risks:</p> <ul style="list-style-type: none"> <li>➤ fixed-income and floating rate securities are subject to interest rate risk and credit risk, which is an issuer's inability to meet principal and interest payments on the obligations, and may be subject to price volatility due to interest rate, foreign exchange and credit spread sensitivity. Floating rate securities are in addition with respect to their return subject to market risks.</li> <li>➤ securities denominated in foreign currencies are subject to currency risk, since the foreign-exchange-rate may be volatile. Emerging market currencies involve greater currency risk, than those associated with hard currencies denominated securities.</li> </ul>																		

	<ul style="list-style-type: none"> <li>➤ derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments.</li> </ul>
<b>Investment Manager</b>	Western Asset Management Company
<b>Reference Currency</b>	USD
<b>Other Denomination Currency</b>	EUR CHF
<b>Launch Date of the Sub-fund</b>	2 May 2018
<b>Initial Price</b>	Class 3: USD 100 Class 3 EUR: EUR 100 Class 3 CHF: CHF 100
<b>Minimum initial investment</b>	Class 3: USD 1,000,000 Class 3 EUR: EUR 1,000,000 Class 3 CHF: CHF 1,000,000
<b>Classes of Shares</b>	
<ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> <li>• <b>Institutional Investors Euro</b></li> <li>• <b>Institutional Investors Swiss Franc</b></li> </ul>	Class 3* Class 3 EUR** Class 3 CHF***
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	N/A
<b>Redemption Commission</b>	N/A
<b>Conversion Commission</b>	N/A

<b>Aggregate fee</b>	Class 3: maximum 0.20% Class 3 EUR: maximum 0.20% Class 3 CHF: maximum 0.20%
----------------------	--

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\* Class 3 EUR will allow Institutional Investors to invest in Euro.

\*\*\* Class 3 CHF will allow Institutional Investors to invest in CHF.

**PREMIUM FUNDS SICAV -**

**MULTI ALTERNATIVE RISK PREMIA**

**Investment policy**

The objective of this Sub-fund is to achieve long-term capital appreciation investing in a systematic way in globally diversified multi asset risk premia, while maintaining the Sub-fund around an objective of annual volatility with a target around 6%.

The Sub-fund will seek to achieve its objective through exposure to both traditional and alternative risk premia linked to several investment factors across a broad range of asset classes (including, but not limited to, equity, bonds, Money Market Instruments, credit, rates, currencies, as well as time deposits) on all global markets.

The Sub-fund attempts to benefit from diversification and capture more stable returns while reducing volatility by combining risk premia strategies with more traditional long-only exposures, through a portfolio construction process based inter alia on a proprietary model and a quantitative systematic allocation.

The universe of risk premia the Sub-fund may take exposure to includes but is not limited to:

- **Value:** exposure to this risk premium seeks to capture value where undervalued assets outperform those with relatively higher valuations.
- **Momentum:** exposure to this risk premium seeks to capture value from assets expected to continue to perform similarly (positively or negatively) in the near future.
- **Carry:** exposure to this risk premium seeks to capture value from assets with higher yields, in the belief that these will outperform lower yielding assets.
- **Volatility:** exposure to this risk premium seeks to exploit the difference between the implied and the realised volatility over a certain time period.
- **Low volatility:** exposure to this risk premium seeks to capture value from assets or companies with low-risk (low-volatility) profile, in the belief that these tend to outperform the market on average.
- **Size:** exposure to this risk premium seeks to take advantage of the different market capitalisations manifested in the market.
- **Quality:** exposure to this risk premium seeks to capture value from companies with a profitable business model as they are expected to outperform the market.

The Sub-Fund will obtain exposure to asset classes either directly or indirectly through the use of financial derivative instruments and/or investments in other UCITS and/or UCIs, as permitted. The Sub-fund will gain its risk premia exposure through a combination of long and (synthetic) short positions, using a wide range of financial derivative instruments and/or investing through other UCITS and/or UCIs, as permitted. With the aim to enhance the Sub-fund's diversification and to provide sources of return, the Investment Manager may use unfunded TRS as well as listed futures to take long/short positions on specific asset classes (such as equity, rates, credit, FX, commodities), the underlying portfolio of which reflects the returns of rules-based, publicly available indices and/or baskets of indices, which qualify as eligible financial indices within the meaning of the UCI Law.

Accordingly, the Sub-fund's investments may include equities and equity-linked securities, government and corporate bonds, volatility indices, UCITS and/or other UCIs, REITs, as well as exchange traded and OTC financial derivative instruments such as, but not limited to, TRS (funded or unfunded), index or single name futures, dividend futures, CDS and options.

The long/short ratio of the Sub-fund's portfolio under normal market conditions is expected to be of 4:1 extendable to 2:1, but this may vary depending on market conditions.

For the purposes of this Sub-fund, REITs shall mean equity securities of eligible closed-ended real estate investment trusts.

#### *Additional investment restrictions*

The Sub-fund shall not invest more than 50% of its net assets in equity.

The Sub-fund exposure to Non-Investment Grade Credit Rating securities may not exceed 35% of its net assets. For the avoidance of doubt, the Sub-fund does not intend to invest in distressed/defaulted securities.

Investments in issuers of emerging market countries are limited to 25% of the Sub-fund's net assets. The Sub-fund will not invest directly in securities traded on Chinese domestic securities markets.

The maximum unhedged non-Euro currency exposure cannot exceed 50% of the Sub-fund's net assets.

The Sub-fund shall not invest in contingent capital securities or "securitisation" instruments such as asset-backed securities and mortgage-backed securities.

The Sub-fund shall not invest more than 10% of its net assets into units or shares of UCITS and/or other UCIs. Such other UCIs must be compliant with the provisions set out in Article 41 (1) e) of the UCI Law.

#### **Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

#### **Benchmark**

The Sub-fund is actively managed and references the Performance Fee Benchmark for the performance fee's calculation purpose.

As further detailed in Section 23.1 of the General Part of the Prospectus, the €STER + 200 bps Index is used for the purpose of calculating the performance fee payable to the Investment Manager.

The Sub-fund does not use a Benchmark for investment purposes.

#### **Global Exposure**

The method used to calculate the global exposure is the VaR. With this type of approach, the maximum potential loss that the Sub-fund could suffer within a certain time horizon and a certain degree of confidence is estimated. VaR is a statistical approach and under no circumstances does its use guarantee a minimum performance. Given the risk profile and investment strategy of the Sub-fund, the Management Company has selected the absolute VaR approach to set VaR limits. The approach adopted to calculate the leverage is the sum of the notionals of the financial derivatives instruments used by the Sub-fund. Considering the investment strategies characterizing the Sub-fund, the expected level of leverage of this Sub-fund may vary from 150% to 250 % excluding the portfolio's total net value.

The attention of investors is drawn to the fact that such level might be exceeded or might be subject to change in the future.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to, futures, options, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes, and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically, investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.

The Sub-fund's use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.
TRS and other FDI with the same characteristics	150%	250%
Repo/Reverse Repo	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

The counterparties to such instruments shall not have discretionary power over the composition or management of the investment portfolio of the Sub-fund or over the underlying assets of such instruments.

The Sub-fund may use CDS (including CDS indices) in order to hedge the specific credit risk of some of the issuers in its portfolio buying protection.

The Sub-fund may also use CDS either buying protection without holding the underlying assets or selling protection in order to acquire a specific credit exposure (in case of default of the reference entity the settlement under the CDS transaction will be made in cash). Investors benefit from this type of transaction as the Sub-fund can thereby achieve better diversification of country risk and can make very short-term investments under attractive terms.

<b>Profile of the typical investor</b>	<p>The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section "Risk Factors" below.</p> <p>The typical investor will be seeking to invest a portion of his/her overall portfolio in different asset classes globally, with the goal of achieving income and medium-term capital appreciation.</p>
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>➤ Equity instruments are generally considered higher risk investments, and the returns may be volatile.</li> <li>➤ Derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments.</li> <li>➤ Interest rate risk.</li> <li>➤ Credit risk.</li> <li>➤ Below investment grade securities are considered speculative and generally involve a higher credit risk, liquidity risk, volatility risk and counterparty risk.</li> <li>➤ Derivatives.</li> <li>➤ Warrants.</li> <li>➤ Credit default swaps.</li> </ul> <p>Commodity.</p>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	29 November 2019

<b>Initial Price</b>	Class 2: EUR 100 Class 3: EUR 100				
<b>Minimum initial investment</b>	Class 2: EUR 1,000,000 Class 3: EUR 1,000,000				
<b>Classes of Shares</b>  • <b>Institutional Investors</b>	Class 2 Class 3*				
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.				
<b>Subscription Commission</b>	N/A				
<b>Redemption Commission</b>	N/A				
<b>Conversion Commission</b>	N/A				
<b>Aggregate fee</b>	Class 2: maximum 0.60% Class 3: maximum 0.40%				
<b>Performance fee</b>	<b>Applicable Class of Shares</b>	<b>Performance Fee Rate</b>	<b>Mechanism</b>	<b>Performance Fee Benchmark</b>	<b>Performance Fee Period</b>
	Class 2	20%	High Water Mark with Performance Fee Benchmark	€STER + 200bps per annum	Calendar year
	Class 3	20%	High Water Mark with Performance Fee Benchmark	€STER+ 200bps per annum	Calendar year

\* Class 3 is reserved only for investments made by the companies of Generali Group.



**PREMIUM FUNDS SICAV -**

***Euro Short-Term High Yield Fund***

**Investment Objective**

The Sub-fund's investment objective is to achieve attractive risk adjusted returns and a stable income stream over time, while aiming also to capital appreciation when consistent with its principle objective of high current income generation.

The Sub-fund aims to generate positive returns, while preserving invested capital, through the market cycle by adopting a flexible management approach to gain direct or indirect exposure throughout the asset classes listed in the investment policy section below.

**Investment policy**

The Sub-fund will seek to achieve its investment objective by being essentially exposed to non-Investment Grade corporate bonds denominated in EUR with a maturity date of up to 5 years, including Regulation S securities (subject to the conditions stated below).

The Sub-fund may purchase corporate bonds having a rating not below B- from S&P or B3 from Moody's (or equivalent rating agency), or, that are in the opinion of the Investment Manager, of comparable quality. The Sub-fund will not invest in distressed/defaulted securities (being securities having a rating CCC or below from S&P or any equivalent grade of other credit rating agencies). If no rating is available, then an equivalent credit rating, as deemed by the Investment Manager, may be used. Non rated bonds are not allowed. In the event that a bond's rating is downgraded to the point that such security can be considered as distressed/defaulted, it will be sold as soon as possible, under normal market circumstances, and in the best interest of shareholders. In any event, the proportion of distressed/defaulted securities due to a downgrade will not amount to more than 3% of the Sub-fund's Net Asset Value.

Under normal market conditions, the core portfolio of the Sub-fund is expected to be constructed by the Investment Manager by using approximately 70 to 120 non-Investment Grade corporate bonds with an average weighted rating of BB- and a short duration.

The Sub-fund may also, on an ancillary basis, invest in Investment Grade bonds, non-Investment Grade bonds denominated in hard currencies other than EUR, including from issuers located in Emerging Market countries (as defined below), and/or securities issued pursuant to Rule 144A (subject to the conditions stated below), debt-related securities (such as eligible debentures, notes and convertible bonds), as well as bonds with a maturity date higher than 5 years.

The attention of investors is drawn to the fact that the Sub-fund's Net Asset Value can be fully invested in debt and/or debt-related securities having a non-Investment Grade credit rating. The Investment Manager may however temporarily increase the credit quality of the portfolio to counteract an increase in market volatility when it believes such conditions require defensive actions.

As stated in the investment objective section, the Sub-fund may gain direct and indirect exposure through the asset classes listed above. Indirect exposure to such asset classes will be achieved through the use of financial derivative instruments (including but not limited to funded and/or unfunded total return swaps, credit default swaps and options, within the conditions laid down in section titled "Use of derivatives and EMT" below) whenever the Investment Manager considers it more appropriate, and/or investments in units or shares of UCITS, other UCIs and ETFs, as permitted. Such investment through the use of derivatives or in units or shares of UCITS, other UCIs and ETFs may result in the Sub-fund gaining a limited exposure to equity securities.

*Additional investment restrictions*

Exposure to equity is not foreseen except for the exceptions listed above/below.

The Sub-fund shall not invest in “securitisation” instruments such as asset backed securities and mortgage-backed securities.

Investment in contingent convertible bonds is allowed up to 20% of the Sub-fund’s Net Asset Value. The Sub-fund may hold equities following the conversion up to 20% of its Net Asset Value.

The Sub-fund's exposure to currencies other than EUR shall not exceed 20% of its Net Asset Value. The maximum unhedged non-EUR asset exposure cannot exceed 5% of the Net Asset Value.

The Sub-fund will not invest directly in securities traded on Chinese domestic securities markets.

The Sub-fund may invest in securities issued pursuant to Rule 144A and/or Regulation S provided that such securities meet the conditions provided for by the Grand Ducal Regulation of February 8, 2008 relating to certain definitions of the UCI Law and by CESR Guidelines 06-005 of January 2006 Box 1 and section 1.a), 1.b), 1.c) or 1.d), as applicable, of Appendix A of the Prospectus. In particular:

- such securities must not expose the Sub-fund to loss beyond the amount paid for them or where they are partly paid securities, to be paid for them;
- their liquidity must not compromise the Sub-fund’s ability to comply with the obligation of redemption of the Company’s Shares upon request from the shareholders;
- there must be accurate, reliable and regular prices, either being market prices or prices made available by valuation systems independent from issuers;
- there must be regular, accurate and comprehensive information available to the market on such securities or, where relevant, on the portfolio of such securities;
- they must be negotiable; and
- their risk must be adequately captured in the risk management process of the Company.

The Sub-fund shall not invest more than 10% of the Net Asset Value into UCITS, other UCIs and ETFs. Such UCITS, other UCIs and ETFs must be compliant with the provisions set out in Article 41(1) e) of the UCI Law.

Definition of Emerging Market: any emerging market country that is included in the ICE BofAML Euro High-Yield, Non Fin, BB-B, 1-5Y, Constrained Index.

### **Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

### **Benchmark**

The Sub-fund is actively managed and references the Performance Fee Benchmark for the performance fee’s calculation purpose.

As further detailed in Section 23.1 of the General Part of the Prospectus, the ICE BofAML Euro High-Yield, Non Fin, BB-B, 1-5Y, Constrained Index is only used for the purpose of calculating the performance fee payable to the Investment Manager.

The Sub-fund does not use a Benchmark for investment purposes.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as, but not limited to, options, futures, swaps, forwards, without any limitation in terms of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically, investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.

The Sub-fund's use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.
TRS and other FDI with the same characteristics	40%	40%
Repo/Reverse Repo	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

The counterparties to such instruments shall not have discretionary power over the composition or management of the investment portfolio of the Sub-fund or over the underlying assets of such instruments.

The Sub-fund may use CDS (including CDS indices) in order to hedge the specific credit risk of some of the issuers in its portfolio buying protection.

The Sub-fund may also use CDS either buying protection without holding the underlying assets or selling protection in order to acquire a specific credit exposure (in case of default of the reference entity the settlement under the CDS transaction will be made in cash). Investors benefit from this type of transaction as the Sub-fund can thereby achieve better diversification of country risk and can make very short-term investments under attractive terms.

<b>Profile of the typical investor</b>	The Company expects that a typical investor in the Sub-fund will be a long-term investor who knows and accepts the risks associated with this type of investment, as set out in Section 6. "Risks" of this Prospectus and Section "Risk Factors" below. The typical investor will be seeking to invest a portion of its overall portfolio in global non-Investment Grade EUR denominated bonds issued by corporate issuers.
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <p>General risks:</p> <ul style="list-style-type: none"> <li>➤ fixed-income and floating rate securities are subject to interest rate risk and credit risk, which is an issuer's inability to meet principal and interest payments on the obligations, and may be subject to price volatility due to interest rate, foreign exchange and credit spread sensitivity. Floating rate securities are in addition with respect to their return subject to market risks;</li> <li>➤ derivative markets are volatile, both the opportunity to achieve gains as well as the risk of suffering losses are greater than with investments in securities or money market instruments;</li> <li>➤ Risks specific to contingent capital securities.</li> </ul>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Other Denomination Currency</b>	<p>Class 2 CHF: CHF</p> <p>Class 3 CHF: CHF</p>
<b>Launch Date of the Sub-fund</b>	<p>3 August 2020</p> <p><i>Or such later date as the Company may determine at its absolute discretion.</i></p>
<b>Initial Price</b>	<p>Class 2: EUR 100</p> <p>Class 2 CHF: CHF 100</p> <p>Class 3: EUR 100</p> <p>Class 3 CHF: CHF 100</p>
<b>Minimum initial investment</b>	Class 2: EUR 1,000,000

	<p>Class 2 CHF: CHF 1,000,000</p> <p>Class 3: EUR 1,000,000</p> <p>Class 3 CHF: CHF 1,000,000</p>				
<b>Classes of Shares</b> <ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li>   <li>• <b>Institutional Investors Swiss Franc</b></li> </ul>	<p>Class 2</p> <p>Class 3*</p> <p>Class 2 CHF**</p> <p>Class 3 CHF**</p>				
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.				
<b>Subscription Commission</b>	N/A				
<b>Redemption Commission</b>	N/A				
<b>Conversion Commission</b>	N/A				
<b>Aggregate fee</b>	<p>Class 2: maximum 0.50%</p> <p>Class 2 CHF: maximum 0.50%</p> <p>Class 3: maximum 0.30%</p> <p>Class 3 CHF: maximum 0.30%</p>				
<b>Performance fee</b>	<b>Applicable Class of Shares</b>	<b>Performance Fee Rate</b>	<b>Mechanism</b>	<b>Performance Fee Benchmark</b>	<b>Performance Fee Period</b>
	Class 2	20%	High Water Mark with Performance Fee Benchmark	ICE BofAML Euro High-Yield, Non Fin, BB-B, 1-5Y, Constrained Index (custom index)	Calendar year
	Class 3	20%	High Water Mark with Performance Fee Benchmark	ICE BofAML Euro High-Yield, Non Fin, BB-B, 1-5Y, Constrained Index (custom index)	Calendar year

\* Class 3 is reserved only for investments made by the companies of Generali Group.

\*\* Class 2 CHF and Class 3 CHF will allow Institutional Investors to invest in CHF.

**PREMIUM FUNDS SICAV -**

**Premium Selection - Anleihen**

**Investment objective**

The objective of the Sub-fund is to achieve a constant capital appreciation and preservation by a diversified portfolio mainly invested in flexible global fixed income funds.

**Investment policy**

The Sub-fund will seek to achieve its investment objective by investing essentially in a diversified portfolio of global bond UCITS, UCIs, and ETFs. The target funds may have a long only, flexible, absolute return or total return strategy.

The Sub-fund's indirect exposure may also include, but are not limited to, Investment Grade and/or Non-Investment Grade bonds (including distressed debt securities), and debt-related securities of any kind such as eligible debentures, notes and convertibles (including CoCos, MBS or ABS).

There are no pre-determined limitations in terms of geographic area, capitalization size, sector, or currency.

Portfolio construction will be determined primarily through the bottom-up selection of actively managed target funds. The selection process is based on the quantitative analysis of the target fund's return and risk characteristics, as well as on the qualitative analysis of the target funds, which includes, but is not limited to, the management team, the investment process, risk management, portfolio construction guidelines and current positioning. Based on the risk and return characteristics of the target funds, as well as their historical, current, or expected exposure to the aforementioned bond instruments, the sub-fund will seek to construct a portfolio that is well diversified in terms of risks related to fixed income securities.

Up to 100% of the Sub-fund's net assets may be invested in shares or units of UCITS, UCIs and UCITS-ETFs. Such other UCITS, UCIs or UCITS-ETFs must be compliant with the provisions set out in Article 41 (1) e) of the UCI Law. It is pointed out that a part, up to 30%, might be selected from funds managed or advised by group Generali or affiliated parties (Generali group funds).

The Investment Manager will endeavor to make all investments, including those in Generali Group funds, in the lowest share class available in terms of fees, at the time of the investment, considering the eligible investors definition and the specific features of the share class generally affecting the fees (such as the fees structure or level of performance fees, if any).

For the purpose of this Sub-fund, the term "*flexible strategy*" means a strategy that has no fundamental investing criteria or requirements allowing broad flexibility for making investment decisions and allocations. This strategy usually targets some universe of securities; however, it may also aim to have a flexibility to invest across all types of assets.

For the purpose of this Sub-fund, the term "*absolute return strategy*" means a strategy that aims to deliver a positive ("absolute") return to investors regardless the prevailing market conditions.

For the purpose of this Sub-fund, the term "*total return strategy*" means a strategy focused on maximizing the overall return of a portfolio, which includes both capital appreciation and income generated from investments. The goal of this strategy is to generate highest possible return over a given period, while considering the risk tolerance and investment objectives of the investor.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments

and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as but not limited to futures, options, swaps, forwards without any limit in term of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically investments in such instruments is made to adjust the portfolio’s market exposure in a more cost efficient way.

The Sub-fund’s use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund’s Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund’s assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund’s Net Asset Value indicated below.
TRS and other FDI with the same characteristics	0%	0%
REPO/Reverse REPO	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

**Profile of the typical investor**

The Fund expects that a typical investor in the Sub-fund will be a medium-term investor who knows and accepts the risks

	<p>associated with this type of investment, as set out in section "Risks" of this Prospectus and Section "Risk Factors" below.</p> <p>The typical investor will be seeking to invest a portion of its overall portfolio in a diversified portfolio global bond UCITS, UCIs, and ETFs and cash equivalents, with the goal of achieving income and long-term capital appreciation.</p>
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>• Investments in other UCI and/or UCITS,</li> <li>• Market risk,</li> <li>• Interest Rate,</li> <li>• Foreign exchange,</li> <li>• Credit,</li> <li>• Derivatives.</li> </ul>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	<p>15 September 2023</p> <p><i>Or such later date as the Company may determine at its absolute discretion</i></p>
<b>Initial Price</b>	100
<b>Minimum initial investment</b>	<p>Class 3: EUR 100,000</p> <p>Class 4: EUR 500</p>
<b>Classes of Shares</b>	
<ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> <li>• <b>Retail</b></li> </ul>	<p>Class 3*</p> <p>Class 4**</p>



<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	Class 3: N/A Class 4: up to 3%
<b>Redemption Commission</b>	Class 3: N/A Class 4: 0%
<b>Conversion Commission</b>	Class 3: N/A Class 4: up to 3%
<b>Aggregate fee</b>	Class 3: maximum 0.30% Class 4: maximum 1.05%  The maximum level of management fees that may be charged at the level of the UCITS and/or UCI in which the Sub-fund invests may not exceed 1.5%.

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\*Class 4 is dedicated to Investors and Distributors pre-approved by the Board of Directors

**PREMIUM FUNDS SICAV -**

**Premium Selection - Aktien**

**Investment objective**

The objective of the Sub-fund is to achieve a capital growth by a diversified portfolio mainly invested in global equity funds.

**Investment policy**

The Sub-fund will seek to achieve its investment objective by investing essentially in a diversified portfolio of global equity UCITS, UCIs, and ETFs. The target funds may have a long only, flexible, absolute return or total return strategy.

The Sub-fund's indirect exposure may also include, but are not limited to, equities and equity-linked securities.

There are no pre-determined limitations in terms of geographic area, capitalization size, sector, or currency.

Portfolio construction will be determined primarily through the bottom-up selection of actively managed target funds. The selection process is based on the quantitative analysis of the target fund's return and risk characteristics, as well as on the qualitative analysis of the target funds, which includes, but is not limited to, the management team, the investment process, risk management, portfolio construction guidelines and current positioning. Based on the risk and return characteristics of the target funds, as well as their historical, current, or expected positioning, the sub-fund will seek to construct a portfolio that is well diversified in terms of risks related to equity securities.

Up to 100% of the Sub-fund's net assets may be invested in shares or units of UCITS, UCIs and UCITS-ETFs. Such other UCITS, UCIs or UCITS-ETFs must be compliant with the provisions set out in Article 41 (1) e) of the UCI Law. It is pointed out that a part, up to 30%, might be selected from funds managed or advised by group Generali or affiliated parties (Generali group funds).

The Investment Manager will endeavor to make all investments, including those in Generali Group funds, in the lowest share class available in terms of fees, at the time of the investment, considering the eligible investors definition and the specific features of the share class generally affecting the fees (such as the fees structure or level of performance fees, if any).

For the purpose of this Sub-fund, the term "*flexible strategy*" means a strategy that has no fundamental investing criteria or requirements allowing broad flexibility for making investment decisions and allocations. This strategy usually targets some universe of securities; however, it may also aim to have a flexibility to invest across all types of assets.

For the purpose of this Sub-fund, the term "*absolute return strategy*" means a strategy that aims to deliver a positive ("absolute") return to investors regardless the prevailing market conditions.

For the purpose of this Sub-fund, the term "*total return strategy*" means a strategy focused on maximizing the overall return of a portfolio, which includes both capital appreciation and income generated from investments. The goal of this strategy is to generate highest possible return over a given period, while considering the risk tolerance and investment objectives of the investor.

**Cash and cash equivalents**

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets

pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

**Benchmark**

The Sub-fund is actively managed without reference to any benchmark.

**Use of derivatives and EMT**

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as but not limited to futures, options, swaps, forwards without any limit in term of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically investments in such instruments is made to adjust the portfolio’s market exposure in a more cost efficient way.

The Sub-fund’s use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund’s Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund’s assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund’s Net Asset Value indicated below.
TRS and other FDI with the same characteristics	0%	0%
REPO/Reverse REPO	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

**Profile of the typical investor**

The Fund expects that a typical investor in the Sub-fund will be a medium-term investor who knows and accepts the risks associated with this type of investment, as set out in section "Risks" of this Prospectus and Section “Risk Factors” below.

	The typical investor will be seeking to invest a portion of its overall portfolio in a diversified portfolio global equity UCITS, UCIs, and ETFs and cash equivalents, with the goal of achieving income and long-term capital appreciation.
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the “Taxonomy Regulation”).</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6 "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>• Investments in other UCI and/or UCITS,</li> <li>• Market risk,</li> <li>• Equity,</li> <li>• Foreign exchange,</li> <li>• Derivatives.</li> </ul>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	<p>15 September 2023</p> <p><i>Or such later date as the Company may determine at its absolute discretion</i></p>
<b>Initial Price</b>	100
<b>Minimum initial investment</b>	<p>Class 3: EUR 100,000</p> <p>Class 4: EUR 500</p>
<b>Classes of Shares</b>	
<ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> <li>• <b>Retail</b></li> </ul>	<p>Class 3*</p> <p>Class 4**</p>
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	Class 3: N/A

	Class 4: up to 4%
<b>Redemption Commission</b>	Class 3: N/A Class 4: 0%
<b>Conversion Commission</b>	Class 3: N/A Class 4: up to 4%
<b>Aggregate fee</b>	Class 3: maximum 0.30% Class 4: maximum 1.05%  The maximum level of management fees that may be charged at the level of the UCITS and/or UCI in which the Sub-fund invests may not exceed 1.5%.

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\*Class 4 is dedicated to Investors and Distributors pre-approved by the Board of Directors

**PREMIUM FUNDS SICAV -**  
**Premium Selection - Ausgewogen**

**Investment objective**

The objective of the Sub-fund is to achieve a constant capital appreciation and preservation by a diversified portfolio mainly invested in global multi-asset funds with a balanced risk-return profile regarding the equity exposure.

**Investment policy**

The Sub-fund will seek to achieve its investment objective by investing essentially in a diversified portfolio of global multi-asset UCITS, UCIs, and ETFs. The target funds may have a flexible, absolute return or total return strategy.

The Sub-fund's indirect exposure may include, but are not limited to, equities and equity-linked securities, Investment Grade and/or Non-Investment Grade bonds (including distressed debt securities) and debt-related securities of any kind such as eligible debentures, notes and convertibles (including CoCos, MBS/ABS).

There are no pre-determined limitations in terms of geographic area, capitalization size, sector, or currency.

The Sub-fund will target an equity exposure of 50% of its net assets, but depending on market conditions the overall equity exposure of the Sub-fund could vary between 25% and 75% of its net assets.

Portfolio construction will be determined primarily through the bottom-up selection of actively managed target funds. The selection process is based on the quantitative analysis of the target fund's return and risk characteristics, as well as on the qualitative analysis of the target funds, which includes, but is not limited to, the management team, the investment process, risk management, portfolio construction guidelines and current positioning. Based on the risk and return characteristics of the target funds, as well as their historical, current, or expected exposure to the aforementioned types of securities (specifically, the target funds' equity exposure), the sub-fund will seek to construct a portfolio that is well diversified in terms of risks related to equity and fixed income securities, and that is in line with the expected equity exposure of the sub-fund.

Up to 100% of the Sub-fund's net assets may be invested in shares or units of UCITS, UCIs and UCITS-ETFs. Such other UCITS, UCIs or UCITS-ETFs must be compliant with the provisions set out in Article 41 (1) e) of the UCI Law. It is pointed out that a part, up to 30%, might be selected from funds managed or advised by group Generali or affiliated parties (Generali group funds). The Investment Manager will endeavor to make all investments, including those in Generali Group funds, in the lowest share class available in terms of fees, at the time of the investment, considering the eligible investors definition and the specific features of the share class generally affecting the fees (such as the fees structure or level of performance fees, if any).

For the purpose of this Sub-fund, the term "*flexible strategy*" means a strategy that has no fundamental investing criteria or requirements allowing broad flexibility for making investment decisions and allocations. This strategy usually targets some universe of securities; however, it may also aim to have a flexibility to invest across all types of assets.

For the purpose of this Sub-fund, the term "*absolute return strategy*" means a strategy that aims to deliver a positive ("absolute") return to investors regardless the prevailing market conditions.

For the purpose of this Sub-fund, the term "*total return strategy*" means a strategy focused on maximizing the overall return of a portfolio, which includes both capital appreciation and income generated from investments. The goal of this strategy is to generate highest possible return over a given period, while considering the risk tolerance and investment objectives of the investor.

### Cash and cash equivalents

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

### Benchmark

The Sub-fund is actively managed without reference to any benchmark.

### Use of derivatives and EMT

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as but not limited to futures, options, swaps, forwards without any limit in term of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.

The Sub-fund's use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.
TRS and other FDI with the same characteristics	0%	0%
REPO/Reverse REPO	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

<b>Profile of the typical investor</b>	<p>The Fund expects that a typical investor in the Sub-fund will be a medium-term investor who knows and accepts the risks associated with this type of investment, as set out in section "Risks" of this Prospectus and Section "Risk Factors" below.</p> <p>The typical investor will be seeking to invest a portion of its overall portfolio in a diversified portfolio multi-asset UCITS, UCIs, and ETFs and cash equivalents, with the goal of achieving income and long-term capital appreciation.</p>
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>• Investments in other UCI and/or UCITS,</li> <li>• Market risk,</li> <li>• Equity,</li> <li>• Interest Rate,</li> <li>• Foreign exchange,</li> <li>• Credit,</li> <li>• Derivatives.</li> </ul>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	<p>15 September 2023</p> <p><i>Or such later date as the Company may determine at its absolute discretion</i></p>
<b>Initial Price</b>	100
<b>Minimum initial investment</b>	<p>Class 3: EUR 100,000</p> <p>Class 4: EUR 500</p>
<b>Classes of Shares</b> <ul style="list-style-type: none"> <li>• Institutional Investors</li> <li>• Retail</li> </ul>	<p>Class 3*</p> <p>Class 4**</p>



<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	Class 3: N/A Class 4: up to 4%
<b>Redemption Commission</b>	Class 3: N/A Class 4: 0%
<b>Conversion Commission</b>	Class 3: N/A Class 4: up to 4%
<b>Aggregate fee</b>	Class 3: maximum 0.30% Class 4: maximum 1.05%  The maximum level of management fees that may be charged at the level of the UCITS and/or UCI in which the Sub-fund invests may not exceed 1.5%.

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\*Class 4 is dedicated to Investors and Distributors pre-approved by the Board of Directors

**PREMIUM FUNDS SICAV -**  
**Premium Selection – Dynamisch**

**Investment objective**

The objective of the Sub-fund is to achieve a constant capital appreciation and preservation by a diversified portfolio mainly invested in global multi-asset funds with a flexible risk-return profile.

**Investment policy**

The Sub-fund will seek to achieve its investment objective by investing in a diversified portfolio of global multi-asset UCITS, UCIs, and ETFs. The target funds may have a flexible, absolute return or total return strategy.

The Sub-fund's indirect exposure may include, but are not limited to, equities and equity-linked securities, REITs, Investment Grade and/or Non-Investment Grade bonds (including distressed debt securities) and debt-related securities of any kind such as eligible debentures, notes and convertibles (including CoCos, MBS and ABS).

Issuers and companies of the aforementioned securities may be located in any OECD or non-OECD country, including emerging markets, without any pre-determined limitation in terms of geographic area, capitalization size, sector, or currency, as the case may be.

There is no pre-determined overall exposure of the Sub-fund to those asset classes. The equity exposure of the target funds could vary between 0% and 100% of the target funds' assets, resulting on an overall equity exposure of the Sub-fund up to 100% of its net assets. Portfolio construction will be determined primarily through the bottom-up selection of actively managed target funds. The selection process is based on the quantitative analysis of the target fund's return and risk characteristics, as well as on the qualitative analysis of the target funds, which includes, but is not limited to, the management team, the investment process, risk management, portfolio construction guidelines and current positioning. Based on the risk and return characteristics of the target funds, as well as their historical, current, or expected exposure to the aforementioned types of securities, the sub-fund will seek to construct a portfolio that is well diversified in terms of risks related to equity and fixed income securities.

Up to 100% of the Sub-fund's net assets may be invested in shares or units of UCITS, UCIs and UCITS-ETFs. It is pointed out that a part, up to 30%, might be selected from funds managed or advised by group Generali or affiliated parties (Generali group funds). The Investment Manager will endeavor to make all investments, including those in Generali Group funds, in the lowest share class available in terms of fees, at the time of the investment, considering the eligible investors definition and the specific features of the share class generally affecting the fees (such as the fees structure or level of performance fees, if any).

For the purpose of this Sub-fund, the term "*flexible strategy*" means a strategy that has no fundamental investing criteria or requirements allowing broad flexibility for making investment decisions and allocations. This strategy usually targets some universe of securities; however, it may also aim to have a flexibility to invest across all types of assets.

For the purpose of this Sub-fund, the term "*absolute return strategy*" means a strategy that aims to deliver a positive ("absolute") return to investors regardless the prevailing market conditions.

For the purpose of this Sub-fund, the term "*total return strategy*" means a strategy focused on maximizing the overall return of a portfolio, which includes both capital appreciation and income generated from investments. The goal of this strategy is to generate highest possible return over a given period, while considering the risk tolerance and investment objectives of the investor.

### Cash and cash equivalents

In order to achieve its investment objective, for treasury purposes and/or in case of unfavourable market conditions, the Sub-fund may invest in cash equivalents (i.e., bank deposits, Money Market Instruments and/or money market funds) pursuant to the investment restrictions set out in this supplement and/or the Appendix A of the Prospectus, as applicable. The Sub-fund may also hold Ancillary Liquid Assets pursuant to the investment restrictions set out in the Appendix A of the Prospectus. Under exceptional market conditions, if the Investment Manager considers it to be in the best interest of the Shareholders, on a temporary basis and for defensive purposes, the Sub-fund may hold Ancillary Liquid Assets and invest in cash equivalents on a principal basis.

### Benchmark

The Sub-fund is actively managed without reference to any benchmark.

### Use of derivatives and EMT

The Sub-fund may in accordance with the investment powers and restrictions set out in Appendices B and C of the Prospectus, use exchange traded and OTC financial instruments and derivatives – such as but not limited to futures, options, swaps, forwards without any limit in term of underlying geographic area or currency – for hedging purposes, for efficient portfolio management purposes and for investment purposes and these may be used to achieve both long and short positions. Any use of derivatives will be kept consistent with the investment objectives and will not lead the Sub-fund to diverge from its risk profile.

In doing so, the Sub-fund shall comply with applicable restrictions and in particular CSSF Circular 14/592 and SFTR.

EMT and TRS may have underlying such as currencies, interest rates, Transferable Securities, a basket of Transferable Securities, indexes, or undertakings for collective investment. Typically investments in such instruments is made to adjust the portfolio's market exposure in a more cost efficient way.

The Sub-fund's use of, or investment in, EMT and TRS will be as follows:

Type of transactions	Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed a proportion of the Sub-fund's Net Asset Value indicated below. In certain circumstances this proportion may be higher.	The principal amount of the Sub-fund's assets that can be subject to the transactions may represent up to a maximum of the proportion of the Sub-fund's Net Asset Value indicated below.
TRS and other FDI with the same characteristics	0%	0%
REPO/Reverse REPO	0%	0%
Sell-buy back transactions	0%	0%
Buy-sell back transactions	0%	0%
Securities Lending	0%	0%

<b>Profile of the typical investor</b>	<p>The Fund expects that a typical investor in the Sub-fund will be a medium-term investor who knows and accepts the risks associated with this type of investment, as set out in section "Risks" of this Prospectus and Section "Risk Factors" below.</p> <p>The typical investor will be seeking to invest a portion of its overall portfolio in a diversified portfolio global multi-asset UCITS, UCIs, and ETFs and cash equivalents, with the goal of achieving income and long-term capital appreciation</p>
<b>Taxonomy Regulation and principal adverse impact</b>	<p>The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities as per the Regulation (EU) 2020/852 (Taxonomy) on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation").</p> <p>The Sub-fund does not consider the adverse impacts of its investment decisions on sustainability factors.</p>
<b>Risk factors</b>	<p>The following risk factor(s) should be considered in addition to those set out in Section 6. "Risks" of this Prospectus:</p> <ul style="list-style-type: none"> <li>• Investments in other UCI and/or UCITS,</li> <li>• Market risk,</li> <li>• Equity</li> <li>• Interest Rate,</li> <li>• Foreign exchange,</li> <li>• Credit,</li> <li>• Derivatives.</li> </ul>
<b>Investment Manager</b>	Generali Asset Management S.p.A. Società di gestione del risparmio
<b>Reference Currency</b>	EUR
<b>Launch Date of the Sub-fund</b>	<p>15 September 2023</p> <p><i>Or such later date as the Company may determine at its absolute discretion</i></p>
<b>Initial Price</b>	100
<b>Minimum initial investment</b>	<p>Class 3 : EUR 100,000</p> <p>Class 4: EUR 500</p>
<b>Classes of Shares</b>	
<ul style="list-style-type: none"> <li>• <b>Institutional Investors</b></li> </ul>	Class 3*

<b>• Retail</b>	Class 4**
<b>Categories of Shares</b>	Distribution of income (“y”) Shares and Accumulation (“x”) Shares are issued.
<b>Subscription Commission</b>	Class 3: N/A Class 4: up to 4%
<b>Redemption Commission</b>	Class 3: N/A Class 4: 0%
<b>Conversion Commission</b>	Class 3: N/A Class 4: up to 4%
<b>Aggregate fee of the Share Classes potentially available in the Sub-fund (expressed as maximum rates)</b>	Class 3: maximum 0.30% Class 4: maximum 1.05%  The maximum level of management fees that may be charged at the level of the UCITS and/or UCI in which the Sub-fund invests may not exceed 1.5%.

\* Class 3 is reserved only for investments made by the Companies of Generali Group. Class 3 is also reserved for other Institutional Investors designated by the Board of Directors.

\*\*Class 4 is dedicated to Investors and Distributors pre-approved by the Board of Directors