# AIA Investment Funds

*Société d’investissement à capital variable (SICAV)*

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

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

# Prospectus

**February 2020**

## TABLE OF CONTENTS

## 1. INTRODUCTION

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

The Fund is a public limited company (*société anonyme*) incorporated on 23 May 2019 under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended or supplemented from time to time.

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

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

The Fund has been incorporated in Luxembourg on 23 May 2019. The Fund is registered with the Luxembourg Trade and Companies' Register under number B234950. The latest version of the Articles of Incorporation dated 23 May 2019 was published on 7 June 2019 on the *Recueil électronique des sociétés et associations* ("**RESA**"), the central electronic platform of the Grand Duchy of Luxembourg.

This Prospectus is based on information, law and practice at the date hereof. The Fund cannot be bound by an out of date prospectus when it has issued a new prospectus, and investors should check with the Management Company and on the website www.aia.com/en/funds-information that this is the most recently published Prospectus. Neither delivery of the Prospectus nor anything stated herein should be taken to imply that the affairs of the Fund have not changed since the date hereof or that any information contained herein is correct as of any time subsequent to the date hereof.

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

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

The Board of Directors accepts full responsibility for the accuracy of the information contained in this Prospectus and confirms, having taken all reasonable steps to ensure that to the best of their knowledge and belief, there are no other facts the omission of which would make misleading any statement herein, whether of fact or opinion.

The distribution of the Prospectus and/or the offer and sale of the Shares in certain jurisdictions or to certain investors may be restricted or prohibited by law. The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer, solicitation or sale. It is the responsibility of any persons wishing to make an application for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions. No Shares may be acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. In particular, the Board of Directors has decided that US Persons (within the meaning of FATCA) would be considered as Prohibited Persons.

The distribution of this Prospectus in some jurisdictions may require the translation of this Prospectus into the languages specified by the regulatory authorities of those jurisdictions. In case of inconsistency between the translated and the English version of this Prospectus, the English version shall prevail except to the extent required by the laws of any jurisdiction including the regulations or requirements of the financial regulator of such jurisdiction where the shares are sold, that in any action based upon disclosure in the Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail.

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

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

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

## 2. DIRECTORY

**Registered office of the Fund**

16, boulevard d'Avranches
L-1160 Luxembourg
Grand Duchy of Luxembourg

**Board of Directors of the Fund**

Dr. Mark Konyn - Director
Group Chief Investment Officer
AIA Company Limited, Hong Kong

Mr. Garth Brian Jones - Director
Group Chief Financial Officer
AIA Company Limited, Hong Kong

Mr. Kong Siew Cheong - Director
Regional director of investment management
AIA Company Limited, Hong Kong

Mr. Cheong Poh Kin - Director
Chief Executive Officer
AIA Investment Management Private Limited

Mr. Claude Niedner - Independent Director
Partner
Arendt & Medernach S.A.

Mr. Gregory Nicolas - Independent Director
Executive Director and Conducting Officer
FundRock Management Company S.A.

**Management Company**

FundRock Management Company S.A.
33, Rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

**Board of Directors of the Management Company**

Mr. Romain Denis - Executive Director, Managing Director, FundRock Management Company S.A., Luxembourg

Mr. Eric May - Non-Executive Director – Founding Partner, BlackFin Capital Partners, Paris, France

Mrs. Tracey McDermott - Independent Non-

**Investment Manager**

AIA Investment Management Private Limited
1 Robinson Road
#08-00, AIA Tower
Singapore 048542

**Depositary**

HSBC France, Luxembourg Branch
16, boulevard d'Avranches
L-1160 Luxembourg
Grand Duchy of Luxembourg

**Administrator**

HSBC France, Luxembourg Branch
16, boulevard d'Avranches
L-1160 Luxembourg
Grand Duchy of Luxembourg

**Paying Agent**

HSBC France, Luxembourg Branch
16, boulevard d'Avranches
L-1160 Luxembourg
Grand Duchy of Luxembourg

**Global Distributor**

AIA Investment Management Private Limited
1 Robinson Road
#08-00, AIA Tower
048542
Singapore

**Auditor**

PricewaterhouseCoopers
2, rue Gerhard Mercator
L-2182 Luxembourg
Grand Duchy of Luxembourg

**Legal adviser as to matters of Luxembourg law**

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

Executive Director - Managing Director, Gemini Governance & Advisory Solutions S.à r.l., Luxembourg

Mr. Gregory Nicolas - Executive Director - Managing Director, FundRock Management Company S.A., Luxembourg

Mr. Xavier Parain - Executive Director - Chief Executive Officer, FundRock Management Company S.A., Luxembourg

Mr. Serge Ragozin - Executive Director – Deputy Chief Executive Officer, FundRock Management Company S.A., Luxembourg

Mr. Michel Marcel Vareika - Chairman - Independent Non-Executive Director, Director of Companies, Luxembourg

**Conducting Officers of the Management Company**

Mr. Romain Denis - Executive Director - Managing Director

Mr. Gregory Nicolas - Executive Director-Managing Director

Mr. Matteo Sbrolla - Director, Investment Management and Distribution Oversight

## 3. DEFINITIONS

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| 1915 Law | the Luxembourg law of 10 August 1915 on commercial companies, as may be amended from time to time. |
| 2004 Law | the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time. |
| 2010 Law | the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time. |
| Accumulation Shares | Shares with respect to which the Fund does not intend to distribute dividends. |
| Administration Agreement | the Fund Administration Terms and Conditions entered into between the Fund, the Management Company and the Administrator governing the appointment of the Administrator, as may be amended or supplemented from time to time. |
| Administrator | the central administration, registrar and transfer and corporate agent appointed by the Management Company and the Fund in accordance with the provisions of the 2010 Law and the Administration Agreement, as identified in the Directory. |
| Annual Report | the report issued by the Fund as of the end of the latest financial year in accordance with the 2010 Law. |
| Articles of Incorporation | the articles of incorporation of the Fund, as may be amended from time to time. |
| Board of Directors | the board of directors of the Fund. |
| Brussels I (Recast) | Regulation (EU) No 1215/2015 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast). |
| Business Day | any day on which banks are open the whole day for non-automated business in Luxembourg and in such other countries or cities as may be specified for a Sub-Fund or Share Class in a Supplement. |
| China A-Shares | Renminbi-denominated “A” shares in mainland China-based companies that trade on Chinese stock exchanges such as the SSE and the SZSE. |

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| Code of Conduct | the code of conduct adopted by the Board of Directors on the basis of the corporate governance principles issued by the Association of the Luxembourg Fund Industry, as may be amended or supplemented from time to time. |
| Conversion Day | the day or days on which Original Shares may be converted into New Shares, being a day which is a Redemption Day for the Original Shares and, if that day is not a Subscription Day for the New Shares, the day which is the immediately following Subscription Day for the New Shares, provided that the Cut-Off Time for a Conversion Day shall be the earlier of the Cut-Off Time for redemption of the Original Shares on that Redemption Day and the Cut-Off Time for subscription to the New Shares on that Subscription Day. For the avoidance of doubt, the Conversion Day may be a different day for the Original Shares and the New Shares. |
| Conversion Fee | a fee which the Fund may charge upon conversion of Shares of a Sub-Fund into Shares of another Sub-Fund, as specified for each Share Class in the Supplement, where applicable, if not otherwise decided by the Board of Directors. |
| CRS | the Common Reporting Standard, within the meaning of the Standard for Automatic Exchange of Financial Account Information in Tax Matters, as set out in the Luxembourg law on the Common Reporting Standard. |
| CSSF | the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority of the financial sector. |
| Currency Hedged Share Classes | Share Classes for which a currency hedging strategy is implemented, as further described in the Prospectus. Currency Hedged Share Classes are identified in the Supplements. |
| Cut-Off Time | for any Subscription Day, Redemption Day or Conversion Day, the day and time by which an application for subscription, redemption or conversion, as applicable, must in principle be received by the Fund in order for the application to be processed, if accepted, by reference to the Net Asset Value per Share calculated as of that Subscription Day, Redemption Day or Conversion Day, as applicable. The Cut-Off Time is specified for each Sub-Fund or Share Class in the Supplement. |
| Depositary | the depositary bank appointed by the Fund in accordance with the provisions of the 2010 Law and the Depositary Services Agreement, as identified in the Directory. |
| Depositary Services Agreement | the agreement entered into between the Fund, the Management Company and the Depositary governing the appointment of the Depositary, as may be amended or supplemented from time to time. |

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| Directive 2013/34/EU | Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC, as may be amended from time to time. |
| Distribution Shares | Shares with respect to which the Fund intends to distribute dividends and which confer on their holder the right to receive such dividends, if and when declared by the Fund. |
| Distributors | intermediaries appointed by the Global Distributor to distribute the Shares. |
| Eligible Investor | an investor who satisfies all additional eligibility requirements for a specific Sub-Fund or Share Class, as specified for the Sub-Fund or Share Class in the Supplement. |
| ESMA | the European Securities and Markets Authority. |
| EU | the European Union. |
| EUR | the lawful currency of the Member States of the EU that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union. |
| FATCA | the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA). |
| Fund | AIA Investment Funds. |
| Fund Management Company Agreement | the agreement entered into between the Fund and the Management Company governing the appointment of the Management Company, as may be amended or supplemented from time to time. |
| Global Distributor | the global distribution agent appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and the Global Distribution Agreement. |
| Global Distribution Agreement | the agreement entered into between the Fund, the Management Company and the Global Distributor governing the appointment of the Global Distributor, as may be amended or supplemented from time to time. |
| Initial Offer | the first day or period on or during which Shares of a Share Class will be or were available for subscription. |

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| Initial Offer Price | the price at which Shares may be subscribed for on or during the Initial Offer. |
| Institutional Investor | an institutional investor as defined for the purposes of the 2010 Law and by the administrative practice of the CSSF. |
| Investment Management Agreement | the agreement entered into between the Fund, the Management Company and the Investment Manager governing the appointment of the Investment Manager, as may be amended or supplemented from time to time. |
| Investment Manager | the investment manager appointed by the Management Company with the consent of the Fund in accordance with the provisions of the 2010 Law and the Investment Management Agreement, as identified in the Directory. |
| Investment Management Fee | the fee payable by the Fund to the Investment Manager under the Investment Management Agreement, as described in section 9.3 (Investment Manager Fee) of this Prospectus. |
| KIID | the Key Investor Information Document drawn up in accordance with the UCITS Directive and Commission Regulation 583/2010 as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website. |
| Lugano Convention | the Convention of Lugano of 30 October 2007 on jurisdiction and the enforcement of judgments in civil and commercial matters. |
| Management Company | the management company appointed by the Fund in accordance with the provisions of the 2010 Law and the Fund Management Company Agreement, as identified in the Directory. |
| Management Company Fee | the fee payable by the Fund to the Management Company under the Fund Management Company Agreement, as described in section 9.2 (Management Company Fee) of this Prospectus. |
| MAS | the Monetary Authority of Singapore, the central bank and financial supervisory authority of the Republic of Singapore. |
| Member State | a State that is a contracting party to the Agreement creating the EU. The States that are contracting parties to the Agreement creating the European Economic Area, other than the Member States of the EU, within the limits set forth by such Agreement and related acts, are considered as equivalent to Member States of the EU. |
| MiFID II | Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as may be amended from time to time. |

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| Money Market Instrument | instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time. |
| Net Asset Value | as the context indicates, the net asset value of the Fund, a Sub-Fund, or a Share Class determined in accordance with the provisions of this Prospectus. |
| Net Asset Value per Share | the Net Asset Value of a Share Class in a Sub-Fund divided by the total number of Shares of that Share Class which are in issue as of the Valuation Day for which the Net Asset Value per Share is calculated. |
| New Shares | Shares described in section 7.6 (Conversion of Shares) of this Prospectus. |
| Non-Member State | any State, other than a Member State, in Europe, America, Africa, Asia or Oceania. |
| OECD | the Organisation for Economic Cooperation and Development. |
| Original Shares | Shares described in section 7.6 (Conversion of Shares) of this Prospectus. |
| Other Regulated Market | a market which is regulated, operates regularly and is recognized and open to the public, in Non-Member States, which may be located in Europe, Africa, the Americas, Asia and/or Oceania. |
| Paying Agent | the paying agent appointed by the Fund, as identified in the Directory. |
| PRC or Mainland China or China | the People’s Republic of China (excluding the Hong Kong Special Administrative Region of the People's Republic of China, Macau and Taiwan for the purposes of this Prospectus). |
| Prohibited Person | any person considered as a Prohibited Person in the opinion of the Board of Directors according to the criteria set out in the Articles of Incorporation and section 7.10 (Prohibited Persons) of the Prospectus. |
| Prospectus | this prospectus including all Supplements, as may be amended from time to time. |
| Redemption Day | a Valuation Day on which Shares may be redeemed by the Fund at a Redemption Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Redemption Days are specified for each Sub-Fund or Share Class in the Supplement. Certain jurisdictions do not permit redemptions to be processed on local holidays. Investors should refer to the local sales documents for their jurisdiction or consult their local Distributor for further details. |

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| Redemption Fee | a fee which the Fund may charge upon redemption of Shares, equal to a percentage of the Redemption Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable. |
| Redemption Price | the price at which the Fund may redeem Shares on a Redemption Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Redemption Day and in accordance with the provisions of this Prospectus. |
| Redemption Settlement Period | the period of time, as specified for each Sub-Fund or Share Class in the Supplement, by the end of which the Fund will normally pay the Redemption Price (less any Redemption Fee) to redeeming investors, subject to the further provisions of this Prospectus. |
| Reference Currency | as the context indicates, (i) in relation to the Fund, the USD, or (ii) in relation to a Sub-Fund, the currency in which the assets and liabilities of the Sub-Fund are valued and reported, as specified in each Supplement, or (iii) in relation to a Sub-Fund or Share Class, the currency in which the Shares of that Sub-Fund or Share Class are denominated, as specified in each Supplement. |
| Regulated Market | a regulated market within the meaning of MiFID II. |
| Renminbi or RMB | the currency of the PRC. |
| REIT or Real Estate Investment Trust | an entity that is dedicated to owning, and in most cases, managing real estate. This may include, but is not limited to, real estate in the residential, commercial and industrial sectors. Certain REITs may also engage in real estate financing transactions and other real estate development activities. A closed-ended REIT, the units of which are listed on a Regulated Market or an Other Regulated Market may qualify as a transferable security listed on a Regulated Market or an Other Regulated Market thereby qualifying as an eligible investment for a UCITS under the 2010 Law in accordance with the provisions of Article 2 of the Grand-Ducal Regulation of 8 February 2008. The legal structure of a REIT, its investment restrictions and the regulatory and taxation regimes to which it is subject will differ depending on the jurisdiction in which it is established. |
| RESA | the *Recueil électronique des sociétés et associations,* the central electronic platform of the Grand Duchy of Luxembourg. |
| SEHK | the Stock Exchange of Hong Kong Limited. |
| Semi-Annual Report | the report issued by the Fund as of the first half of the current financial year in accordance with the 2010 Law. |

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| SFT (or Securities financing transactions) | (i) a repurchase transaction; (ii) securities or commodities lending and securities or commodities borrowing; (iii) a buy/sell-back transaction or sell/buy-back transaction or (iv) a margin lending transaction as defined under the SFTR. |
| SFTR | Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended from time to time. |
| SGD | the lawful currency of the Republic of Singapore. |
| Share Class | a class of Shares of a Sub-Fund created by the Board of Directors, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus. For the purposes of this Prospectus, each Sub-Fund shall be deemed to comprise at least one Share Class. |
| Shares | shares of a Sub-Fund or Share Class issued by the Fund. |
| SSE | the Shanghai Stock Exchange. |
| Stock Connect | (i) the Shanghai-Hong Kong Stock Connect, the mutual market access programme through which investors can deal in select securities listed on the SSE through the SEHK and clearing house in Hong Kong (Northbound trading); and<br>(ii) the Shenzhen-Hong Kong Stock Connect, the mutual market access program through which foreign investors can deal in select securities on the SZSE through the SEHK and clearing house in Hong Kong (Northbound trading). |
| Sub-Fund | a sub-fund of the Fund, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus. |
| Sub-Investment Management Agreement | the agreement entered into between the Investment Manager and the Sub-Investment Manager governing the appointment of the Sub-Investment Manager, as may be amended or supplemented from time to time. |
| Sub-Investment Manager | the sub-investment manager appointed by the Investment Manager with the consent of the Fund in accordance with the provisions of the 2010 Law and the Sub-Investment Management Agreement, as identified in the Supplements. |

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| Subscription Day | a Valuation Day on which investors may subscribe for Shares at a Subscription Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Subscription Days are specified for each Sub-Fund or Share Class in the Supplement. Certain jurisdictions do not permit subscriptions to be processed on local holidays. Investors should refer to the local sales documents for their jurisdiction or consult their local Distributor for further details. |
| Subscription Fee | a fee which the Fund may charge upon subscription for Shares, equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable. |
| Subscription Price | the price at which investors may subscribe for Shares on a Subscription Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Subscription Day and in accordance with the provisions of this Prospectus. |
| SZSE | the Shenzhen Stock Exchange. |
| Subscription Settlement Period | the period of time by the end of which the subscriber is required to pay the Subscription Price (plus any Subscription Fee) to the Fund. The Subscription Settlement Period is specified for each Sub-Fund or Share Class in the Supplement. |
| Supplement | the supplement(s) to this Prospectus for each specific Sub-Fund, which form part of this Prospectus. |
| Swing Factor | is defined in section 8.2 (Valuation procedure) of this Prospectus. |
| Swing Threshold | is defined in section 8.2 (Valuation procedure) of this Prospectus. |
| Target Sub-Fund | a Sub-Fund into which another Sub-Fund has invested in accordance with the provisions of this Prospectus. |
| Total Net Income | for each Sub-Fund, the aggregate investment income of the Sub-Fund, including dividends, interests, realised capital gains, any proceeds or revenues generated by investments of the Sub-Fund, net of fees, expenses, taxes or charges of whichever nature incurred by the Sub-Fund, which is available for distribution in accordance with Luxembourg laws and regulations. For the avoidance of doubt, net unrealised gains are excluded therefrom. |
| Transferable Security | shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange. |

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| TRS | a total return swap, *i.e.*, a derivative contract as defined in point (7) of Article 2 of Regulation (EU) No 648/2012 in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty. |
| UCI | undertaking for collective investment within the meaning of Article 1(2)(a) and (b) of the UCITS Directive, being an open-ended undertaking with the sole object of collective investment of capital raised from the public, in accordance with the principle of risk-spreading, in transferable securities and other liquid financial assets. |
| UCITS | undertaking for collective investment in transferable securities |
| UCITS Directive | Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as may be amended from time to time. |
| USD | the lawful currency of the United States of America. |
| Valuation Day | a Business Day as of which the Net Asset Value per Share is calculated, as specified in the Supplement. |

## 4. INVESTMENT STRATEGY AND RESTRICTIONS

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

### 4.1 Authorised investments

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

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

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

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

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

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

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

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

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

(4) no more than 10% of the assets of the UCITS or the other UCI whose acquisition is contemplated can, according to their constitutive documents, be invested in aggregate in shares or units of other UCITS or other UCI.

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

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

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

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

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

(H) Money Market Instruments other than those dealt in on a Regulated Market or on another regulated market referred to in paragraphs (A) to (C) of this section, provided that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and that such instruments are:

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

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

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

(4) issued by other bodies provided that investments in such instruments are subject to investor protection equivalent to that set out in

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

**4.1.2** Each Sub-Fund may invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those identified in paragraphs (A) to (D) and (H) of section 4.1.1.

**4.1.3** Each Sub-Fund may hold ancillary liquid assets. Liquid assets held to cover exposure to financial derivative instruments do not fall under this restriction. Each Sub-Fund may exceptionally and temporarily hold liquid assets on a principal basis if the Board of Directors considers this to be in the best interest of its investors.

**4.1.4** Each Sub-Fund may borrow up to 10% of its net assets on a temporary basis. Collateral arrangements to cover exposure to financial derivative instruments are not considered borrowings for the purposes of this restriction. Each Sub-Fund may also acquire foreign currency by means of a back-to-back loan. Within the context of temporary borrowings, each Sub-Fund may, for its own benefit, *inter alia*, grant security over or encumber in any manner its assets.

**4.1.5** The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business. Each Sub-Fund may borrow up to 10% of its net assets for this purpose. However, the total amount of borrowing for this purpose and any borrowing on a temporary basis permitted by section 4.1.4 above may not exceed 15% of the net assets of the Sub-Fund.

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

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

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

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

### 4.2 Prohibited investments

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

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

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

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

### 4.3 Risk diversification limits

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

**Transferable Securities and Money Market Instruments**

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

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

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

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

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

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

**Financial derivative instruments and efficient portfolio management techniques**

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

**Bank deposits**

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

**Combined limits**

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

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

(B) bank deposits made with that body; and

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

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

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

**Sub-Fund replicating the composition of a financial index**

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

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

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

**Shares or units of UCITS or other UCI**

**4.3.14** Unless otherwise specified in its Supplement, no Sub-Fund is permitted to invest in aggregate more than 10% of its net assets in shares or units of UCITS or other UCI. If otherwise specified in its Supplement, the following limits will apply:

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

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

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

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

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

The Management Company or the Investment Manager or any person acting on their behalf or on behalf of the Fund or a Sub-Fund will not obtain any rebates on any fees or charges levied by an underlying UCITS or other UCI or its management company or investment manager, or any quantifiable monetary benefits in connection with the Fund's or Sub-Fund's investments in any such underlying UCITS or other UCI.

**Derogation**

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

**4.4 Control limits**

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

**4.4.2** No Sub-Fund may acquire more than:

(A) 10% of the non-voting shares of the same issuer;

(B) 10% of the debt securities of the same issuer;

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

(D) 25% of the shares or units of the same UCITS or other UCI.

**4.4.3** The limits set out in section 4.4.2, paragraphs (B) to (D) may be disregarded at the time of acquisition if, at that time, the gross amount of the debt securities or Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

**4.4.4** The limits set out in sections 4.4.1 to 4.4.2 do not apply in respect of:

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

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

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

(D) shares in the capital of a company which is incorporated under or organised pursuant to the laws of a non-Member State, provided that:

(1) such company invests its assets principally in securities issued by issuers having their registered office in that State;

(2) pursuant to the laws of that State, a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State; and

(3) such company observes in its investments policy the restrictions set out in section 4.3 (Risk diversification limits) above (with the exceptions of sections 4.3.5 and 4.3.11 to 4.3.13) and sections 4.4.1 to 4.4.2;

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

## 4.5 Financial derivative instruments

### 4.5.1 General

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

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

(A) Options: an option is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to buy or sell a specified amount of an underlying asset at an agreed price (the strike or exercise price) on or until the expiration of the contract. A call option is an option to buy, and a put option an option to sell.

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

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

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

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

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

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

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

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

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

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

### 4.5.2 OTC financial derivative instruments

Each Sub-Fund may invest into financial derivative instruments that are traded ‘over-the-counter’ or OTC including, including but not limited to TRS or other financial derivative instruments with similar characteristics, in accordance with the conditions set out in this section 4 and the investment objective and policy of the Sub-Fund, as set out in its Supplement.

The counterparties to OTC financial derivative instruments will be selected among reputable financial institutions subject to prudential supervision (such as credit institutions or investment firms) and specialised in the relevant type of transaction. Counterparties will typically be corporate entities having a public credit rating which is investment grade (meaning rated BBB- or above by Standard & Poor's or Fitch or Baa3 or above by Moody's) and be domiciled in OECD countries. The identity of the counterparties will be disclosed in the Annual Report. The counterparties will have no discretion over the composition or management of the portfolio of the Sub-Fund or the underlying assets of the derivatives. Otherwise, for regulatory purposes, the agreement between the Fund and such counterparty will be considered as an investment management delegation.

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 4.7 (Collateral policy) below.

Each Sub-Fund may incur costs and fees in connection with TRS or other financial derivative instruments with similar characteristics, upon entering into TRS and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on 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 each Supplement.

### 4.5.3 Financial indices

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

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

### 4.5.4 Currency hedging at Share Class level

For Share Classes, which are a Currency Hedged Share Class, the fluctuation risk of the price for those Share Classes in the Reference Currency of the relevant Share Class is hedged against the Reference Currency of the relevant Sub-Fund. Provision is made for the amount of the hedging to be between 95% and 105% of the Net Asset Value of the Share Class in foreign currency. Changes in the market value of the portfolio, as well as in subscriptions and redemptions of Share Classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Fund and the Investment Manager will then take all the necessary steps to bring the hedging back within the aforementioned limits. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to Share Classes which have "hedged" in their name could result in liabilities, which might affect the Net Asset Value of the other Share Classes of the same Sub-Fund.

### 4.6 Efficient portfolio management techniques

Each Sub-Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments, such as securities lending transactions, repurchase agreements and buy/sell-back transactions, provided that such techniques and instruments are used for the purposes of efficient portfolio management, in accordance with the conditions set out in this section 4 and the investment objective and policy of the Sub-Fund, as set out in its Supplement. The use of such techniques and instruments should not result in a change of the declared investment objective of any Sub-Fund or substantially increase the stated risk profile of the Sub-Fund.

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under a securities lending transactions, repurchase agreements and buy/sell-back transactions, the Sub-Fund will receive cash or other assets as collateral, as further specified in section 4.7 (Collateral policy) below.

Each Sub-Fund may incur costs and fees in connection with efficient portfolio management techniques. In particular, a Sub-Fund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary, 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. Information on direct and indirect operational costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary, the Investment Manager or the Management Company, if applicable, may be available in the Annual Report and, to the extent relevant and practicable, in each Supplement. All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund.

The maximum and expected proportion of the Sub-Funds' assets which may be subject to SFT, expressed as a percentage of the Net Asset Value of the relevant Sub-Fund, is set out in the Supplements for each Sub-Fund, as applicable.

#### 4.6.1 Securities lending

Securities lending transactions consist of 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 and/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.

Where specified in its Supplement, a Sub-Fund may enter into securities lending transactions as lender of securities or instruments. Securities lending transactions are, in particular, subject to the following conditions:

(A) the counterparty must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

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

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

#### 4.6.2 Repurchase agreements 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 for the party selling the securities or instruments, and reverse repurchase agreements for the counterparty buying them.

Buy/sell-back transactions consist of transactions, not being governed by a repurchase agreement or a reverse repurchase agreement 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 specified in its Supplement, a Sub-Fund may enter into repurchase agreements and/or buy/sell-back transactions as buyer or seller of securities or instruments. Such transactions are, in particular, subject to the following conditions:

(A) the counterparty must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law; and

(B) the Sub-Fund must be able, at any time, to terminate the agreement or recall the full amount of cash in a reverse repurchase agreement or buy/sell-back transaction (on either an accrued basis or a mark-to-market basis) or any securities or instruments subject to a repurchase agreement or sell/buy-back transaction. Fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow cash or assets to be recalled at any time.

### 4.6.3 Information on the counterparty(ies) of the transactions

Authorised counterparties to SFTs / TRS are reputable financial institutions that specialise in these types of transactions and are subject to prudential supervision and belonging to categories approved by the CSSF. Counterparties will typically be corporate entities having a public credit rating which is investment grade (meaning rated BBB- or above by Standard & Poor's or Fitch or Baa3 or above by Moody's) and be domiciled in OECD countries. The counterparties will have no discretion over the composition or management of the relevant Sub-Fund's portfolio or over the underlying of the financial derivative instruments. The identity of the counterparties will be disclosed in the Annual Report.

## 4.7 Collateral policy

This section sets out the policy adopted by the Board of Directors for the management of collateral received for the benefit of each Sub-Fund in the context of OTC financial derivatives instruments and efficient portfolio management techniques (securities lending transactions, repurchase agreements, and buy/sell-back transactions). All cash or assets received by a Sub-Fund in the context of efficient portfolio management techniques will be considered as collateral for the purposes of this section.

### 4.7.1 Eligible collateral

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

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

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

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

(D) collateral should be sufficiently diversified in terms of countries, markets and issuers. The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the net assets of the Sub-Fund. When the Sub-Fund is exposed to different counterparties, collateral received should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, this limit may be exceeded and up to 100% of the collateral received by a Sub-Fund may consist in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by one or more of its local authorities, by a member State of the OECD or the Group of Twenty (G20) such as the United States of America, by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China, or by a public international body of which one or more Member States are members, provided that such securities or instruments are part of a basket of collateral comprised of securities or instruments of at least six different issues and that securities or instruments from any one issue do not account for more than 30% of the net assets of the Sub-Fund;

(E) where there is a title transfer, collateral received should be held by the Depositary or one of its sub-custodians to which the Depositary has delegated the custody of such collateral. For other types of collateral arrangement (e.g. a pledge), collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral;

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

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

Subject to the above conditions, permitted forms of collateral received by the Sub-Funds may consist of:

(A) cash and cash equivalents, including short-term bank certificates and Money Market Instruments;

(B) bonds issued or guaranteed by a Member State, any other member state of the OECD or their local public authorities, by supranational institutions and undertakings with an EU, regional or worldwide scope;

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

(D) shares or units issued by other UCITS investing mainly in bonds and/or shares identified in items (E) and (F) below;

(E) bonds issued or guaranteed by first class issuers offering adequate liquidity; and

(F) shares admitted to or dealt in on a Regulated Market or on a stock exchange of a member state of the OECD, on the condition that these shares are included in a main index.

#### 4.7.2 Level of collateral

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

The Fund will generally require the counterparty to post collateral representing 90% of the total value of the underlying securities.

With respect to securities lending, the Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least 90% of the total value of the securities lent. Repurchase agreement and reverse repurchase agreements will generally be collateralised, at any time during the lifetime of the agreement, at a minimum of 90% of their notional amount. Those minimums shall be increased based, in particular, on the quality of the counterparty, in line with the requirements set out in applicable laws, regulations and circulars issued by the CSSF, from time to time, in particular the CSSF Circular 08/356 dated 4 June 2008, as amended from time to time and as clarified by the CSSF Circular 14/592 dated 30 September 2014.

### 4.7.3 Haircut policy

Collateral will be valued, 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 haircut policy adopted by the Board of Directors. The policy is established in accordance with the ESMA Guidelines 2014/937 as amended from time to time and 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.

| Instrument Type | Rating | Maturity | Haircut level max. | Additional Over-collateralisation max. |
|---|---|---|---|---|
| **Cash and Cash equivalents** | N/A | N/A | 0% | 10% |
| **Bonds, including, *inter alia*, convertible bonds and government bonds, commercial papers** | Investment Grade | Up to 10 years | 15% | 10% |
| **Bonds guaranteed by EU/OECD Member States** | Investment Grade | Irrespective of maturity | 15% | 10% |
| **Equity comprised in a main index** | N/A | N/A | 20% | 10% |

### 4.7.4 Stress tests

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

### 4.7.5 Reinvestment of collateral

Non-cash collateral received for the benefit of a Sub-Fund may not be sold, re-invested or pledged, except where and to the extent permissible under Luxembourg law and regulations.

Cash collateral received for the benefit of a Sub-Fund can only be:

(A) placed on deposit with a credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(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 the Fund is able to recall at any time the full amount of cash on accrued basis; and/or

(D) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds issued by ESMA (CESR/10-049) as may be amended from time to time.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above. Re-investment of cash collateral involves certain risks for the Sub-Fund, as described in section 5 (

General risk factors) below.

Cash collateral can be reinvested in liquid assets permissible under Luxembourg laws and regulations, in particular the ESMA Guidelines 2014/937 and CSSF Circular 14/592 dated 30 September 2014. Re-invested cash collateral shall not carry any currency risk. Cash collateral can only be re-invested in risk-free assets which are eligible under the 2010 Law, i.e. eligible assets which do not provide a yield greater than the risk-free rate. Any reinvestment of cash collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure, on an aggregate basis, of 20% of the Sub-Fund's Net Asset Value to any single issuer, subject to the derogation set forth below. When the 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.

The ESMA Guidelines 2014/937 and CSSF Circular 14/592 dated 30 September 2014 by way of derogation from the rule according to which a basket of collateral with an exposure to a given issuer cannot exceed 20% of the Sub-Fund's Net Asset Value, a UCITS may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, a third country (member state of the OECD) or a public international body to which one or more Member States belong, provided that they receive transferable securities from at least six different issues, but transferable securities from any single issue should not account for more than 30% of the Sub-Fund's Net Asset Value. The transferable securities and money market instruments covered by this derogation, must, as any collateral received be (inter alia) of high credit quality credit and highly liquid to be able to be used to reduce the Sub-Fund's counter party risk exposure in OTC financial derivative transactions and efficient portfolio management techniques.

The above provisions apply subject to any further guidelines issued from time to time by the European Securities and Markets Authority amending and/or supplementing ESMA Guidelines 2014/937on ETFs and other UCITS issues and/or any additional guidance issued from time to time by the CSSF in relation to the above.

### 4.7.6 Centrally cleared OTC derivatives

The Fund may enter into OTC derivatives cleared through a clearinghouse that serves as a central counterparty. Generally, centrally-cleared OTC derivatives may be cleared under the agency model or the principal-to-principal model. Under the principal-to-principal model there is usually one transaction between the Fund and its clearing broker and another back-to-back transaction between the clearing broker and the central counterparty, whereas under the agency model there is one transaction between the Fund and the central counterparty. For these trades, the Fund will post and/or receive collateral for the benefit of a Sub-Fund in the form of margin payments, as agreed with the clearing broker in accordance with the rules of the applicable clearinghouse, including rules on acceptable forms of collateral, collateral level, valuation and haircuts. The Fund will ensure that variation margin receivable from the clearing broker is consistent with its collateral policy. Central clearing is designed to reduce counterparty credit risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate those risks completely, as described in section 5.8.1.

## 4.8 Global exposure limits

### 4.8.1 General

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

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

### 4.8.2 Commitment approach

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

### 4.8.3 VaR approach

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

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

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

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

## 4.9 Leverage

Unless otherwise indicated in its Supplement, a Sub-Fund may use leverage to increase its exposure through the use of financial derivative instruments. Leverage may be used at the discretion of the Investment Manager in accordance with the investment objective and policy of each Sub-Fund and its defined risk profile. Leverage involves certain risks for the Sub-Fund, as further described in section 5 (

General risk factors) below. Leverage is monitored on a regular basis by the Management Company.

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

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

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

### 4.10 Breach of investment limits

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

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

## 5. GENERAL RISK FACTORS

The performance of each Sub-Fund will depend on the performance of the underlying investments. No guarantee or representation is made that any Sub-Fund or any investment will achieve its respective investment objectives. Past results are not necessarily indicative of future results. The value of the Shares may fall due to any of the risk factors below as well as rise and an investor may not recover its investment. Income from the Shares may fluctuate in money terms. Changes in exchange rates may, among other factors, cause the value of Shares to increase or decrease. The levels and bases of, and reliefs from, taxation may change. There can be no assurance that the collective performance of a Sub-Fund’s underlying investments will be profitable. Also, there is no guarantee of the repayment of a portion or even the entire amount of principal. On establishment, a Sub-Fund will normally have no operating history upon which investors may base an evaluation of performance.

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

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

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

### 5.1 Market risk

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

### 5.1.1 Economic risk

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular, industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

### 5.1.2 Interest rate risk

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

### 5.1.3 Foreign exchange risk and currency risk

Certain Share Classes of certain Sub-Funds may be denominated in a currency other than the Reference Currency of the relevant Sub-Fund. In addition, the Sub-Funds may invest in assets denominated in currencies other than the Reference Currency. Therefore, fluctuations in the exchange rates between these currencies and the Reference Currency and changes in exchange rate controls may affect the value of an investment in the Sub-Funds and the Net Asset Value of the Sub-Fund may be affected unfavourably.

An investor may choose to invest in a Share Class which is denominated in a currency that is different from the currency in which the majority of the investor's assets and liabilities are denominated (the "**Investor's Currency**"). In this scenario, the investor is subject to currency risk in the form of potential capital losses resulting from movements of the exchange rate between the Investor's Currency and the currency of the Share Class in which such investor invests, in addition to the other currency risks described herein and the Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the Reference Currency. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

In addition, a Share Class that is denominated in a Reference Currency other than the Reference Currency of the Sub-Fund exposes the investor to the risk of fluctuations between the Reference Currency of the Share Class and that of the Sub-Fund. Currency Hedged Share Classes seek to limit the impact of such fluctuations through currency hedging transactions. However, there can be no assurance that the currency hedging policy will be successful at all times. This exposure is in addition to foreign exchange risk, if any, incurred by the Sub-Fund with respect to investments denominated in other currencies than its Reference Currency, as described above.

### 5.1.4 Bond downgrade risk

A Sub-Fund may invest in highly rated / investment grade bonds, however, where a bond is subsequently downgraded it may continue to be held in order to avoid a distressed sale. To the extent that a Sub-Fund does hold such downgraded bonds, there will be an increased risk of default on repayment, which in turn translates into a risk that the capital value of the Sub-Fund will be affected. Investors should be aware that the yield or the capital value of the Sub-Fund (or both) could fluctuate.

### 5.1.5 Investment grade bonds risk

Certain Sub-Funds' investment objective is to invest in investment grade bonds where there is a risk that the rating of the bonds held by the Sub-Funds may be downgraded at any time. In the event of such downgrading, the value of the Sub-Funds may be adversely affected. The Investment Manager may or may not be able to dispose of the debt instruments that are being downgraded. The Sub-Funds may continue to hold securities that are downgraded below the minimum indicated rating after purchase but may not make additional purchases of such securities. Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

### 5.1.6 Credit risk

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

### 5.1.7 Below investment grade securities risk

A Sub-Fund may invest in securities which are rated below investment grade. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated securities.

### 5.1.8 Commodities risk

Where specified in the Supplements, certain Sub-Funds may invest in instruments providing exposure to the commodities market, including financial derivative instruments referencing commodities indices and financial instruments or funds linked to, or backed by the performance of, commodities. Investments in derivatives related to commodities can be highly volatile: market prices of commodities derivatives may fluctuate rapidly. The price of commodities derivatives may fluctuate based on numerous factors, including changes in supply and demand (whether actual or perceived, anticipated or unanticipated) and other trading considerations generally or in the relevant commodity, domestic and international political, monetary and economic events and policies, and other public or private policies, actions or inactions, natural events such as weather conditions, agricultural factors, diseases, or technological developments. The current or "spot" prices of commodities may also affect the prices of futures contracts in respect of the relevant commodity.

### 5.1.9 Exposure to commodities within exchange traded funds

An Exchange Traded Fund investing in commodities may do so by replicating the performance of a commodities index. The underlying index may concentrate investment on selected commodity futures on multinational markets. This makes the underlying exchange traded fund extremely dependent on the performance of the commodity markets concerned.

### 5.1.10 Collateralized and/or securitized products risk

Where a Sub-Fund invests in collateralized and/or securitized products such as asset backed securities, mortgage backed securities and asset backed commercial papers, such Sub-Fund's may be subject to higher risks. Collateralized and/or securitized products may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risks compared to other securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.

### 5.1.11 Volatility

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

### 5.1.12 Low volatility securities

Although subject to the risks of common stocks, low volatility stocks are seen as having a lower risk profile than the overall markets. However, a portfolio comprised of low volatility stocks may not produce investment exposure that has lower variability to changes in such stocks' price levels. Certain Sub-Funds employ systematic models to select investments on the basis of past statistical results. There is a risk that investments selected using these models may perform differently than expected as a result of the design of the model, inputs into the model, changes from historical trends or other factors.

### 5.1.13 Leverage

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

**5.1.14 Hedging risk**

A Sub-Fund may (directly or indirectly) employ hedging by taking long and short positions in relation to transferable securities. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of such portfolio positions or prevent losses if the values of such positions decline beyond the effectiveness of the hedge or if the hedge is not perfectly correlated to the relevant portfolio positions. Hedging transactions may limit the opportunity for gain if the value of the portfolio positions should increase and the potential profitability is capped by the hedge. In the event of an imperfect correlation between a position in a hedging instrument and the portfolio position that it is intended to protect, the desired protection may not be obtained, and a Sub-Fund will be exposed to risk of loss in the event of adverse price movements in the underlying asset/s. Generally, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs, which can be prohibitive versus the risk-reward profile, risk appetite and economic objectives of the relevant Sub-Fund.

**5.1.15 Short positions**

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

A Sub-Fund may use financial derivative instruments to implement synthetic short positions. If the price of the instrument or market, on which the Sub-Fund has taken a short position increases, then the Sub-Fund will incur a loss in relation to the increase in price from the time that the short position was entered into plus any premiums and interest paid to a counterparty. Therefore, taking short positions involves the risk that losses may be exaggerated, potentially losing more money than the actual cost of the investment.

## 5.2 Liquidity risk

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In principle, each Sub-Fund will only make investments for which, a liquid market exists or which, can otherwise be sold, liquidated or closed at any time within a reasonable period of time. However, in certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments. In addition, a Sub-Fund may invest in financial instruments traded over-the-counter (OTC), which often tend to be less liquid than instruments that are listed and traded on exchanges. Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

In normal market conditions, the Sub-Fund's assets comprise mainly realisable investments which can be readily sold. A Sub-Fund's main liability is the redemption of any shares that investors wish to sell. In general, the Sub-Fund manages its investments, including cash, such that it can meet its liabilities. Investments held may need to be sold if insufficient cash is available to finance such redemptions. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Sub-Fund.

A Sub-Fund could face liquidity risk arising from investments in securities that have low trading volumes, imposed trading restrictions or temporary suspensions from trading. Investments in securities that have high liquidity risk may reduce return or incur substantial losses to a Sub-Fund if the Sub-Fund is unable to sell these securities at opportune times or prices. Liquidity could dry up in a very short time especially during a crisis.

## 5.3 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 after 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, or invests into debt securities and other fixed income instruments. Counterparty risk may also arise when a Sub-Fund enters into OTC financial derivative instruments, or enters into securities lending transactions, repurchase agreements and buy/sell-back transactions, as further described below.

## 5.4 Financial markets, counterparties and services providers

The Sub-Funds may be exposed to finance sector companies, which act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse effect on the return of the Sub-Funds. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Fund could be adverse and substantial.

### 5.5 Potential conflicts of interest

The Investment Manager may effect transactions in which, the Investment Manager has, directly or indirectly, an interest which may involve a potential conflict with the Investment Manager's duty to the Fund. The Investment Manager shall not be liable to account to the Fund for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will the Investment Manager's fees, unless otherwise provided, be abated. The Investment Manager will ensure that such transactions are effected on terms, which are not less favourable to the Fund than if the potential conflict had not existed. Such potential conflicting interests or duties may arise because the Investment Manager may have invested directly or indirectly in the Fund. The prospect of the performance fee may lead the Investment Manager to make investments that are riskier than would otherwise be the case.

### 5.6 Counterparty credit and settlement risk

Any Sub-Fund may enter into transactions directly with counterparties that have been approved by the Investment Manager, which will expose the Sub-Fund to the credit of those counterparties and their ability to satisfy the terms of such contracts. Such transactions generally do not benefit from protections afforded to exchange-traded transactions which include being backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. In the event of a bankruptcy or insolvency of a counterparty the Sub-Fund could experience delays in liquidating the position and losses, including declines in the value of its investment during the period in which the Sub-Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the agreements with counterparties are terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. However, the above risks are limited in view of the policy relating to counterparty risk management adopted by the Investment Manager and the investment restrictions laid down in this Prospectus. Counterparty risk is naturally accentuated for contracts with longer maturities, or where the Sub-Fund has concentrated its transactions with a single or small group of counterparties. The Fund is not restricted from dealing with any particular counterparty or the number of counterparties with which it transacts.

### 5.7 Operational risk

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

#### 5.7.1 Custody risk

Assets of the Fund are safe kept by the Depositary and investors are exposed to the risk of the Depositary not being able to fully meet its obligation to restitute in a short time frame all of the assets of the Fund in the case of bankruptcy of the Depositary. The assets of the Fund will be identified in the Depositary's books as belonging to the Fund. Securities held by the Depositary will be segregated from other assets of the Depositary, which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash, which increases the risk of non-restitution in case of bankruptcy. The Depositary does not keep all the assets of the Fund itself but uses a network of sub-custodians which may not be part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the Depositary.

A Sub-Fund may invest in markets where custodial and/or settlement systems are not fully developed. Where a Sub-Fund invests in markets where custodial and/or settlement systems are not fully developed, the assets of the Sub-Fund may be exposed to custodial risk. In case of liquidation, bankruptcy or insolvency of a custodian or sub-custodian, the Sub-Fund may take a longer time to recover its assets. In extreme circumstances such as the retroactive application of legislation and fraud or improper registration of title, the Sub-Fund may even be unable to recover all of its assets. The costs borne by a Sub-Fund in investing and holding investments in such markets will be generally higher than in organised securities markets. The assets of the Sub-Fund that are traded in such markets and which, have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary will have no liability.

### 5.7.2 Valuation

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

### 5.7.3 Laws and regulations

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

The Fund is domiciled in Luxembourg and investors should note that all the regulatory protections provided by their local regulatory authorities may not apply. Additionally, the Sub-Funds may be registered in non-EU jurisdictions. As a result of such registrations the Sub-Funds may be subject, without any notice to the shareholders in the Sub-Funds concerned, to more restrictive regulatory regimes. In such cases the Sub-Funds will abide by these more restrictive requirements. This may prevent the Sub-Funds from making the fullest possible use of the investment limits.

### 5.7.4 Tax considerations

The Fund may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Fund invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Fund may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value per Share.

The tax information provided in the “Taxation” section is based, to the best knowledge of the Board of Directors, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the Fund, the taxation of shareholders and any tax reliefs, and the consequences of such tax status and tax reliefs, may change from time-to-time. Any change in the taxation legislation in any jurisdiction where a Sub-Fund is registered, marketed or invested could affect the tax status of the Sub-Fund, affect the value of the Sub-Fund’s investments in the affected jurisdiction and affect the Sub-Fund’s ability to achieve its investment objective and/or alter the post-tax returns to shareholders. Where a Sub-Fund invests in derivatives, the preceding sentence may also extend to the jurisdiction of the governing law of the derivative contract and/or the derivative counterparty and/or to the market(s) comprising the underlying exposure(s) of the derivative.

The availability and value of any tax reliefs available to shareholders depend on the individual circumstances of shareholders. The information in the “Taxation” section is not exhaustive and does not constitute legal or tax advice. Investors are urged to consult their tax advisors with respect to their tax situations and the tax effects of an investment in the Fund.

Where a Sub-Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example India and jurisdictions in the Middle East, Oceania or in Southeast Asia, the relevant Sub-Fund, the Management Company, the Investment Manager and the Depositary shall not be liable to account to any shareholder for any payment made or suffered by the Fund in good faith to a fiscal authority for taxes or other charges of the Fund or the relevant Sub-Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered. Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the relevant Sub-Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Sub-Fund. Such late paid taxes will normally be debited to the Sub-Fund at the point the decision to accrue the liability in the Sub-Fund accounts is made.

Shareholders should note that certain Share Classes may pay dividends gross of expenses. This may result in shareholders receiving a higher dividend that they would have otherwise received and, therefore, shareholders may suffer a higher income tax liability as a result. In addition, in some circumstances, paying dividends gross of expenses may mean that the Sub-Fund pays dividends from capital property as opposed to income property.

This is also the case where dividends may include interest rate gaps arising from Share Class currency hedging. Such dividends may still be considered income distributions in the hands of shareholders, depending on the local tax legislation in place, and therefore shareholders may be subject to tax on the dividend at their marginal income tax rate. Shareholders should seek their own professional tax advice in this regard.

The tax laws and regulations in the PRC may be expected to change and develop as the PRC's economy changes and develops. Consequently, there may be less authoritative guidance to assist in planning and less uniform application of the tax laws and regulations in comparison to more developed markets. In addition, any new tax laws and regulations and any new interpretations may be applied retroactively. The application and enforcement of PRC tax rules could have a significant adverse effect on the Fund and its shareholders, particularly in relation to capital gains withholding tax imposed upon non-residents. The Fund does not currently intend to make any accounting provisions for these tax uncertainties.

a) FATCA

The Fund may be subject to regulations imposed by foreign regulators, in particular, the United States laws and regulations known as FATCA. FATCA provisions generally impose a reporting obligation to the US Internal Revenue Services of non-US financial institutions that do not comply with FATCA and US Persons' (within the meaning of FATCA) direct and indirect ownership of non-US accounts and non-US entities. Failure to provide the requested information will result in a 30% withholding tax applying to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends. The Fund will be treated as a Foreign Financial Institution within the meaning of FATCA. As such, the Fund may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Notwithstanding any other provision of this Prospectus, to the extent permitted by Luxembourg law, the Fund shall have the right to: (i) qualify the shareholder as a Prohibited Person and compulsorily redeem the shares of the relevant investor, (ii) withhold on any payment to investors an amount equal to any taxes or similar charges required by applicable laws and regulations to be withheld in respect of any shareholding in the Fund, (iii) require any investor or beneficial owner of Shares to promptly provide such personal data as may be required by the Fund in its discretion in order to comply with applicable laws and regulations and/or determine the amount to be withheld; (iv) divulge any such personal data to any tax authority, as may be required by applicable laws and regulations or requested by such authority; (v) delay payments to any investor, including any dividend or redemption proceeds, until the Fund holds sufficient information to comply with applicable laws and regulations and/or determine the amount to be withheld.

The Fund intends to fully comply with the legislation and the obligations imposed on it by FATCA and meet its obligation under the inter-governmental agreement ("**IGA**") with the US. However, no assurance can be given that the Fund will be able to fully achieve this and avoid being subject to US withholding taxes. In the event that Luxembourg as a country is deemed to not meet its obligations, or if the Fund as a Luxembourg financial institution is deemed by both the Luxembourg and US government to not be meeting its obligations in the future, the Fund may become subject to additional US withholding taxes, which could materially impact income returns from certain US source securities, and the Net Asset Value of such Sub-Funds may be adversely affected and may suffer significant loss as a result. In addition, shareholders may suffer material loss in certain funds where US withholding tax is imposed on the capital value of US source securities. Investors should consult their legal, tax and financial advisers to determine their status under the FATCA regime before making any decision to invest in any fund.

b) Common Reporting Standard

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

Under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Fund documentation, the Fund will be 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) investors that are reportable persons under the CRS Law, and (ii) Controlling Persons (as defined below) of certain non-financial entities which are themselves reportable persons. This information, as exhaustively set out in the CRS Law, will include personal data related to the reportable persons (the "**CRS Information**").

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

For the purposes of this section, "Controlling Person" means the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

Investors are further informed that the CRS Information related to reportable persons within the meaning of the CRS Law will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. In particular, reportable persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities. Similarly, investors undertake to inform the Fund within thirty (30) days of receipt of these statements should any personal data not be accurate. The investors further undertake to immediately inform the Fund of and provide the Fund with all supporting documentary evidence of any changes related to the CRS Information after occurrence of such changes. Any investor that fails to comply with the Fund's CRS Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such investor's failure to provide the Information or subject to disclosure of the CRS Information by the Fund to the Luxembourg tax authorities.

### 5.7.5 Segregation of Sub-Funds

The Fund is structured as an "umbrella fund" with segregated liability between its Sub-Funds. As a matter of Luxembourg law, the assets of one Sub-Fund will not be available to meet the liabilities of another. However, the Fund is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability. As at the date of this Prospectus, the Board of Directors are not aware of any such existing or contingent liability.

### 5.7.6 Share Class contagion

It is the Board of Directors' intention that all gains/losses or expenses arising in respect of a particular Share Class are borne by that Share Class. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

### 5.7.7 Hedged Share Classes

While a Sub-Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of that Sub-Fund and the Hedged Share Class.

The hedging strategies may be entered into whether the Reference Currency is declining or increasing in value relative to the relevant currency of the Hedged Share Class and so, where such hedging is undertaken it may substantially protect shareholders in the relevant Share Class against a decrease in the value of the Reference Currency relative to the Hedged Share Class currency, but it may also preclude shareholders from benefiting from an increase in the value of the Reference Currency.

Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could further affect the volatility of the Hedged Share Class.

Sub-Funds may also use hedging strategies which seek to provide exposure to certain currencies (i.e. where a currency is subject to currency trading restrictions). These hedging strategies involve converting the Net Asset Value of the relevant Share Class into the relevant currency using financial derivative instruments (including currency forwards).

All gains/losses or expenses arising from hedging transactions are borne separately by the shareholders of the respective Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Sub-Fund.

### 5.7.8 Termination of Sub-Funds and Share Classes

In the event of the termination of a Sub-Fund or a Share Class, the assets of the Sub-Fund or the Share Class will be realised, the liabilities discharged and the net proceeds of realisation distributed to shareholders in proportion to their holding of Shares in that Sub-Fund or Share Class. It is possible that at the time of such realisation or distribution, certain investments held by the Sub-Fund or Share Class may be worth less than the initial cost of such investments, resulting in a loss to the shareholders. All normal operating expenses incurred up to the point of termination will be borne by the Sub-Fund or the Share Class. Any organisational expenses (such as establishment costs) with regard to the relevant Sub-Fund that had not yet been fully amortised would be debited against the Sub-Fund's assets at that time.

### 5.7.9 Risks associated with payment of dividends out of capital/effectively out of capital

Investors should note that where distributions are declared and paid out of a Sub-Fund, the Board of Directors may at its discretion pay dividends out of the capital of a Sub-Fund or pay dividends out of gross income while charging/paying all or part of a Sub-Fund's fees and expenses to/out of the capital of the relevant Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and therefore, the Sub-Fund may effectively pay dividends out of capital. Payment of dividends out of capital of a Sub-Fund or payment of dividends effectively out of capital of a Sub-Fund amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of a Sub-Fund's capital or payment of dividends effectively out of the Sub-Fund's capital (as the case may be) may result in an immediate reduction of the net asset value per share.

The distribution amount and Net Asset Value of the Hedged Share Class may be adversely affected by differences in the interest rates of the Reference Currency of the Hedged Share Class and the Sub-Fund's Reference Currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-Hedged Share Classes.

### 5.7.10 Emerging markets risk

Potential investors should be aware that investment in emerging markets may involve, due to the economic and political development process that some of these countries are undergoing, a higher degree of risk, which could adversely affect the value of the investments and special consideration not typically associated with investment in more developed markets may be required. Among other things, investment in emerging markets involves risks such as restrictions on foreign investment, currency risk, political and economic uncertainties, legal and taxation risks, settlement risk, custody risk, foreign exchange controls, regulatory risk, counterparty risk, higher market volatility, less public information about companies and the illiquidity of the companies' assets depending on the market conditions in certain emerging markets. The debt instruments in emerging markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of the instruments traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the relevant Sub-Fund may incur significant trading costs. Moreover, companies may be subject to considerably less state supervision and less differentiated legislation. Their accounting and auditing do not always match western standards. Investments in some emerging countries are also exposed to higher risks in respect of the possession and custody of securities. Ownership of companies is for the most part determined by registration in the books of the company or its registrar (who is not, however, an agent of the depositary nor liable to the latter). Certificates evidencing the ownership of companies are frequently not held by the depositary, any of its correspondents or an efficient central depositary. As a result and due to lack of efficient regulation by government bodies, the Sub-Fund may lose the possession of or the registration of shares in companies through fraud, serious fault or negligence. Debt instruments involve a higher custody risk and settlement risk as, in accordance with market practice, such paper is held by local institutions that are not, however, always sufficiently insured against loss, theft, destruction or insolvency while holding the assets. Investment in fixed income securities issued by emerging market sovereigns and corporations would usually carry lower credit ratings. These securities usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default that these securities carry. When the Investment Manager and/or the Sub-Investment Manager(s) make investments in less developed markets, where accounting and other standards may be lower than seen elsewhere, their usual rigorous standards will be applied to endeavor to ensure that quality investments are purchased. The following statements are intended to illustrate the risks, which to varying degrees are characteristic of investing in emerging markets and less developed market instruments. These statements do not offer advice on the suitability of investments:

(a) Legal Environment

- The interpretation and application of decrees and legislative acts can often be contradictory and uncertain, particularly in respect of matters relating to taxation.
- Legislation could be imposed retrospectively or may be issued in the form of internal regulations not generally available to the public.
- Judicial independence and political neutrality cannot be guaranteed.
- State bodies and judges may not adhere to the requirements of the law and the relevant contract. There is no certainty that investors will be compensated in full or at all for any damage suffered or loss incurred.
- Recourse through the legal system may be lengthy and protracted and produce, even if successful, an inferior result, recovery or compensation compared to established jurisdictions.

(b) Currency Risk

Conversion into foreign currency or transfer from some markets of proceeds received from the sale of securities, cannot be guaranteed.

(c) Taxation

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends and other income may be, may become or may become retrospectively subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Sub-Fund invests or may invest in the future is not clearly established. It is therefore possible that the current interpretation of the law or understanding of practice might change, or that the law might be changed with retrospective effect. As a result, the Sub-Fund could become subject to additional taxation in such countries that is not anticipated either at the date of Prospectus or when investments are made, valued or disposed of.

### 5.7.11 Country specific risk

Certain Sub-Funds may invest in securities of one country or a limited number of countries. Sub-Funds that invest in one or a few select countries will be exposed to market, currency, and other risks related specifically to the economies of those countries. Government or regulators, implementation of policies, suspension or limitations on trading in any security traded on the relevant exchange, and capital flows could negatively impact the Sub-Funds' performance. Country specific issues could magnify the negative performance of the Sub-Funds or adversely impact the positive performance. Such Sub-Funds may be subject to volatility and structural risks associated with specific countries, and performance may lag the performance of Sub-Funds that invest in a diversified portfolio across many countries. Exposure to one or a limited number of countries' markets, also increases the potential volatility of such Sub-Funds due to the increased country or regional concentration risk as they are less diversified compared to exposure to specific more developed regional or global markets.

### 5.7.12 Portfolio concentration risk

Certain Sub-Funds may invest in a limited number of securities compared to other more diversified Sub-Funds holding a larger number of securities. Where a Sub-Fund holds a limited number of securities and is considered concentrated, the value of the Sub-Fund may fluctuate more than that of a diversified Sub-Fund holding a greater number of securities. The selection of securities in a concentrated portfolio may also result in sectoral and geographical concentration.

For Sub-Funds with geographical concentration, the value of the Sub-Funds may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant market.

### 5.7.13 Sub-Funds investing in specific sectors

Where investment is made in one or in a limited number of market sectors, such Sub-Funds may be more volatile than other more diversified Sub-Funds. The companies within these sectors may have limited product lines, markets, or financial resources, or may depend on a limited management group.

Such Sub-Funds may also be subject to rapid cyclical changes in investor activity and / or the supply of and demand for specific products and services. As a result, a stock market or economic downturn in the relevant specific sector or sectors would have a larger impact on a Sub-Fund that concentrates its investments in that sector or sectors than on a more diversified Sub-Fund.

There may also be special risk factors associated with individual sectors. For example, the stock prices of companies operating in natural resource related sectors, such as precious and other metals may be expected to follow the market price of the related natural resource, although there is unlikely to be perfect correlation between these two factors. Precious and other metal prices historically have been very volatile, which may adversely affect the financial condition of companies involved with precious and other metals. Also, the sale of precious and other metals by governments or central banks or other larger holders can be affected by various economic, financial, social and political factors, which may be unpredictable and may have a significant impact on the prices of precious and other metals. Other factors that may affect the prices of precious and other metals and securities related to them include changes in inflation, the outlook for inflation and changes in industrial and commercial supply and demand for such metals.

Real estate securities are subject to some of the same risks associated with the direct ownership of real estate including, but not limited to: adverse changes in the conditions of the real estate markets, changes in the general and local economies, obsolescence of properties, changes in availability of real estate stock, vacancy rates, tenant bankruptcies, costs and terms of mortgage financing, costs of operating and improving real estate and the impact of laws affecting real estate (including environmental and planning laws). However, investing in real estate securities is not equivalent to investing directly in real estate and the performance of real estate securities may be more heavily dependant on the general performance of stock markets than the general performance of the real estate sector.

Historically there had been an inverse relationship between interest rates and property values. Rising interest rates can decrease the value of the properties in which a real estate company invests and can also increase related borrowing costs. Either of these events can decrease the value of an investment in real estate companies.

The current taxation regimes for property-invested entities are potentially complex and may change in the future. This may impact either directly or indirectly the returns to investors in a real estate fund and the taxation treatment thereof.

### 5.8 Certain financial instruments and investment techniques

#### 5.8.1 Equity risk

A Sub-Fund’s investment in equity securities is subject to general market risks. The values of equities fluctuate daily and a Sub-Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company and sector level, as well as by broader economic and political developments, including changes in investment sentiment, political and economic conditions, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events. Such effects can be magnified in less developed markets.

High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of securities traded on such markets and thereby may adversely affect the value of Sub-Fund(s) which invests in such markets.

Securities exchanges may have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on a Sub-Fund.

#### 5.8.2 Small-capitalisation / mid-capitalisation companies risk

The stock of small-capitalisation/ mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

#### 5.8.3 Derivatives risk

The Sub-Funds may invest in derivatives, which will be subject to risks. While the judicious use of derivatives by professional investment managers can be beneficial, derivatives involve risks different from, and, in some cases, greater than, the risks presented by more traditional securities investments. Although the Sub-Funds use derivatives only for the purposes of efficient portfolio management and/or to protect their assets and commitments, in adverse market situations, a Sub-Fund’s use of derivatives may become less or wholly ineffective in such circumstances, and the Sub-Funds could suffer significant losses. The leverage element of a “FDI” can result in a loss significantly greater than the amount invested in the FDI by the Sub-Funds. Some of the risks associated with derivatives are market risk, management risk, credit risk, counterparty risk, liquidity risk, valuation risk, volatility risk, over-the-counter (“**OTC**”) transaction risk, operational risk and leverage risk.

Investments in derivatives may require the deposit of initial margin and additional margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the investment may be liquidated at a loss.

Therefore, it is essential that such investments in derivatives are monitored closely and, wherever possible/applicable, stop-losses used. The Investment Manager and the relevant Sub-Investment Manager have the necessary controls for investments in derivatives and have in place systems to monitor the derivative positions of the Sub-Funds.

The Investment Manager or relevant Sub-Investment Manager does not intend to use derivative transactions for the sole purpose of speculating or achieving leverage but may use them for efficient portfolio management and/or risk management. Investors should refer to paragraph below for further information on the risks associated with derivatives and the risk management and compliance procedures and controls adopted by the Investment Manager or relevant Sub-Investment Manager in this respect. In particular, investment in credit default swaps, volatility derivatives, asset-backed securities and mortgage-backed securities are subject to the following risks:

(a) Management Risk

Financial derivative instruments ("**FDIs**") are highly specialised instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of an FDI requires an understanding not only of the underlying instrument but also of the derivative itself, without however enabling to anticipate the performance of the derivative under all possible market conditions.

(b) Counterparty Risk

The use of FDIs involves the risk that a loss may be sustained as a result of the failure of another party to the contract (usually referred to as a "counterparty") to make required payments or otherwise comply with the contract's terms. Additionally, in respect of certain instruments such as credit default swaps, losses could result if the Fund or its Sub-Funds do not correctly evaluate the creditworthiness of the company on which, the credit default swap is based. The Fund will be exposed to credit risk on the counterparties with which it trades, particularly in relation to options, futures contracts and other derivatives such as TRS that are not traded on a Regulated Market. A TRS is an agreement in which one party makes payments based on the total return of an underlying asset, which includes both the income it generates and any capital gains or losses, in exchange for payments based on an interest rate, either fixed or variable, from the other party. Such instruments are not afforded the same protection as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The Fund will be subject to the possibility of the insolvency, bankruptcy or default of a counterparty with which it trades, which could result in substantial losses to the Fund.

(c) Liquidity Risk

A Sub-Fund may lose money or be prevented from earning capital gains if or when particular derivatives are difficult to purchase or sell, possibly preventing a Sub-Fund from selling such securities at an advantageous time or price that would have been more beneficial to the Sub-Fund, or possibly requiring the Sub-Fund to dispose of other investments at less favourable times and prices in order to satisfy its obligations.

(d) Lack of Availability

Because the markets for certain FDIs are relatively new and still developing, suitable FDI transactions may not be available in all circumstances for risk management or other purposes. Upon the expiration of a particular contract, the portfolio manager may wish to retain the position of the Fund or its Sub-Funds in the FDIs by entering into a similar contract, but may be unable to do so if the counterparty to the original contract is unwilling to enter into the new contract and no other suitable counterparty can be found. There is no assurance that the Fund or its Sub-Funds will engage in FDI transactions at any time or from time-to-time. The ability to use FDIs may also be limited by certain regulatory and tax considerations.

(e) Market and Other Risks

Like most other investments, FDIs are subject to the risk that the market value of the instrument will change in a way detrimental to the interest of the Fund or its Sub-Funds. If a portfolio manager incorrectly forecasts the values of securities, currencies or interest rates or other economic factors in using FDIs, the Fund or its Sub-Funds might have been in a better position if it had not entered into the transaction at all. While some strategies involving FDIs can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other investments. The Fund may also have to buy or sell a security at a disadvantageous time or price because the Fund is legally required to maintain offsetting positions or asset coverage in connection with certain FDI transactions. Other risks in using FDIs include the risk of mispricing or improper valuation of FDIs and the inability of FDIs to correlate perfectly with underlying assets, rates and indices. Many FDIs, in particular, privately negotiated FDIs, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund or its Sub-Funds. Also, the value of FDIs may not correlate perfectly, or at all, with the value of the assets, reference rates or indices they are designed to closely track. In addition, the use of FDIs may cause the Fund or its Sub-Funds to realise higher amounts of short-term capital gains (generally taxed at ordinary income tax rates) than if the Fund or its Sub-Funds had not used such instruments.

The time value of a derivative will generally have a fair value at the point of sale or purchase and any applicable premium or discount can have a greater or lesser effect on the closing price of the derivative in question. The movement in the premium/discount to fair value is typically difficult to predict and is mirrored by the movements in the spread required to close, which can also fluctuate unpredictably (in relation to sentiment or expectation, for example).

### 5.8.4 OTC financial derivative instruments

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on recognised 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 Fund 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 Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker, with which the Fund has an open position or if margin is not identified and correctly reported to the particular Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation 648/2012 on OTC 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 Fund. 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 Fund, 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 objectives.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC 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 may also 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).

### 5.8.5 Securities lending, repurchase agreements and buy/sell-back transactions

Securities lending involves risks in that (a) if the borrower of securities lent by a fund fails to return them in a timely manner there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded and that (b) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the investment objective of the fund, or (iii) yield a sum less than the amount of collateral to be returned and that (c) delays in the return of securities on loans may restrict the ability of a fund to meet delivery obligations under security sales.

Under a repurchase agreement a Sub-Fund sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed price and date. The difference between the sale price and the repurchase price establishes the cost of the transaction. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the agreement. In a reverse repurchase agreement a Sub-Fund purchases an investment from a counterparty which undertakes to repurchase the security at an agreed resale price on an agreed future date. The Sub-Fund therefore bears the risk that if the seller defaults the Sub-Fund might suffer a loss to the extent that proceeds from the sale of the underlying securities together with any other collateral held by the Sub-Fund in connection with the relevant agreement may be less than the repurchase price because of market movements. A Sub-Fund cannot sell the securities, which are the subject of a reverse repurchase agreement until the term of the agreement has expired or the counterparty has exercised its right to repurchase the securities.

Securities lending transactions, repurchase agreements and buy/sell-back 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 transactions, repurchase agreements and buy/sell-back 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 Sub-Fund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realisation of collateral, as described below.

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

### 5.8.6 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 reinvestment is 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.

### 5.8.7 Convertible securities risk

Convertible securities are typically bonds or preferred stocks that may be converted into a specific number of shares of the issuing company's stock at a specified conversion price. Convertible securities (including convertible bonds) which are hybrid between debt and equity combine investment characteristics and risks of equities and bonds. As such, convertible securities will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments. Depending on the value of the underlying stock, the convertible security will behave more like a stock or like a bond. When the price of the underlying stock exceeds the conversion price, the convertible security generally behaves more like a stock and will be more sensitive to changes in equity securities. When the price of the underlying stock is lower than the conversion price, the convertible security generally behaves more like a bond and will be more sensitive to changes in interest rates and in credit spreads. Given the benefit provided by the potential conversion, convertible securities generally offer lower yields than non-convertible securities of similar quality. They also can be of lower credit quality and tend to be less liquid than traditional nonconvertible securities. Lower credit quality debt securities are generally subject to greater market, credit and default risk compared to more highly rated securities.

### 5.8.8 Contingent convertible bonds risk

Contingent convertible bonds are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. Upon the occurrence of a predetermined event (known as a trigger event), contingent convertible bonds will be converted into shares of the issuing company (potentially at a discounted price as a result of the deterioration in the financial condition of the issuing company), or cause the permanent write-down to zero of the principal investment and/or accrued interest such that the principal amount invested may be lost on a permanent or temporary basis. Contingent convertible bonds are risky and highly complex instruments. Coupon payments on contingent convertible bonds are discretionary and may at times also be ceased or deferred by the issuer. Trigger events can vary but these could include the capital ratio of the issuing company falling below a certain level, or the share price of the issuer falling to a particular level for a certain period of time. Contingent convertible bonds are also subject to additional risks specific to their structure including:

Trigger level risk: Trigger levels differ and determine exposure to conversion risk. It might be difficult for the Manager to anticipate the trigger events that would require the debt to convert into equity or write down to zero of principal investment and/or accrued interest. Trigger events may include: (i) a reduction in the issuing bank's Core Tier 1/Common Equity Tier 1 (CT1/CET1) ratio or other ratios; (ii) a regulatory authority, at any time, making a subjective determination that an institution is "non-viable", i.e. a determination that the issuing bank requires public sector support in order to prevent the issuer from becoming insolvent, bankrupt or otherwise carry on its business and requiring or causing the conversion of the contingent convertible bonds into equity or write down, in circumstances that are beyond the control of the issuer; or (iii) a national authority deciding to inject capital.

Coupon cancellation: Coupon payments on some contingent convertible bonds are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time. The discretionary cancellation of payments is not an event of default and there are no possibilities to require re-instatement of coupon payments or payment of any passed payments. Coupon payments may also be subject to approval by the issuer's regulator and may be suspended in the event there are insufficient distributable reserves. As a result of uncertainty surrounding coupon payments, contingent convertible bonds may be volatile and their price may decline rapidly in the event that coupon payments are suspended.

Capital structure inversion risk: Contrary to the classic capital hierarchy, a Sub-Fund investing in contingent convertible bonds may suffer a loss of capital while equity holders do not, for example, when the loss absorption mechanism of a high trigger/write-down of a contingent convertible bond is activated. This is contrary to the normal order of the capital structure where equity holders are expected to suffer the first loss.

Call extension risk: Some contingent convertible bonds are issued as perpetual instruments and only callable at predetermined levels upon approval of the competent regulatory authority. It cannot be assumed that these perpetual contingent convertible bonds will be called on a call date. Contingent convertible bonds are a form of permanent capital. A Sub-Fund investing in contingent convertible bonds may not receive return of principal as expected on call date or indeed at any date.

Conversion risk: Trigger levels differ between specific contingent convertible bonds and determine exposure to conversion risk. It might be difficult at times for the Manager to assess how the contingent convertible bonds will behave upon conversion. In case of conversion into equity, the Manager might be forced to sell these new equity shares subject to the investment strategy of a Sub-Fund. Given the trigger event is likely to be an event depressing the value of the issuer's common equity, this forced sale may result in the Sub-Fund experiencing some losses.

Valuation and write-down risk: Contingent convertible bonds often offer attractive yield which may be viewed as a complexity premium. The value of contingent convertible bonds may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Sub-Fund may lose the entire investment value or may be required to accept cash or securities with a value less than the original investment.

Market value fluctuations due to unpredictable factors: The value of contingent convertible bonds is unpredictable and will be influenced by many factors including, without limitation (i) creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (ii) supply and demand for the contingent convertible bonds; (iii) general market conditions and available liquidity; and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general.

Liquidity risk: In certain circumstances finding a buyer ready to invest in contingent convertible bonds may be difficult and a Sub-Fund may have to accept a significant discount to sell it.

Sector concentration risk: Contingent convertible bonds are issued by banking and insurance institutions. Investment in contingent convertible bonds may lead to an increased sector concentration risk. The performance of a Sub-Fund with investment in contingent convertible bonds may therefore be affected to a larger extent by the overall condition of the financial services industry than for the funds following a more diversified strategy.

Subordinated instruments: Contingent convertible bonds will, in the majority of circumstances, be issued in the form of subordinated debt instruments in order to provide the appropriate regulatory capital treatment prior to a conversion. Accordingly, in the event of liquidation, dissolution or winding-up of an issuer prior to a conversion having occurred, the rights and claims of the holders of the contingent convertible bonds, such as a Sub-Fund, against the issuer in respect of or arising under the terms of the contingent convertible bonds shall generally rank junior to the claims of all holders of unsubordinated obligations of the issuer.

Novelty and untested nature: The structure of contingent convertible bonds is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform.

### 5.8.9 Investing in other funds risk

Where a Sub-Fund invests in other underlying funds, it will be subject to the risks associated with the underlying funds. The Sub-Fund does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the Net Asset Value of the Sub-Fund.

### 5.8.10 Fixed income transferable securities

Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them.

A Sub-Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Sub-Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities.

An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Sub-Fund may experience losses and incur costs.

Issuers of non-investment grade or unrated debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade or unrated securities tend to be less liquid and more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities.

### 5.8.11 Asset-backed securities ("ABS")

An asset-backed security is a generic term for a debt security issued by corporations or other entities (including public or local authorities) backed or collateralized by the income stream from an underlying pool of assets. The underlying assets typically include loans, leases or receivables (such as credit card debt, automobile loans and student loans). An asset-backed security is usually issued in a number of different classes with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the class, the more the asset-backed security pays by way of income.

The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and mortgage-backed securities ("MBS") are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected), these risks may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

Specific types of ABS in which the Sub-Funds may invest are set out below:

*Generic risks related to ABS*

With regard to Sub-Funds that invest in ABS, while the value of ABS typically increases when interest rates fall and decreases when interest rates rise, and are expected to move in the same direction of the underlying related asset, there may not be a perfect correlation between these events.

The ABS in which the Sub-Fund may invest may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain ABS may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, a Sub-Fund may sell the ABS in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset.

ABS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, prepayments may occur at a slower rate than expected. As a result, the average duration of the Sub-Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

As with other debt securities, ABS are subject to both actual and perceived measures of creditworthiness. Liquidity in ABS may be affected by the performance or perceived performance of the underlying assets. In some circumstances investments in ABS may become less liquid, making it difficult to dispose of them.

Accordingly the Sub-Fund's ability to respond to market events may be impaired and the Sub-Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for an ABS may be volatile and may not be readily ascertainable.

As a result, the Sub-Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

ABS may be leveraged which may contribute to volatility in the value of the security.

Considerations relating to specific types of ABS in which a Sub-Fund may invest:

*Asset-Backed Commercial Paper ("**ABCP**").*

An ABCP is a short-term investment vehicle with a maturity that is typically between 90 and 180 days. The security itself is typically issued by a bank or other financial institution. The notes are backed by physical assets such as trade receivables, and are generally used for short-term financing needs.

A company or group of companies looking to enhance liquidity may sell receivables to a bank or other conduit, which, in turn, will issue them to the Sub-Fund as commercial paper. The commercial paper is backed by the expected cash inflows from the receivables. As the receivables are collected, the originators are expected to pass on the funds.

*Collateralized Debt Obligation ("**CDO**")*

A CDO is generally an investment grade security backed by a pool of non-mortgage bonds, loans and other assets. CDOs do not usually specialize in one type of debt but are often loans or bonds.

CDOs are packaged in different classes representing different types of debt and credit risk. Each class has a different maturity and risk associated with it.

*Credit Linked Note ("**CLN**")*

A CLN is a security with an embedded credit default swap allowing the issuer to transfer a specific credit risk to the Sub-Fund.

CLNs are created through a special purpose company or trust, which is collateralized with securities rated in the top tier as determined by an accredited credit rating agency. The Sub-Fund buys securities from a trust that pays a fixed or floating coupon during the life of the note. At maturity, the Sub-Fund will receive the par value unless the referenced entity credit defaults or declares bankruptcy, in which case it receives an amount equal to the recovery rate. The trust enters into a default swap with a deal arranger. In case of default, the trust pays the dealer par minus the recovery rate in exchange for an annual fee which is passed on to the Sub-Fund in the form of a higher yield on the notes.

Under this structure, the coupon or price of the note is linked to the performance of a reference asset. It offers borrowers a hedge against credit risk, and offers the Sub-Fund a higher yield on the note for accepting exposure to a specified credit event.

*Synthetic Collateralized Debt Obligation*

A synthetic CDO is a form of collateralized debt obligation ("**CDO**") that invests in credit default swaps (CDSs – see below) or other non-cash assets to gain exposure to a portfolio of fixed income assets. Synthetic CDOs are typically divided into credit classes based on the level of credit risk assumed. Initial investments into the CDO are made by the lower classes, while the senior classes may not have to make an initial investment.

All classes will receive periodic payments based on the cash flows from the credit default swaps. If a credit event occurs in the fixed income portfolio, the synthetic CDO and its investors including the Sub-Fund become responsible for the losses, starting from the lowest rated classes and working its way up.

While synthetic CDOs can offer extremely high yields to investors such as the Fund, there is potential for a loss equal to that of the initial investments if several credit events occur in the reference portfolio.

A CDS is a swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a CDS receives credit protection (buys protection), whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the CDS. CDS are treated as a form of OTC derivative.

*Whole Business Securitisation ("**WBS**")*

Whole-business securitisation is defined as a form of asset-backed financing in which operating assets (which are long-term assets acquired for use in the business rather than for resale and includes property, plant, and equipment and intangible assets) are financed through the issues of notes via a special purpose vehicle (a structure whose operations are limited to the acquisition and financing of specific assets, usually a subsidiary company with an asset/liability structure and legal status that makes its obligations secure even if the parent company goes bankrupt) in the bond market and in which the operating company keeps complete control over the assets securitized. In case of default, control is handed over to the security trustee for the benefit of the note holders for the remaining term of financing.

### 5.8.12 Mortgage-backed securities ("MBS")

A mortgage-backed security is a generic term for a debt security backed or collateralized by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A mortgage-backed security is normally issued in a number of different classes with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate of securities. The higher the risk contained in the class, the more the mortgage-backed security pays by way of income.

Specific types of MBS in which a Sub-Fund may invest are set out below.

*Generic risks related to MBS:*

MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Sub-Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Sub-Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

Because of prepayment risk and extension risk, MBS react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. Certain MBS in which the Sub-Fund may invest may also provide a degree of investment leverage, which could cause the Sub-Fund to lose all or a substantial amount of its investment.

In some circumstances investments in MBS may become less liquid, making it difficult to dispose of them. Accordingly, the Sub-Fund's ability to respond to market events may be impaired and the Sub-Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for MBS may be volatile and may not be readily ascertainable. As a result, the Sub-Fund may not be able to sell them when it desires to do so, or to realize what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

*Considerations relating to specific types of MBS in which a Fund may invest*

*Commercial Mortgage Backed Security ("**CMBS**")*

A CMBS is a type of mortgage backed security that is secured by the loan on a commercial property; CMBS can provide liquidity to real estate investors and to commercial lenders. Typically a CMBS provides a lower degree of prepayment risk because commercial mortgages are most often set for a fixed term and not for a floating term as is generally the case with a residential mortgage. CMBS are not always in a standard form so can present increased valuation risk.

*Collateralized Mortgage Obligation ("**CMO**")*

A CMO is a security backed by the revenue from mortgage loans, pools of mortgages, or even existing CMOs, separated into different maturity classes. In structuring a CMO, an issuer distributes cash flow from the underlying collateral over a series of classes, which constitute a multiclass securities issue. The total revenue from a given pool of mortgages is shared between a collection of CMOs with differing cash flow and other characteristics. In most CMOs, coupon payments are not made on the final class until the other classes have been redeemed. Interest is added to increase the principal value.

CMOs aim to eliminate the risks associated with prepayment because each security is divided into maturity classes that are paid-off in order. As a result, they yield less than other mortgage-backed securities. Any given class may receive interest, principal, or a combination of the two, and may include more complex stipulations. CMOs generally receive lower interest rates that compensate for the reduction in prepayment risk and increased predictability of payments. In addition, CMOs can exhibit relatively low liquidity, which can increase the cost of buying and selling them.

*Real Estate Mortgage Investment Conduits ("**REMIC**")*

A REMIC is an investment-grade mortgage bond that separates mortgage pools into different maturity and risk classes to the bank or conduit, which then passes the proceeds on to the note holders including the Sub-Fund. The REMIC is structured as a synthetic investment vehicle consisting of a fixed pool of mortgages broken apart and marketed to investors as individual securities and created for the purpose of acquiring collateral. This base is then divided into varying classes of securities backed by mortgages with different maturities and coupons.

*Residential mortgage-backed security ("**RMBS**")*

An RMBS is a type of security whose cash flows come from residential debt such as mortgages, home-equity loans and subprime mortgages. This is a type of MBS which focuses on residential instead of commercial debt.

Holders of an RMBS receive interest and principal payments that come from the holders of the residential debt. The RMBS comprises a large amount of pooled residential mortgages.

### 5.8.13 Sovereign debt risk

Sovereign debt refers to debt obligations issued or guaranteed by governments or their agencies and instrumentalities (each a "governmental entity"). Investments in sovereign debt may involve a degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the international monetary bodies, any constraints placed on it by inclusion in a common monetary policy, or any other constraints to which a governmental entity might be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and other foreign entities to reduce principal and interest arrears on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign debt. Holders of sovereign debt, including a Sub-Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. Sovereign debt holders may also be affected by additional constraints relating to sovereign issuers which may include (i) the restructuring of such debt (including the reduction of outstanding principal and interest and or rescheduling of repayment terms) without the consent of the impacted Fund(s) (e.g. pursuant to legislative actions unilaterally taken by the sovereign issuer and/or decisions made by a qualified majority of the lenders); and (ii) the limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment (for example there may be no bankruptcy proceedings available by which sovereign debt on which a government entity has defaulted may be recovered).

### 5.9 Investments in the PRC

Investments in the PRC are currently subject to certain additional risks, particularly regarding the ability to deal in securities in the PRC. Dealing in certain PRC securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the Fund may determine from time-to-time, that making direct investments in certain securities may not be appropriate for a UCITS. As a result, the Fund may choose to gain exposure to PRC securities indirectly and may be unable to gain full exposure to the PRC markets.

### 5.10 PRC economic risk

The PRC is one of the world's largest global emerging markets. The economy in the PRC, which has been in a state of transition from a planned economy to a more market orientated economy, differs from the economies of most developed countries and investing in the PRC may be subject to greater risk of loss than investments in developed markets. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, greater risk of market shut down, greater control of foreign exchange and more limitations on foreign investment policy than those typically found in a developed market. There may be substantial government intervention in the PRC economy, including restrictions on investment in companies or industries deemed sensitive to relevant national interests. The PRC government and regulators may also intervene in the financial markets, such as by the imposition of trading restrictions, which may affect the trading of PRC securities. The companies in which the relevant Sub-Fund invests may be held to lower disclosure, corporate governance, accounting and reporting standards than companies in more developed markets. In addition, some of the securities held by the relevant Sub-Fund may be subject to higher transaction and other costs, foreign ownership limits, the imposition of withholding or other taxes, or may have liquidity issues which make such securities more difficult to sell at reasonable prices. These factors may have an unpredictable impact on the relevant Sub-Fund's investments and increase the volatility and hence the risk of a loss to the value of an investment in the relevant Sub-Fund.

As with any fund investing in an emerging market country, the relevant Sub-Fund investing in the PRC may be subject to greater risk of loss than a fund investing in a developed market country. The PRC economy has experienced significant and rapid growth in the past 20 years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the PRC economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth of the PRC economy. Furthermore, the PRC government has carried out economic reforms to achieve decentralization and utilization of market forces to develop the economy of the PRC. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities markets in PRC and therefore on the performance of the relevant Sub-Fund.

These factors may increase the volatility of any such Sub-Fund (depending on its degree of investment in the PRC) and hence the risk of loss to the value of your investment.

### 5.11 PRC political risks

Any political changes, social instability and adverse diplomatic developments which may take place in, or in relation to, the PRC could result in significant fluctuation in the price of China A-Shares and/or China onshore bonds.

### 5.12 Legal system of the PRC

The PRC legal system is based on written statutes and their interpretation by the Supreme People’s Court. Prior court decisions may be cited for reference but have no precedent value. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, because of the limited volume of published cases and judicial interpretation, and their non-binding nature, the interpretation and enforcement of these regulations involves significant uncertainties. Given the short history of the PRC system of commercial laws, the PRC regulatory and legal framework may not be as well developed as those of developed countries. Such regulations also empower the China Securities Regulatory Commission (“**CSRC**”) and the State Administration of Foreign Exchange (“**SAFE**”) to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application. In addition, as the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the relevant Sub-Fund’s onshore business operations or the ability of the relevant Sub-Fund to acquire China A-Shares and/or China onshore bonds.

### 5.13 Short swing profit rule risk

According to the PRC securities law, an investor holding more than 5% of shares, aggregating its positions with other group companies, of the total issued shares (a "**Substantial Shareholder**") of a PRC incorporated company, which is listed on a stock exchange in PRC (a "**PRC Listco**") has to return any profits obtained from the purchase and sale of shares of such PRC Listco if both transactions occur within a six-month period. As a result, in the event of becoming a Substantial Shareholder, any Sub-Fund who buys then sells (or sells then buys) any shares of a company listed as a China A-Share on the SSE/SZSE within any six month period may be required to give up any profit it makes to the issuer. The profits that a Sub-Fund may derive from such investments may be limited, and thus the performance of a Sub-Fund may be adversely affected.

### 5.14 Disclosure of interests risk

Under the PRC disclosure of interest requirements, in the event the Fund becomes a Substantial Shareholder of a PRC Listco it may be subject to the risk that the Fund's holdings may have to be reported in aggregate with the holdings of such other persons mentioned above. This may expose the Fund's holdings to the public and potentially give rise to an adverse impact on the performance of the Sub-Funds.

### 5.15 Renminbi currency and conversion risks

The Renminbi, the lawful currency of the PRC, is not currently a freely convertible currency and is subject to exchange control and restrictions imposed by the PRC government. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the relevant Sub-Fund may invest in the PRC, it will be subject to the risk of the PRC government’s imposition of restrictions on the repatriation of funds or other assets, limiting the ability of the relevant Sub-Fund to satisfy payments to investors.

Non-Renminbi based investors are exposed to foreign exchange risk and there is no guarantee that the value of Renminbi against the investors’ base currencies (for example USD) will not depreciate. Any depreciation of Renminbi could adversely affect the value of investor’s investment in the Sub-Funds. The exchange rate used for all relevant Sub-Fund transactions in Renminbi is in relation to the offshore Renminbi (“**CNH**”), not the onshore Renminbi (“**CNY**”). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including, without limitation, those foreign exchange control policies and repatriation restrictions applied by the PRC government from time-to-time as well as other external market forces. Any divergence between CNH and CNY may adversely impact investors. Under exceptional circumstances, payment of redemptions and/or dividend payment in Renminbi may be delayed due to the exchange controls and restrictions applicable to Renminbi.

### 5.16 Risks relating to China A-Share market

Investors should note that the stock exchanges in the PRC on which China A-Shares are traded are at a developing stage and the market capitalisation and trading volume are much lower than those in more developed financial markets. Market volatility and potential lack of liquidity due to low trading volume in the China A-Share market may result in prices of securities traded on such markets fluctuating significantly resulting in substantial volatility in the share price of the relevant Sub-Funds.

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

Securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits are imposed by the stock exchanges in the PRC on China A-Shares, where trading in any China A-Share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the Investment Manager to liquidate positions and can thereby expose the relevant Sub-Fund to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the Investment Manager to liquidate positions at a favourable price.

### 5.17 Stock Connect

Certain funds may invest and have direct access to certain eligible China A-Shares via the Stock Connect. The Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), SSE/SZSE and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between the PRC and Hong Kong.

The Stock Connect comprises a Northbound Trading Link (for investment in China A-Shares) by which certain funds may be able to place orders to trade eligible shares listed on SSE/SZSE. Under the Stock Connect, overseas investors (including the funds) may be allowed, subject to rules and regulations issued and amended from time-to-time, to trade China A-Shares listed on the SSE/SZSE through the Northbound Trading Link.

In addition to the risks associated with the Chinese market and risks related to investments in RMB, investments through the Stock Connect are subject to additional risks, namely, quota limitations, suspension risk, operational risk, restrictions on selling imposed by front-end monitoring, recalling of eligible stocks, clearing and settlement risks, nominee arrangements in holding China A-Shares and regulatory risk.

Quota limitations - The Stock Connect is subject to quota limitations on investments, which may restrict the relevant funds' ability to invest in China A-Shares through the Stock Connect on a timely basis, and these funds may not be able to effectively pursue their investment policies.

Suspension risk - Both the SEHK and SSE/SZSE reserve the right to suspend trading through Stock Connect, if necessary, in order to ensure an orderly and fair market and to managing risks prudently, which could adversely affect the relevant funds' ability to invest in China A-shares or access the PRC market. In such event, the relevant funds' ability to achieve their investment objectives could be negatively affected.

Differences in trading day - The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but Hong Kong investors (such as the funds) cannot carry out any China A-Shares trading. The funds may be subject to a risk of price fluctuations in China A-Shares during the time when the Stock Connect is not trading as a result.

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

Clearing and settlement risks - The Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of HKEx ("**HKSCC**") and ChinaClear establish the clearing links and each is a participant of each other to facilitate clearing and settlement of crossboundary trades. As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant fund(s) may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

Nominee arrangements in holding China A-Shares - HKSCC is the "nominee holder" of the SSE/SZSE securities acquired by overseas (investors including the relevant fund(s)) through the Stock Connect. The CSRC Stock Connect rules expressly provide that investors such as the funds enjoy the rights and benefits of the SSE/SZSE securities acquired through the Stock Connect in accordance with applicable laws. However, the courts in the PRC may consider that any nominee or custodian as registered holder of SSE/SZSE securities would have full ownership thereof, and that even if the concept of beneficial owner is recognized under PRC law those SSE/SZSE securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently, the relevant fund(s) and the custodian cannot ensure that the fund's ownership of these securities or title thereto is assured in all circumstances.

Under the rules of the Central Clearing and Settlement System operated by HKSCC for the clearing of securities listed or traded on SEHK, HKSCC as nominee holder shall have no obligation to take any legal action or court proceeding to enforce any rights on behalf of the investors in respect of the SSE/SZSE securities in the PRC or elsewhere. Therefore, although the relevant funds' ownership may be ultimately recognised, these funds may suffer difficulties or delays in enforcing their rights in China A-Shares.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the custodian and the relevant fund(s) will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that a fund suffers losses resulting from the performance or insolvency of HKSCC.

Regulatory risk - The CSRC Stock Connect rules are departmental regulations having legal effect in the PRC. However, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies.

The Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time-to-time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect. Such regulations may also have potential retrospective effect.

The regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that the Stock Connect will not be abolished. The relevant funds, which may invest in the PRC markets through Stock Connect may be adversely affected as a result of such changes.

No protection by Investor Compensation Fund - The relevant Sub-Funds' investments in SSE/SZSE securities under Stock Connect are not covered by the Hong Kong's Investor Compensation Fund or the China Securities Investor Protection Fund. Therefore, the Sub-Funds are exposed to the risks of default of the broker(s) they engage in their trading in China A-Shares through the respective program and the investors will not benefit from compensation under such schemes.

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

### 5.18 Risks relating to Multi-asset Sub-Funds

Where a Sub-Fund adopts a dynamic asset allocation strategy, the investments of such Sub-Fund may be periodically rebalanced and therefore the fund may incur greater transaction costs than a fund with static allocation strategy.

# 6. MANAGEMENT AND ADMINISTRATION

## 6.1 The Board of Directors

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

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

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

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

## 6.2 The Management Company

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

The Management Company was incorporated as a "*société anonyme*" under the laws of Luxembourg on 10 November 2004 and its consolidated articles were published in the RESA on 19 January 2016. The Management Company is registered with the Luxembourg Trade and Companies' Register under number B 104 196 and is approved as a management company in accordance with Chapter 15 of the 2010 Law and regulated by the CSSF.

The Management Company's registered office is at 33, Rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg.

The directors of the Management Company are:

- Michel Marcel Vareika, Chairman - Independent Non-Executive Director, Director of Companies, FundRock Management Company S.A., Luxembourg,

- Romain Denis, Executive Director - Managing Director, FundRock Management Company S.A., Luxembourg,

- Eric May, Non-Executive Director, Founding Partner, BlackFin Capital Partners, France,

- Tracey Mc Dermott, Independent Non-Executive Director, Managing Director, Gemini Governance & Advisory Solutions S.à r.l., Luxembourg,

- Grégory Nicolas, Executive Director – Managing Director, FundRock Management Company S.A., Luxembourg,

- Xavier Parain, Executive Director - Chief Executive Officer, FundRock Management Company S.A., Luxembourg; and

- Serge Ragozin, Executive Director, Deputy Chief Executive Officer, FundRock Management Company S.A., Luxembourg.

In addition to the Company, the Management Company also acts as management company for other funds. The list of funds managed by the Management Company will be set out in the Company's annual reports and may be obtained upon request from the Management Company.

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

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

The Fund Management Company Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) days' prior written notice. The Management Company Agreement may also be terminated on shorter notice in certain circumstances, for instance where required by law or any competent regulatory authority. The Management Company Agreement contains provisions exempting the Management Company from liability and indemnifying the Management Company in certain circumstances. However, the liability of the Management Company towards the Fund will not be affected by any delegation of functions by the Management Company.

*Remuneration Policy of the Management Company*

The Management Company has established and applies a remuneration policy in accordance with principles laid out under UCITS V Directive and any related legal and regulatory provisions applicable in Luxembourg.

The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the UCITS that it manages and of the investors in such UCITS, and which includes, inter alia, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the Management Company manages.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), the Management Company ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that the Management Company's employees who are identified as risk-takers under UCITS V Directive are not remunerated based on the performance of the UCITS under management.

The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, the composition of the remuneration committee are available on the following website:

https://www.fundrock.com/pdf/Fundrock_Remuneration_policy.pdf

A paper version of this remuneration policy is made available free of charge to investors at the Management Company's registered office.

### 6.3 The Investment Manager and Global Distributor

AIA Investment Management Private Limited has been appointed as Investment Manager for the Fund pursuant to the Investment Management Agreement. In addition, AIA Investment Management Private Limited has also been appointed as Global Distributor of the Fund pursuant to the Global Distribution Agreement.

AIA Investment Management Private Limited (Singapore Company Registration No. 201616304H) is a private company with limited liability incorporated under the laws of the Republic of Singapore on 15 June 2016 whose registered office is at 1 Robinson Road, AIA Tower #08-00, Singapore 048542. The Investment Manager is, amongst others, licensed by the MAS to carry on the regulated activities of fund management and dealing in capital markets products. It is wholly-owned by AIA Investment Management Holding Company Private Limited, which is in turn wholly-owned by AIA Group Limited.

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

The Investment Management Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) days' prior written notice. The Investment Management Agreement may also be terminated on shorter notice in certain circumstances, for instance where required by law or any competent regulatory authority. The Investment Management Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors of the Fund.

The Investment Management Agreement contains provisions exempting the Investment Manager from liability and indemnifying the Investment Manager in certain circumstances. In particular, the Investment Manager will not be responsible for any loss suffered by the Fund or the Sub-Funds, except as a consequence of non-performance of the Investment Manager's obligations and duties thereunder or to the extent that such loss is due to the Investment Manager's fraud, bad faith, gross negligence or willful default. The liability of the Investment Manager towards the Management Company and the Fund will not be affected by any delegation of functions by the Investment Manager.

### 6.4 Sub-Investment Managers

Subject to the compliance with applicable laws and the prior consent of the Management Company, the Investment Manager may select and rely upon third-party sub-investment managers as well as affiliated sub-investment managers within its group of companies for investment decisions and management with respect to a Sub-Fund and is able to draw upon the investment management, investment advice, research and investment expertise of such selected sub-investment managers with respect to the selection and management of the assets of a Sub-Fund. The Investment Manager is entitled to appoint as its delegate any sub-investment manager, including any affiliate within its group of companies, provided that the Investment Manager's liability to the Fund for all matters so delegated shall not be affected by such delegation. The fees payable to any such delegate will not be payable out of the net assets of the relevant Sub-Fund(s) but will be payable by the Investment Manager out of its Management Fee in an amount agreed between the Investment Manager and the sub-investment manager from time to time.

### 6.5 The Depositary

Pursuant to the Depositary Services Agreement dated 24 May 2019, the Fund has appointed HSBC France, Luxembourg Branch as its Depositary within the meaning of and in compliance with the 2010 Law.

The Depositary is the Luxembourg branch of HSBC France, a public limited company incorporated in France with the Paris Trade and Companies' Register under number 775 670 284. HSBC France is a wholly owned subsidiary of HSBC Holdings plc. The Depositary's registered office is located at 16, boulevard d'Avranches, L-1160 Luxembourg. HSBC France supervised by the European Central Bank, as part of the Single Supervisory Mechanism, the French Prudential Supervisory and Resolution Authority (*l'Autorité de Contrôle Prudentiel et de Résolution*) as the French national competent authority and the French Financial Markets Authority (*l'Autorité des Marchés Financiers*) for the activities carried out over financial instruments or in financial markets.When servicing Luxembourg undertakings for collective investment, the Depositary is subject to the general supervision of the CSSF.

The Depositary provides services to the Fund as set out in the Depositary Services Agreement and, in doing so, shall comply with the 2010 Law, and the relevant applicable laws and regulations.

The key Depositary's duties include the following:-

(i) Ensuring that the Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to shares of the Fund have been received.

(ii) Safekeeping the assets of the Fund, which includes (i) holding in custody all financial instruments that may be held in custody; and (ii) verifying the ownership of other assets and maintaining records accordingly.

(iii) Ensuring that sales, issues, repurchases, redemptions and cancellations of the shares of the Fund are carried out in accordance with applicable national law and the Articles.
(iv) Ensuring that the value of the shares of the Fund is calculated in accordance with applicable national law and the Articles.
(v) Carrying out the instructions of the Fund and/or the Management Company, unless they conflict with applicable national law and the Articles.
(vi) Ensuring that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits.
(vii) Ensuring that the Fund's income is applied in accordance with applicable national law and the Articles.

The Depositary Services Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than one hundred and eighty (180) calendar days' prior written notice. The Depositary Services Agreement may also be terminated on shorter notice in certain circumstances, for instance where the Fund or the Management Company commits a material breach of its obligations and, if such breach is capable of remedy the Fund or the Management Company has not remedied such breach within thirty (30) days after service of written notice requiring it to be remedied. The Depositary Services Agreement contains provisions exempting the Depositary from liability and indemnifying the Depositary in certain circumstances. The liability of the Depositary for the safe-keeping of the Fund's assets will not be affected by the fact that it has entrusted all or part of the custody of the assets to a third party.

The Depositary may delegate its safekeeping functions subject to the terms of the Depositary Services Agreement and the 2010 Law. The Depositary has delegated to one global sub-custodian being Hong Kong and Shanghai Banking Corporation Ltd in Hong Kong ("**HBAP**") (the "**Global Sub-Custodian**") the safekeeping of certain of the assets of the Fund in accordance with the terms of a written agreement between the Depositary and the Global Sub-Custodian. The Global Sub-Custodian may also use sub-delegates appointed in accordance with the terms of written agreements between the Global Sub-Custodian and those sub-delegates for the safekeeping of certain of the assets of the Fund. As of the date of the Prospectus, the sub-delegates listed in Appendix I have been appointed; an up-to-date list of the appointed sub-delegates is available on request and free of charge at the registered office of the Fund.

Under the terms of the Depositary Services Agreement, in general, the Depositary is liable for losses suffered by the Fund as a result of its negligence, fraud, wilful misconduct, wilful default or intentional failure to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Services Agreement, the Depositary will be liable to the Fund for the loss of financial instruments of the Fund, which are held in its custody unless the Depositary can prove that the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party.

The Depositary shall not be liable for any indirect, special or consequential loss.

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, where a delegate is an affiliate of the Depositary, the

Depositary may have a financial or business interest in that delegate and these interconnections could give rise to potential conflict of interests represented by selection bias (choice of the delegate not based on quality and price), insolvency risk (lower standards in asset segregation or attention to the delegate's solvency) or single group exposure risk.

Actual or potential conflicts of interest may arise between the Fund, the shareholders or the Management Company on the one hand and the Depositary on the other hand. For example, such actual or potential conflict may arise because the Depositary is part of a legal entity or is related to a legal entity which provides other products or services to the Fund. The Depositary may have a financial or business interest in the provision of such products or services, or receives remuneration for related products or services provided to the Fund, or may have other clients whose interests may conflict with those of the Fund, the shareholders or the Management Company.

The Depositary and any of its affiliates may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Fund. This includes for example circumstances in which the same entity to which the Depositary or any of its affiliates or connected persons belong: acts as administrator of the Fund; provides stock lending services and foreign exchange facilities to the Fund and/or to other funds or companies; acts as banker, derivatives counterparty of the Fund; acts in the same transaction as agent for more than one client; or earns profits from or has a financial or business interest in any of these activities.

The Depositary has a conflict of interest policy in place to identify, manage and monitor on an on-going basis any potential conflict of interest. As per such policy where a potential conflict of interest is identified by an employee it should immediately be escalated to the line manager/senior management and/or HSBC's compliance department. The situation will be analyzed, recorded and managed promptly in the best interest of the Fund's shareholders. A Conflict of Interest Register is maintained and monitored by HSBC's Compliance department.

Up to date information regarding the name of the Depositary, any conflicts of interest and delegations of the Depositary's safekeeping functions will be made available to shareholders on request and free of charge at the registered office of the Fund.

### 6.6 The Administrator

With the consent of the Fund, the Management Company has appointed HSBC France, Luxembourg Branch as administrator, registrar and transfer agent, corporate and domiciliary agent, and paying agent of the Fund (the "**Administrator**") pursuant to the Administration Agreement dated 24 May 2019.

The Administrator is the Luxembourg branch of HSBC France, a public limited company incorporated in France with the Paris Trade and Companies' Register under number 775 670 284. HSBC France is a wholly owned subsidiary of HSBC Holdings plc. The Administrator's registered office is located at 16, boulevard d'Avranches, L-1160 Luxembourg. HSBC France is authorised and regulated by the *Autorité des Marchés Financiers* and the *Autorité de Contrôle Prudentiel et de Résolution*. When servicing Luxembourg undertakings for collective investment, the Administrator is subject to the general supervision of the CSSF.

The relationship between the Fund, the Management Company and the Administrator is subject to the terms of the Administration Agreement. Under the terms of the Administration Agreement, the Administrator will carry out all general administrative duties related to the administration of the Fund required by Luxembourg law, calculate the Net Asset Value per Share, maintain the accounting records of the Fund, as well as process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of shareholders. In addition, as registrar and transfer agent of the Fund, the Administrator is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

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

The Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances. The Administration Agreement may be terminated by the Management Company with immediate effect if the Administrator commits a material breach of its obligations and such breach has not been remedied within thirty (30) days after service of written notice requiring it to be remedied. The Administration Agreement contains provisions exempting the Administrator from liability and indemnifying the Administrator in certain circumstances. However, the liability of the Administrator towards the Management Company and the Fund will not be affected by any delegation of functions by the Administrator.

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

## 6.7 The Auditor

The Fund has appointed PricewaterhouseCoopers as its independent auditor (*réviseur d'entreprises agréé*), within the meaning of the 2010 Law. The Auditor is elected by the general meeting of shareholders. The Auditor will inspect the accounting information contained in the Annual Report and fulfil other duties prescribed by the 2010 Law.

## 6.8 Conflicts of interest

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

As further described in the Articles of Incorporation, any director of the Fund who has, directly or indirectly, an interest in a transaction submitted to the approval of the Board of Directors, which conflicts with the Fund's interest, must inform the Board of Directors. The director may not take part in the discussions on and may not vote on the transaction. Where, by reason of a conflicting interest, the number of directors required in order to validly deliberate is not met, the board of directors may submit the decision on this specific item to the general meeting of shareholders. The Board of Directors has also adopted and implemented a conflicts of interest policy in accordance with its Code of Conduct.

The Management Company has adopted and implemented a conflicts of interest policy and has made appropriate organisational and administrative arrangements to identify and manage conflicts of interests, so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund is treated fairly and that such conflicts are resolved fairly taking into account investors' interest.

### 6.9 Best execution

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

# 7. SHARES

## 7.1 Shares, Sub-Funds and Share Classes

### 7.1.1 Shares

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

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

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

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

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

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

Fractions of Shares will be issued up to four (4) decimal places. Such fractional Shares will be entitled to participate on a *pro rata* basis in the net assets attributable to the Sub-Fund or Share Class to which they belong in accordance with their terms, as set out in this Prospectus. Fractions of Shares do not confer any voting rights on their holders. However, if the sum of the fractional Shares held by the same shareholder in the same Share Class represents one or more entire Shares, such shareholder will benefit from the corresponding voting right attached to the number of entire Shares.

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

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

### 7.1.2 Sub-Funds

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

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

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

Additional Sub-Funds may be established by the Board of Directors from time to time without the consent of investors in other Sub-Funds. A new Supplement will be added to this Prospectus for each new Sub-Fund established and shall be approved by the CSSF before its launch.

### 7.1.3 Share Classes

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

In particular, the Sub-Funds may offer Currency Hedged Share Classes. The Fund may use various techniques and instruments, such as forward contracts and currency swaps, in accordance with the provisions of the Prospectus, intended to limit the impact of exchange rate movements between the Reference Currency of the Sub-Fund and that of a Currency Hedged Share Class on the performance of such Share Class. The costs and any benefit of currency hedging transactions will be allocated solely to the Currency Hedged Share Class to which the hedging relates. Currency Hedged Share Classes will state a subscript “H” in their name (*e.g.*, Share Class $R_H$).

Currency Hedged Share Classes involve certain risks, as described in section 5 (

General risk factors) above.

The abbreviations below are used in naming the Share Classes to denote the Reference Currency of a particular Share Class.

| Reference Currency of the Share Class | Reference in the Share Class denomination |
|---|---|
| Australian Dollar | (AUD) |
| Canadian Dollar | (CAD) |
| Euro | (EUR) |
| Swiss Franc | (CHF) |
| Pound Sterling | (GBP) |
| Hong Kong Dollar | (HKD) |
| Japanese Yen | (JPY) |
| Swedish Krona | (SEK) |
| New Zealand Dollar | (NZD) |
| Renminbi offshore | (CNH) |
| Singapore Dollar | (SGD) |

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

Additional Share Classes may be established in any Sub-Fund from time to time without the approval of investors. Such new Share Classes may be issued on terms and conditions that differ from the existing Share Classes. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company upon request.

The following Share Classes may be offered:

- **Retail Share Class – "R"**: Share Classes R are available to retail investors of certain Distributors as well as other investors approved by the Investment Manager and to employees of AIA under certain conditions.

- **Institutional Share Class – "I"**: Share Classes I are available to institutional investors within the meaning of Articles 174 to 176 of the 2010 Law at the discretion of the Investment Manager. Investors in Share Classes I must demonstrate sufficiently that they qualify as Institutional Investors by providing the Sub-Fund and its Administrator with sufficient evidence.

- **Zero Management Fee Share Class – "Z"**: Share Classes Z are available to institutional investors within the meaning of Articles 174 to 176 of the 2010 Law at the discretion of the Investment Manager. Investors in Share Classes Z must demonstrate sufficiently that they qualify as Institutional Investors by providing the Sub-Fund and its Administrator with sufficient evidence.

#### 7.1.4 Changes to Sub-Funds and Share Classes

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

Subject to the above, the Board of Directors may change the characteristics of any existing Sub-Fund, including its objective and policy, or any existing Share Class, without the consent of investors. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of at least forty-five (45) calendar days of any proposed material changes in order for them to request the redemption of their Shares, should they disagree. This Prospectus will be updated as appropriate.

### *7.2* Dividend distribution policy

Each Sub-Fund may offer distributing Shares and non-distributing Shares. Shares Classes may confer the right to dividend distributions ("**Distribution Shares**") or not ("**Accumulation Shares**"). Distribution Shares and Accumulation Shares issued within the same Sub-Fund will be represented by different Share Classes.

Unless otherwise specified, Shares will be issued as Accumulation Shares.

Distribution Shares will be differentiated with a subscript "D" in their name (*e.g.*, Share Class $R_{D}$).

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

The Fund shall determine how the earnings of Distribution Shares shall be distributed and may declare distributions from time to time, at such time and in relation to such periods as the Fund shall determine, in the form of cash or Shares, in accordance with the dividend distribution policy adopted for such Distribution Shares as described below. The dividend distribution policy may vary between Distribution Shares within the same or different Sub-Funds. Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2010 Law which is currently EUR 1,250,000. The frequency of the distributions of the Distribution Shares will be shown in their names with a subscript indication, "M" for monthly, "Q" for quarterly, "S" for semi-annually and "Y" for annually (*e.g.*, Share Class $R_{D\ S}$).

Where the Board of Directors decide to pay dividends in respect of a Share Class out of the capital of the Sub-Fund, or where the dividends in respect of a Share Class are paid out of gross income of the Sub-Fund while the Sub-Fund's fees and expenses are charged to or paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund, such payment of dividends may, in the light of the rules applicable in the jurisdictions where the Sub-Fund is registered for public distribution, be considered as a payment of dividends out of and effectively out of capital respectively, both of which would amount to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Where a Share Class may pay dividends out of capital or effectively out of the capital of the Sub-Fund, the composition of the dividends (i.e. the relative amounts paid out of (i) Total Net income and (ii) capital) for the last twelve (12) months will be available on the website at www.aia.com/en/funds-information as well as upon request from the Investment Manager or a representative thereof or of the Fund.

If requested by an investor, dividends will be reinvested in Shares of the same Share Class and investors will be advised of the details by a dividend statement.

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

### 7.3 Eligible Investors

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

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

### 7.4 Subscription for Shares

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

As a result of the registration of one or several Sub-Funds for public distribution in a non-Member State, local rules and regulations may trigger additional requirements regarding subscriptions for Shares.

#### 7.4.1 Subscription application

Shares in any new Sub-Fund or Share Class may be available for subscription during an Initial Offer and will be issued on the first Subscription Day following the Initial Offer at the Initial Offer Price. Information on the Initial Offer and the Initial Offer Price of any new Sub-Fund or Share Class is set out in section 7.8.2 (Minimum subscription, redemption and holding amounts) and is available from the Distributor upon request. The Fund may reschedule the Initial Offer and/or amend the Initial Offer Price.

Shares will be available for subscription on each Subscription Day at a Subscription Price equal to the Net Asset Value per Share for that Subscription Day. The Net Asset Value per Share for the Subscription Day at which an application will be processed is unknown to the investors when they place their subscription applications.

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

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

Applications must be submitted to the Administrator by the Cut-Off Time for the Subscription Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Subscription Price applicable to that Subscription Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated. Investors should refer to the local sales documents for their jurisdiction to find out which Cut-Off Time is applicable to them.

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

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

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

### 7.4.2 Settlement of subscription

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

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

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

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

### 7.4.3 Subscription in kind

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

## 7.5 Redemption of Shares

Applications for redemptions can be submitted by investors for each Redemption Day provided that a complete application is submitted by the Cut-Off Time for that Redemption

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

### 7.5.1 Redemption application

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

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

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

Applications must be submitted to the Administrator by the Cut-Off Time for the Redemption Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Redemption Price applicable to that Redemption Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated. Investors should refer to the local sales documents for their jurisdiction to find out which Cut-Off Time is applicable to them.

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

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

### 7.5.2 Settlement of redemption

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

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

The Fund reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period when there is insufficient liquidity or in other exceptional circumstances. If redemption proceeds cannot be paid by the end of the Redemption Settlement Period, the payment will be made as soon as reasonably practicable thereafter. The Fund may also delay the settlement of redemptions until reception of all information and supporting documentation deemed necessary to process the application, as described above. In any event, no redemption proceeds will be paid unless and until cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) due but not yet paid for the Shares to be redeemed has been received by the Fund. No interest will be paid to investors on redemption proceeds paid during or after the end of the Redemption Settlement Period.

### 7.5.3 Redemption in kind

The Fund may, in order to facilitate the settlement of substantial redemption applications or in other exceptional circumstances, propose to an investor a “redemption in kind” whereby the investor receives a portfolio of assets of the Sub-Fund of equivalent value to the Redemption Price (less any Redemption Fee). In such circumstances the investor must specifically consent to the redemption in kind and may always request a cash redemption payment instead. In proposing or accepting a request for redemption in kind at any given time, the Fund shall take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. Where the investor accepts a redemption in kind, he will receive a selection of assets of the Sub-Fund. Any redemption in kind will be valued independently in a special report issued by the Auditor or any other independent auditor (*réviseur d’entreprises agréé*) agreed by the Fund. The Fund and the redeeming investor will agree on specific settlement procedures. Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, shall be borne by the redeeming investor or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all investors of the Sub-Fund.

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

### 7.6 Conversion of Shares

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

#### 7.6.1 Conversion application

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

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

The Fund may charge a Conversion Fee on conversions of Shares, as set out in section 9.1 (Subscription Fee, Conversion Fee and Redemption Fee) below and specified in the Supplement. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any. The Fund will only process conversion applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Conversion Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at a conversation rate based on the respective Net Asset Values of the Original Shares and the New Shares on the Conversion Day. Different Cut-Off Times may apply for applications submitted by investors in different time zones, provided that the applicable Cut-Off Time must always be earlier than the time when the applicable Net Asset Value is calculated. Investors should refer to the local sales documents for their jurisdiction to find out which Cut-Off Time is applicable to them.

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

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

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

#### 7.6.2 Conversion rate

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

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

where:

A is the number of New Shares to be allocated;

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

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

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

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

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

### 7.7 Transfer of Shares

#### 7.7.1 Conditions and limitations on transfer of Shares

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

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

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

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

#### 7.7.2 Trading of Shares on a stock exchange

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

Listed Shares will be eligible for clearing and settlement by Clearstream.

The listing and admission to trading on such stock exchanges does not constitute a warranty or representation by the stock exchange as to the competence of the service providers to or any other party connected with the Fund or the suitability of the Fund for investment or for any other purpose.

### 7.8 Special considerations

#### 7.8.1 Minimum subscription, redemption and holding amounts

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

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

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

Alternatively, the Fund has the discretion, from time to time, to waive any applicable minimum initial subscription amount, minimum additional subscription amount and/or minimum holding amount provided that investors are treated fairly. In particular, the Fund may waive all or part of such requirements for investments made by certain nominees and other professional intermediaries.

| Share Classes | Minimum initial subscription amount | Minimum subsequent investment amount | Minimum redemption amount | Minimum holding amount |
|---|---|---|---|---|
| Class R Shares | USD 1,000.- | USD 1,000.- | USD 1,000.- | USD 1,000 |
| Class I Shares | USD 10,000,000.- | USD 100,000.- | USD 100,000.- | USD 10,000,000.- |
| Class Z Shares | USD 20,000,000.- | USD 100,000.- | USD 100,000.- | USD 20,000,000.- |

### 7.8.2 Minimum or maximum level of assets under management

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

Where applications for redemptions or conversions out of a Sub-Fund or Share Class on a particular Redemption Day or Conversion Day represent the total number of Shares in issue in that Sub-Fund or Share Class, or the remaining number of Shares in issue after such redemptions or conversions would represent a total Net Asset Value below the minimum level of assets under management considered by the Board of Directors to be the minimum level of assets under management required for such Sub-Fund or Share Class to be operated in an efficient manner, the Board of Directors may decide to terminate and liquidate the Sub-Fund or Share Class in accordance with the procedure set out in section 10.10 (Liquidation) below. In such a case, all remaining Shares of the Sub-Fund or Share Class will be redeemed.

The Board of Directors may also decide to close a Sub-Fund or Share Class to new subscriptions or new investors where that Sub-Fund or Share Class has reached or is about to reach its maximum or expected level of assets under management, where accepting new subscriptions or investors would be detrimental to the performance of the Sub-Fund or Share Class, or in other circumstances determined by the Board of Directors. In such events, applications for subscription will be refused, in whole or in part, and subscription proceeds previously received by the Fund will be returned to the applicant.

### 7.8.3 Suspension of issue, redemption or conversion of Shares

The issue, redemption or conversion of Shares in a Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Share Class is suspended by the Fund in accordance with section 8.4 (Temporary suspension of the Net Asset Value calculation) below and in other circumstances specified in the Articles of Incorporation and this Prospectus.

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

### 7.8.4 Deferral of redemption or conversion of Shares

If on any given Redemption Day or Conversion Day, applications for redemption or conversion of Shares out of a Sub-Fund represent in aggregate more than ten percent (10%) of the Net Asset Value of the Sub-Fund, the Fund may decide that part (on a *pro rata* basis) or all of such requests for redemption or conversion will be deferred to the next or subsequent Redemption Days or Conversion Days for a period generally not exceeding ten (10) Business Days until the application is processed in full. On a next or subsequent Redemption Day or Conversion Day, deferred redemption or conversion requests will be met in priority to requests submitted in respect of such Redemption Day or Conversion Day.

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

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

### 7.9 Late trading, market timing and other prohibited practices

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

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

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

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

### 7.10 Prohibited Persons

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

The Shares have not been registered under any United States stock exchange law. The Fund represents and warrants that its Shares are not and will not be offered, sold or delivered to US Persons.

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

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

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

The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons or investors who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner. In such cases, the Fund will notify the investor of the reasons which justify the compulsory redemption of Shares, the number of Shares to be redeemed and the indicative Redemption Day on which the compulsory redemption will occur. The Redemption Price shall be determined in accordance with section 7.5 (Redemption of Shares) above.

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

The Fund reserves the right to require the investor to indemnify the Fund against any losses, costs or expenses arising as a result of any Shares being held by, on behalf or for the account or benefit of, a Prohibited Person or investors who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor’s other Shares, if any, in order to pay for such losses, costs or expenses.

### 7.11 Prevention of money laundering

Subscribers for Shares will be required to provide to the Fund the information set out in the Subscription Form, depending on their legal form (individual, corporate or other category of subscriber).

The Fund 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 Fund has the right to request additional information until it is reasonably satisfied that it understands the identity and economic purpose of the subscriber. Furthermore, any investor is required to notify the Fund prior to the occurrence of any change in the identity of any beneficial owner of Shares. The Fund may require from existing investor, at any time, additional information together with all supporting documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in Luxembourg.

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the 2004 Law), the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 and CSSF Circular 13/556 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of UCIs for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg UCI must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Administrator may require subscribers to provide any document it deems necessary to effect such identification.

## 8. VALUATION AND NET ASSET VALUE CALCULATION

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

### 8.1 Calculation of the Net Asset Value

The Net Asset Value per Share shall be determined by the Administrator as of each Valuation Day (as specified for each Sub-Fund in the Supplement) and at least twice a month. It shall be calculated by dividing the Net Asset Value of the Share Class of a Sub-Fund by the total number of Shares of such Share Class in issue as of that Valuation Day. The Net Asset Value per Share shall be expressed in the Reference Currency of the Share Class and may be rounded up or down to four (4) decimal places.

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

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

The Net Asset Value of the Fund will at all times be equal to the sum of the Net Asset Values of all Sub-Funds expressed in the Reference Currency of the Fund. The Net Asset Value of the Fund must at all times be at least equal to the minimum share capital required by the 2010 Law which is currently EUR 1,250,000.

### 8.2 Valuation procedure

#### 8.2.1 General

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

The Board of Directors may apply other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realisation value of any asset if applying the rules described below appears inappropriate or impracticable.

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

As a result of the registration of one or several Sub-Funds for public distribution in a non-Member State, local rules and regulations may require that the Board consults with the Depositary prior to applying its fair valuation policy.

If, after the time of determination of the Net Asset Value but before publication of the Net Asset Value for a Valuation Day, there has been a material change affecting the exchanges or markets on which a substantial portion of the investments of a Sub-Fund are quoted, listed or traded, the Board of Directors may cancel the first valuation and carry out a second valuation in order to safeguard the interest of investors. In such a case, the Net Asset Value used for processing subscription, redemption and conversion applications for that Valuation Day will be based on the second calculation.

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

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

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

### 8.2.2 Assets of the Fund

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

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

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

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

4) all dividends and distributions payable to the Fund either in cash or in the form of stocks and shares (which will normally be recorded in the Fund's books as of the ex-

dividend date, provided that the Fund may adjust the value of the security accordingly);

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

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

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

### 8.2.3 Liabilities of the Fund

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

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

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

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

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

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

The fees and expenses incurred in connection with the formation of the Fund will be borne by the Fund, subject to the possibility for another entity of the AIA group to support them as per section 9.11, and may be amortised over a period of up to five (5) years. Subject to section 9.11, the formation expenses of each new Sub-Fund will be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. Subject to section 9.11, new Sub-Funds created after the incorporation and launch of the Fund will participate in the non-amortised costs of establishment of the Fund.

### 8.2.4 Valuation principles

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

1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same

is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.

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

3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.

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

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

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

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

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

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

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

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

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

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

### 8.2.6 Additional rules for assets and liabilities of the Fund

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

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

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

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

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

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

### 8.2.7 Adjustments

In certain circumstances, subscriptions, redemptions, and conversions in a Sub-Fund may have a negative impact on the Net Asset Value per Share. Where subscriptions, redemptions, and conversions in a Sub-Fund cause the Sub-Fund to buy and/or sell underlying investments, the value of these investments may be affected by bid/offer spreads, trading costs and related expenses including transaction charges, brokerage fees, and taxes.

This investment activity may have a negative impact on the Net Asset Value per Share called "dilution". In order to protect existing or remaining investors from the potential effect of dilution, the Fund may apply an anti-dilution levy or a "swing pricing" methodology as further explained below.

Unless otherwise provided in the relevant Supplement for the concerned Sub-Fund(s), the Board may apply the anti-dilution levy mechanism. The possibility for the Board to apply the swing pricing methodology instead of the anti-dilution levy will be specified in the relevant Supplement for the concerned Sub-Fund(s).

In certain circumstances, *e.g.* where a Sub-Fund experiences large levels of net purchases relative to its size or large levels of net redemptions relative to its size, the Directors may decide to charge an "anti-dilution levy" when Shares are bought or sold.

Generally, the anti-dilution levy will not exceed two percent (2%) of the Net Asset Value per Share unless otherwise set out for each Sub-Fund in the Supplement.

If charged, the anti-dilution levy will be in addition to (and not part of) the Subscription Price (in case of subscription) or the Redemption Price (in case of redemption) of the Shares. Also, in case of redemption, the anti-dilution levy, if charged, will reduce the amount of the redemption proceeds. Any anti-dilution fee paid will become part of the property of the relevant Sub-Fund thus protecting the value of the remaining Shareholders' interests. It is not, however, possible to predict accurately whether dilution will occur at any future point in time.

The Fund may also apply a so-called "swing pricing" methodology which adjusts the Net Asset Value per Share to account for the aggregate costs of buying and/or selling underlying investments. The Net Asset Value per Share will be adjusted by a certain percentage set by the Board of Directors from time to time for each Sub-Fund called the "swing factor" which represents the estimated bid-offer spread of the assets in which the Sub-Fund invests and estimated tax, trading costs, and related expenses that may be incurred by the Sub-Fund as a result of buying and/or selling underlying investments (called the Swing Factor). As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, the Swing Factor may be different for net subscriptions and net redemptions in a Sub-Fund.

Generally, the Swing Factor will not exceed two percent (2%) of the Net Asset Value per Share unless otherwise set out for each Sub-Fund in the Supplement. A periodical review will be undertaken in order to verify the appropriateness of the Swing Factor in view of market conditions.

The Board of Directors will determine if a partial swing or full swing is adopted. If a partial swing is adopted, the Net Asset Value per Share will be adjusted upwards or downwards if net subscriptions or redemptions in a Sub-Fund exceed a certain threshold set by the Board of Directors from time to time for each Sub-Fund (called the Swing Threshold). If a full swing is adopted, no Swing Threshold will apply. The Swing Factor will have the following effect on subscriptions or redemptions:

1) on a Sub-Fund experiencing levels of net subscriptions on a Valuation Day (i.e. subscriptions are greater in value than redemptions) (in excess of the Swing Threshold, where applicable) the Net Asset Value per Share will be adjusted upwards by the Swing Factor; and

2) on a Sub-Fund experiencing levels of net redemptions on a Valuation Day (i.e. redemptions are greater in value than subscriptions) (in excess of the Swing Threshold, where applicable) the Net Asset Value per Share will be adjusted downwards by the Swing Factor.

The volatility of the Net Asset Value of the Sub-Fund might not reflect the true portfolio performance (and therefore might deviate from the Sub-Fund's benchmark, where applicable) as a consequence of the application of swing pricing.

The swing pricing methodology is not expected to apply at the same time to subscription and/or redemption orders in respect of the same Valuation Day, except in extraordinary market circumstances as determined by the Board of Directors.

### 8.3 Publication of the Net Asset Value

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

### 8.4 Temporary suspension of the Net Asset Value calculation

The Board of Directors may temporarily suspend the calculation and publication of the Net Asset Value per Share of any Share Class in any Sub-Fund and/or where applicable, the issue, redemption and conversion of Shares of any Share Class in any Sub-Fund in the following cases:

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

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

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

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

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

6) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund

in a normal manner and/or prevent the determination of their value in a reasonable manner;

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

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

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

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

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

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

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

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

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

Any decision to suspend the calculation and publication of the Net Asset Value per Share and/or where applicable, the issue, redemption and conversion of Shares of a Share Class, will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed.

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

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

As a result of the registration of one or several Sub-Funds for public distribution in a non-Member State, local rules and regulations may require that the board consults with the Depositary prior to deciding upon declaring a suspension of the calculation and/or publication of the Net Asset Value per Share and/or where applicable, the issue, redemption and conversion of Shares of a Share Class.

## 9. FEES AND EXPENSES

### 9.1 Subscription Fee, Conversion Fee and Redemption Fee

Subscriptions for Shares may be subject to a Subscription Fee and redemptions of Shares may be subject to a Redemption Fee both calculated as specified in the table below, where applicable. Conversions of Shares may be subject to a Conversion Fee calculated as specified in the table below, where applicable. Subscription Fees, Redemption Fees and Conversion Fees, where applicable, can be waived in part or all and when charged shall be paid to the Global Distributor or its delegates, if any, involved in the distribution of the Shares of the Fund.

For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

| Type of Sub-Fund | Subscription Fee | Conversion Fee | Redemption Fee |
|---|---|---|---|
| | Class R Shares, Class I Shares and Class Z Shares | | |
| Equity Sub-Funds | Up to 5.00% | Up to 1.00% | Up to 1.00% |
| Bond / Fixed Income Sub-Funds | Up to 3.00% | Up to 1.00% | Up to 1.00% |
| Multi-asset Sub-Funds | Up to 5.00% | Up to 1.00% | Up to 1.00% |

### 9.2 Management Company Fee

The Management Company will be entitled to an annual fee up to a maximum of 0.015% of the Net Asset Value of each Sub-Fund or Share Class and paid out of the assets of the Fund and allocated to each Sub-Fund and Share Class (as described in section 8.2.5 (Allocation of assets and liabilities to Sub-Funds and Share Classes) above).

The Management Company Fee will accrue on each Valuation Day and will be payable on a monthly basis at the percentage rate agreed between the Fund and the Management Company, subject an annual minimum fee of EUR 1,250.- per Sub-Fund (which will not apply for the first 12 months after the launch of the relevant Sub-Fund) and the above-mentioned maximum.

The Management Company will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred and upon the provision of relevant receipt/invoices in carrying out its duties.

### 9.3 Investment Manager Fee

The Investment Manager will be entitled to an annual fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class consistent with market practice, subject to a maximum annual rate as set out in the table below for each Share Class. The Investment

Manager fee will accrue on each Valuation Day and will be payable monthly out of the assets of the Fund and allocated to each Sub-Fund and Share Class (as described in section 8.2.5 (Allocation of assets and liabilities to Sub-Funds and Share Classes) above.

The Investment Manager will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred and upon the provision of relevant receipt/invoices in carrying out its duties.

The Investment Manager may from time to time, at its sole discretion, decide to waive or return to the Fund all or part of its annual fee. Subject to applicable laws and regulations, the Investment Manager may also from time to time, at its sole discretion, enter into private arrangements with certain investors or financial intermediaries, affiliates and/or third-parties, whereby the Investment Manager will agree to pay an amount representing all or part of its annual fee.

| Type of Sub-Fund | Investment Management Fee | | |
|---|---|---|---|
| | Class R Shares | Class I Shares | Class Z Shares |
| Equity Sub-Funds | Up to 1.50% p.a. | Up to 0.75% p.a. | *N.A.* |
| Bond and fixed income Sub-Funds | Up to 1.25% p.a. | Up to 0.50% p.a. | *N.A.* |
| Multi-asset Sub-Funds | Up to 1.50% p.a. | Up to 1.00% p.a. | *N.A.* |

## 9.4 Fees of the Depositary and the Administrator

The Depositary will be entitled to an annual fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class consistent with market practice in Luxembourg, subject to a minimum annual flat fee per Sub-Fund and a maximum rate expected to range from 0.003% to 0.075% per annum.

The Depositary fee will accrue on each Valuation Day and will be payable monthly out of the assets of the Fund and allocated to each Sub-Fund and Share Class (as described in section 8.2.5 (Allocation of assets and liabilities to Sub-Funds and Share Classes) above.

The Depositary will also be entitled to transaction fees charged on the basis of the investments made by each Sub-Fund consistent with market practice in Luxembourg. Fees paid to the Depositary may vary depending on the nature of the investments of each Sub-Fund and the countries and/or markets in which the investments are made.

The Depositary will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

The Administrator will be entitled to an annual fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class consistent with market practice in Luxembourg, subject to a minimum flat fee per Sub-Fund and a maximum annual rate expected to range from 0.005% to 0.0125 % per annum.

The Administrator fee will accrue on each Valuation Day and will be payable out of the assets of the Fund and allocated to each Sub-Fund and Share Class (as described in section 8.2.5 (Allocation of assets and liabilities to Sub-Funds and Share Classes) above.

The Administrator will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

The minimum annual flat fees referred to above, for both the Depositary and Administrator combined, shall correspond to the produce of USD 15,000.- by the number of Sub-Funds launched within the Fund, which amount shall be charged to the Fund and allocated between Sub-Funds *pro rata* their portion in the net assets of the Fund.

Further fees may be payable to the Depositary and the Administrator in consideration of ancillary services rendered to the Fund and relating to the core services of the Depositary and the Administrator.

### 9.5 Directors' fees and expenses

The members of the Board of Directors may be entitled to receive a fee in consideration for their function. However, members of the Board of Directors who are also directors, officers or employees of the initiator of the Fund or its affiliates will be requested to waive their fees.

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

### 9.6 Operating and Administrative Expenses

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

1) the fees (including any service provider fees) in connection with valuing the assets of each Sub-Fund or any part of a Sub-Fund, calculating the Net Asset Value of each Sub-Fund and the Subscription and Redemption Prices of Shares and all costs in in publishing the Net Asset Value of a Sub-Fund, Net Asset Value per Share, Net Asset Value of a class of Share, Subscription Price and Redemption Price of Shares;

2) licence fees and expenses payable to the owner of an index for the use of such index;

3) the fees and expenses of any other service providers of the Fund or any Sub-Fund as well as all other reasonable costs, charges and expenses which in the opinion of the Board of Directors are properly incurred in the administration of the Fund or any Sub-Fund and pursuant to the performance of their respective duties hereunder;

4) preparing, producing, printing, depositing, publishing and/or distributing any documents relating to the Fund, a Sub-Fund or Share Class that are required by applicable laws and regulations (such as the Articles of Incorporation, this Prospectus, key investor information documents, any local jurisdiction supplements and offering documents required by local jurisdiction laws and regulations, financial reports and notices to investors) or any other documents and materials made available to investors (such as explanatory memoranda, statements, reports, factsheets and similar documents);

   As a result of the Fund and/or any of its Sub-Funds being authorised in a non-Member State, the Fund may be required to undertake to regulators from such non-Member State that no marketing or advertising expenses will be paid by the Fund in respect of those Sub-Funds which are authorised in those non-Member States, and no commissions will be paid by the Fund in respect of those Sub-Funds to any distributors arising out of any dealing in Shares of those Sub-Funds;

5) all fees and expenses incurred in connection with the retirement or removal of the Management Company, the Investment Manager, the Depositary, the Auditors or any entity providing services to the Fund or any Sub-Fund, or the appointment of a new manager, a new investment manager, new sub-investment manager(s), a new depositary, new auditors or other new service providers providing services to the Fund or Sub-Fund;

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

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

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

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

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

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

12) taxes, charges and duties payable to governments and local authorities (including the Luxembourg annual subscription tax (*taxe d'abonnement*) and any other taxes payable

on assets, income or expenses) and any value added tax (VAT) or similar tax associated with any fees and expenses paid by the Fund;

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

14) all such charges, costs, expenses and disbursements that the Management Company and/or the Investment Manager is/are entitled to charge to the Fund or a Sub-Fund under applicable law; and

15) bank charges (including the cost of cheques and effecting telegraphic transfers of monies) incurred in making payments to or receiving any payments from shareholders or former shareholders pursuant to this Prospectus.

### 9.7 Transaction costs

Each Sub-Fund bears the costs and expenses arising from buying and selling portfolio assets and entering into other transactions in securities or other financial instruments, such as brokerage fees and commissions and all other fees, expenses, commissions, charges, premiums and interest paid to banks, brokers, execution agents or securities lending agents and/or incurred in participating in any securities lending, repurchase and buy/sell-back programs, collateral management fees and associated costs and charges, exchange fees, taxes, levies and stamp duties chargeable in connection with transactions in securities or other financial, and any other transaction-related expenses approved by the Investment Manager.

### 9.8 Extraordinary costs and expenses

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

### 9.9 Formation costs and expenses

The costs and expenses incurred in connection with the formation of the Fund are estimated to an amount of approximately EUR 250,000.-, subject to the possibility for another entity of the AIA group to support them as per section 9.10. Such costs and expenses will be borne by the Fund and in such a case may be amortised over a period of up to five (5) years from the date of incorporation of the Fund. Subject to section 9.10, the formation costs and expenses of each new Sub-Fund may be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. Subject to section 9.10, new Sub-Funds created after the incorporation and launch of the Fund may participate in the non-amortised formation costs and expenses of the Fund.

### 9.10 Allocation of costs during the launching phase

AIA Investment Management Private Limited or another entity of the AIA group may at its discretion decide to bear certain charges, fees and expenses which are attributable to the Fund and/or a particular Sub-Fund for a determined period of time. The portion of the charges, fees and expenses to be borne by AIA Investment Management Private Limited or such other entity of the AIA group may vary from year to year. Information in relation to the portion of charges, fees and expenses borne by AIA Investment Management Private Limited or such other entity of the AIA group shall be disclosed in the Annual/Semi-Annual report of the Fund.

### 9.11 Soft dollars arrangements

None of the Management Company, the Investment Manager, the Sub-Investment Manager or any of their connected persons will retain cash or other rebates from brokers or dealers in consideration of directing transactions for a Sub-Fund to such brokers or dealers, save that goods and services (soft dollars) as described in the paragraph below may be retained.

Any such cash commission or rebates received from any such brokers or dealers shall be for the account of the relevant Sub-Fund and entered into in the best interests of the Fund and the shareholders (taken as a body and in their capacity as such).

The Management Company, the Investment Manager, the Sub-Investment Manager and/or any of their connected persons reserves the right to effect transactions by or through a broker or dealer, which are legal entities (as opposed to individuals), with whom the Management Company, the Investment Manager, the Sub-Investment Manager and/or any of their connected persons has an arrangement under which that broker or dealer will from time to time provide to or procure for the Management Company, the Investment Manager, the Sub-Investment Manager and/or any of their connected persons goods or services for which no direct payment is made but instead the Management Company, the Investment Manager, the Sub-Investment Manager and/or any of their connected persons undertakes to place business with that broker or dealer.

The Investment Manager shall procure that no such arrangements are entered into unless (i) the goods and services to be provided pursuant thereto are of demonstrable benefit to the shareholders (taken as a body and in their capacity as such) whether by assisting the Management Company, the Investment Manager and/or the Sub-Investment Manager in their ability to manage the relevant Sub-Fund or otherwise; (ii) the transaction execution is consistent with best execution standards and brokerage rates are not in excess of customary institutional full-service brokerage rates; (iii) periodic disclosure is made in the annual report of the Fund or the relevant Sub-Fund in the form of a statement describing the soft dollar policies and practices of the Management Company, the Investment Manager or the Sub-Investment Manager, including a description of goods and services received by them; and (iv) the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker or dealer.

Such goods and services may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

## 10. GENERAL INFORMATION

### 10.1 Reports and financial statements

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

The financial year of the Fund will begin on 1 January of each year and end on 31 December of the same year. Each year, the Fund will issue an Annual Report as of the end of the previous financial year comprising, *inter alia*, the audited financial statements of the Fund and each Sub-Fund and a report of the Board of Directors on the activities of the Fund. The Fund will also issue a Semi-Annual Report as of 30 June of the current financial year. The first financial year will end on 31 December 2019 and the first Annual Report will be issued as of 31 December 2019. The first Semi-Annual Report will be issued as of 30 June 2020.

The Annual Report shall be made available to investors within four (4) months following the end of the reporting period and the Semi-Annual Report will be made available to investors within two (2) months following the end of the reporting period. Investors may obtain, upon request, a copy of the latest financial reports from the Management Company free of charge and on the following website www.aia.com/en/funds-information.

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

### 10.2 Meetings of shareholders

The annual general meeting of shareholders will be held within four (4) months of the end of each financial year in Luxembourg in order to approve the financial statements of the Fund for the previous financial year. The annual general meeting of shareholders will be held at the registered office of the Fund, or at such alternative location in Luxembourg as may be specified in the convening notice of such meeting.

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

Notices of all general meetings may be made through announcements filed with the Luxembourg Trade and Companies Register and be published at least fifteen (15) days before the meeting on the RESA and a Luxembourg newspaper and sent at least eight (8) days before the meeting to all registered shareholders by ordinary mail (*lettre missive*); or if the addressees have individually accepted to receive the convening notices by another means of communication ensuring access to the information, by such means of communication. Alternatively, convening notices will be sent to registered shareholders by registered mail only at least eight (8) days prior to the meeting. Convening notices will also be published and/or communicated to investors as required by applicable laws and regulations in other jurisdictions where the Shares are distributed may be published on the following website www.aia.com/en/funds-information. Notices will include the agenda and will specify the date, time and place of the meeting, the conditions of admission, and the quorum and voting requirements.

As a result of the registration of one or several Sub-Funds for public distribution in a non-Member State, local rules and regulations may require that longer prior notices of meetings be given to shareholders.

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

Shareholders holding together at least ten percent (10%) of the share capital or the voting rights may submit questions in writing to the board of directors relating to transactions in connection with the management of the Fund as well as companies controlled by the Fund, with respect to the latter.

The Board of Directors may suspend the voting rights of any shareholder in breach of his obligations as described in this Prospectus or the Articles of Incorporation.

### 10.3 Investors’ rights

Upon the issue of the Shares, the person whose name appears on the register of Shares will become a shareholder of the Fund in relation to the relevant Sub-Fund and Share Class. The Fund draws the investors’ attention to the fact that, where an investor invests in the Fund through an intermediary acting in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights, such as the right to participate in general meetings of shareholders, directly against the Fund. Investors are advised to seek advice in relation to their rights.

The Articles of Incorporation are governed by, and construed in accordance with, the laws currently into force in Luxembourg. The subscription document is expressed to be governed by, and construed in accordance with, the laws currently into force in Luxembourg, and contains a choice of international competence of the courts of Luxembourg.

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

### 10.4 Disclosures of Sub-Funds’ portfolio holdings

The Board of Directors or its delegates may, subject to certain restrictions designed to protect the interest of the Sub-Funds and in compliance with applicable laws and regulations as, *e.g.*, those in relation with the prevention of market timing and related practices, authorize the disclosure on a confidential basis of information pertaining to the Sub-Funds’ portfolio holdings.

## 10.5 Changes to this Prospectus

The Board of Directors, in close cooperation with the Management Company, may from time to time amend this Prospectus to reflect various changes it deems necessary and in the best interest of the Fund, such as notably implementing changes to laws and regulations, changes to a Sub-Fund's objective and policy or changes to fees and costs charged to a Sub-Fund or Share Class. Any amendment of this Prospectus will require approval by the CSSF. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of any proposed material changes in order for them to request the redemption of their Shares should they disagree.

## 10.6 Documents available

Investors may, upon request, obtain a copy of the Articles of Incorporation, this Prospectus, the applicable KIID, the latest Annual Report or Semi-Annual Report. The agreements referred to in this Prospectus may be inspected during usual business hours on any Business Day at the registered office of the Fund.

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

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

## 10.7 Complaints

Any shareholder having a complaint to make about the operations of the Fund may file a complaint by writing to the Management Company and the Fund. Details on the complaints handling procedure may be obtained from the Management Company upon request and on the following website www.aia.com/en/funds-information.

## 10.8 Data protection

In accordance with the data protection law applicable to the Grand Duchy of Luxembourg including the Law of 2 August 2002 on the protection of persons with regard to the processing of personal data as amended and the Regulation (EU) 2016/679 of the European Parliament and of the Council 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, and repealing Directive 95/46/EC (the General Data Protection Regulation or GDPR) ("**Data Protection Law**"), the Fund, acting as data controller in the case of shareholders subscribing directly, hereby informs the shareholder (or if the shareholder is a legal person, inform the shareholder's contact person and/or beneficial owner), that certain of his/her personal data as provided to the Fund or its delegates (such as name, gender, residential and correspondence address, date of birth, place of birth, nationality, country of domicile, details of existing financial connection with the country of the shareholder's birth if no longer resident, telephone number(s), email address, fax number, tax identification number, US residence and citizenship status, identification documents, address verification documents, employment details, politically exposed person details, the purpose of the shareholder's investment, and bank and financial details) (the "**Personal Data**") may be collected, recorded, stored, adapted, transferred or otherwise processed for the purposes set out below.

Telephone calls may be recorded or monitored to ensure that instructions can be checked and that service standards are being met.

Personal Data supplied by the shareholder is processed in order to enter into and execute the subscription in the Fund for the legitimate interests of the Fund and to comply with the legal obligations imposed on the Fund. In particular, the Personal Data may be processed for the purposes of fulfilling the services required by the shareholder and complying with the Fund's legal obligations which includes (i) maintaining the register of shareholders, (ii) processing subscriptions and redemptions of Shares, (iii) account and distribution fee administration, (iv) performing controls in respect of late trading and market timing practices, (v) complying with legal obligations such as the performance of the customer due diligence duties under the anti-money laundering law, the anti-money laundering identification, the tax identification under applicable regulation such as FATCA and CRS.

The "legitimate interests" referred to above are:

- the processing purposes described in points (i) to (v) of the above paragraph of this clause;
- meeting and complying with the Fund's accountability requirements and regulatory obligations globally; and
- exercising the business of the Fund in accordance with reasonable market standards.

In the context of the above mentioned purposes, the Fund may delegate the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations, to other entities such as the Management Company, the Administrator, the Depositary and Paying Agent, the Fund's Auditors and legal adviser (the "**Recipients**").

The Recipients may, as the case may be, process Personal Data as data processors (when processing Personal Data upon the Fund's instructions, to assist the Fund in the context of the aforementioned purposes) or as distinct data controllers (when processing Personal Data for their own purposes). Subject to the Fund's approval, the Recipients may decide, under their own responsibility, to sub-delegate the processing of the Personal Data, and transfer for such purpose Personal Data, to parent companies, affiliates, foreign offices or third party agents (the "**Sub-Recipients**"), Recipients and Sub-Recipients may or not be located in the European Economic Area in countries which data protection laws do not offer an adequate level of protection, in particular India, the United States of America or Hong Kong. In which case, transfers to such countries shall be made on the basis of adequate contractual arrangements, which may take the form of the European Commission Standard Contractual Clauses. Please contact the Fund to obtain a copy of such Standard Contractual Clauses at 16, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg.

The Fund may disclose Personal Data to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose it to foreign tax authorities courts and bodies as required by law or requested or to affiliates for internal investigations and reporting.

Under certain conditions set out by the Data Protection Law, each shareholder has the right to:

- request access to his/her Personal Data (*i.e.* the right to obtain from the Fund confirmation as to whether or not Personal Data is being processed, to be provided with certain information about the Fund's processing of Personal Data, to access such data, and to obtain a copy of the Personal Data undergoing processing (subject to exceptions));

- request the correction of his/her Personal Data where it is inaccurate or incomplete (*i.e.* the right to require from the Fund that inaccurate or incomplete Personal Data be updated or corrected accordingly);

- object to the processing of his/her Personal Data (*i.e.* the right to object, on grounds relating to his/her particular situation, to processing of Personal Data which is based on the performance of a task carried out in the public interest or the legitimate interests of the Fund. The Fund shall stop such processing unless it can either demonstrate compelling legitimate grounds for the processing that override his/her interests, rights and freedoms or that it needs to process the data for the establishment, exercise or defence of legal claims);

- request erasure of his/her Personal Data (*i.e.* the right to require that Personal Data be erased in certain circumstances, including where it is no longer necessary for the Fund to process this data in relation to the purposes for which it collected or processed);

- request for restriction of the use of his/her Personal Data (*i.e.* the right to obtain that the processing of Personal Data should be restricted to storage of such data unless consent of the shareholder has been obtained); and

- request for Personal Data portability (*i.e.* the right to have the data transferred to him/her/it or another controller in a structured, commonly used and machine-readable format, where this is technically feasible).

The shareholders may exercise the above rights by letter addressed to the Fund at the following address: 6, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg.

The shareholders are also informed of the existence of their right to lodge a complaint with the National Commission for Data Protection (the "**CNPD**") or, in case the shareholders reside outside Luxembourg, with the locally competent supervisory authority.

The shareholder may, at his/her discretion, refuse to communicate the Personal Data to the Fund. In this case however, the Fund may reject his/her request for subscription for Shares in the Fund.
Finally, Personal Data shall not be retained for periods longer than those required for the purpose of their processing, subject to statutory periods of limitation.

### 10.9 Merger and reorganisation

#### 10.9.1 Merger of the Fund or a Sub-Fund with other UCITS

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

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

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

#### 10.9.2 Absorption of another UCI by the Fund or a Sub-Fund

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

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

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

### 10.9.3 Reorganisation of Share Classes

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

(i) the Net Asset Value of a Share Class has decreased to, or has not reached, the minimum level determined by the Board of Directors for that Share Class to be operated in an efficient manner;

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

(iii) a product rationalisation would justify such reorganisation.

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

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

Shareholders will be informed of the reorganisation by way of a notice. The notice will be published and/or communicated to shareholders as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed and published on the following website www.aia.com/en/funds-information. The notice will explain the reasons for and the process of the reorganisation.

## 10.10 Liquidation

### 10.10.1 Termination and liquidation of Sub-Funds or Share Classes

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

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

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

(iii) a product rationalisation would justify such liquidation.

Shareholders will be informed of the decision to terminate a Sub-Fund or Share Class by way of a notice. The notice will be published and/or communicated to shareholders as required by applicable laws and regulations in Luxembourg and other jurisdictions where the

Shares are distributed and published on the following website www.aia.com/en/funds-information. The notice will explain the reasons for and the process of the termination and liquidation.

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

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

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

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

### 10.10.2 Dissolution and liquidation of the Fund

The Fund is incorporated for an unlimited period. It may be dissolved at any time with or without cause by a resolution of the general meeting of shareholders adopted in compliance with applicable laws. The capital of the Fund must reach one million two hundred and fifty thousand euros (EUR 1,250,000.-) within a period of six (6) months following the authorisation of the Fund.

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

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

## 10.11 Benchmark Regulation

Investors should note that, in accordance with the requirements of Regulation (EU) 2016/1011 of the European Parliament and Council of 6 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmark Regulation**"), the Board of Directors or its delegates have adopted a benchmark contingency plan to set out the actions which would be taken in the event that a benchmark used by a Sub-Fund materially changes or ceases to be provided (the "**Contingency Plans**"). The Contingency Plans are available to all investors upon request.

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 Benchmark Regulation of the relevant benchmark (a "**Benchmark Administrator**"). The status of each Benchmark Administrator or, where applicable, of each benchmark, 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 in the table below. Should any Benchmark Administrator's or, where applicable, benchmark's status change, this Prospectus will be updated accordingly.

| Benchmark(s) | Administrator | Status of the Benchmark Administrator |
|---|---|---|
| MSCI Indexes as may be disclosed in the KIID of AIA Global Multi-Factor Equity Fund from time to time | MSCI 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. |

## 11. TAXATION

### 11.1 General

The following summary is based on the law and practice applicable in the Grand Duchy of Luxembourg as at the date of this Prospectus and is subject to changes in law (or interpretation) later introduced, whether or not on a retroactive basis. Investors should inform themselves of, and when appropriate, consult their professional advisors with regards to the possible tax consequences of subscription for buying, holding, exchanging, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

It is expected that the Fund's shareholders will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the taxation consequences for each investor subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares. These consequences will vary in accordance with the law and practice currently in force in a shareholder's country of citizenship, residence, domicile or incorporation and with a shareholder's personal circumstances. Investors should be aware that the residence concept used under the respective headings applies for Luxembourg tax assessment purposes only. Any reference in this section 11 to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only.

Shareholders should also 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*). Shareholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax 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, to the solidarity surcharge and to a temporary tax (*impôt d'équilibrage budgétaire*). Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply in addition.

### 11.2 The Fund

Under current law and practice, the Fund is not liable to any Luxembourg income or net wealth tax, nor are dividends paid by the Fund subject to any Luxembourg withholding tax.

However, the Fund is liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% *per annum* of its net assets, such tax being payable quarterly and calculated on the Net Asset Value of the respective Sub-Fund at the end of the relevant quarter. A reduced tax rate of 0.01% *per annum* of the net assets will be applicable to (i) undertakings whose sole object is the collective investment in Money Market Instruments and the placing of deposits with credit institutions, (ii) undertakings whose sole object is the collective investment in deposits with credit institution and (iii) individual compartments of UCIs with multiple compartments referred to in the 2010 Law as well as for individual classes of securities issued within a UCI or within a compartment of a UCI with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

An exemption from subscription tax applies in the following cases:

(a) for the value of the assets represented by shares or units held in other UCIs to the extent such shares or units have already been subject to the subscription tax provided by the amended law of 13 February 2007 on specialised investment funds, the 2010 Law or by the law of 23 July 2016 on reserved alternative investment funds;

(b) for UCIs, as well as individual sub-funds of UCIs with multiple sub-funds:

  i. the securities of which are reserved for institutional investors; and

  ii. the exclusive object of which is the collective investment in Money Market Instruments and the placing of deposits with credit institutions; and

  iii. the weighted residual portfolio maturity of which does not exceed 90 days; and

  iv. that have obtained the highest possible rating from a recognised rating agency;

(c) for UCIs, the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employers' initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they hold, in order to provide their employees with retirement benefits;

(d) UCIs as well as individual sub-funds of umbrella UCIs with multiple sub-funds whose main objective is the investment in microfinance institutions; or

(e) for UCIs as well as individual compartments of UCIs with multiple compartments (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices.

No stamp duty or other tax is generally payable in Luxembourg on the issue of Shares for cash by the Fund. Any amendments to the Articles of Association are as a rule subject to a fixed registration duty of EUR 75.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Fund. Although the Fund's realised capital gains, whether short term or long term, are not expected to become taxable in another country, shareholders must be aware and recognise that such a possibility is not totally excluded. The regular income of the Fund from some of its securities as well as interest earned on cash deposits and capital gains in certain countries may be liable to withholding taxes at varying rates, which normally cannot be recovered. Withholding and other taxes levied at source, if any, are not recoverable. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be determined on a case-by-case basis.

### 11.2.1 Withholding tax

Under current Luxembourg tax law, the Fund is not liable to withholding taxes on dividends or distribution of liquidation proceeds to the shareholders under the Shares.

### 11.2.2 Value added tax

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

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

## 11.3 Shareholders

### 11.3.1 Luxembourg tax residency

A shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of Shares or the execution, performance or enforcement of its rights thereunder.

### 11.3.2 Income tax - Luxembourg residents

Luxembourg resident shareholders are not liable to any Luxembourg income tax on reimbursement of the share capital contributed to the Fund.

### 11.3.3 Luxembourg Resident Individuals

Any dividends and other payments derived from the Shares received by Luxembourg resident individuals, who act in the course of either their private wealth or their professional or business activities are subject to income tax at the progressive ordinary rates.

Capital gains realised upon the sale, disposal or redemption of Shares by Luxembourg resident individual shareholders acting in the course of the management of their private wealth are not subject to Luxembourg income tax, provided this sale, disposal or redemption takes place more than six months after the Shares were acquired and provided the Shares do not represent a substantial shareholding. A shareholding is considered as a substantial shareholding in limited cases, in particular if (i) the shareholder has held, either alone or together with his/her spouse or partner and/or his/her minor children, either directly or indirectly, at any time within the five years preceding the realisation of the gain, more than 10% of the share capital of the Fund or (ii) the shareholder acquired free of charge, within the five years preceding the transfer, a participation that constituted a substantial participation in the hands of the alienator (or alienators, in case of successive transfers free of charge within the same five year period). Capital gains realised on a substantial participation more than six months after the acquisition thereof are subject to income tax according to the half-global rate method (*i.e.* the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

Capital gains realised upon the disposal of the Shares by a resident individual shareholder, who acts in the course of the management of his professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

**11.3.4 Luxembourg resident corporations**

Luxembourg resident corporate shareholders (*sociétés de capitaux*) must include any profits derived, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

**11.3.5 Luxembourg residents benefiting from a special tax regime**

Luxembourg resident shareholders which benefit from a special tax regime, such as (i) UCI subject to the 2010 Law, (ii) specialised investment funds governed by amended the law of 13 February 2007, (iii) reserved alternative investment fund vehicle (opting for the treatment as a specialised investment fund) governed by the law of 23 July 2016 and (iv) family wealth management companies governed by the amended law of 11 May 2007, are tax exempt entities in Luxembourg and are thus not subject to any Luxembourg income tax.

**11.3.6 Income tax - Luxembourg non-residents**

Shareholders, who are non-residents of Luxembourg and which have neither a permanent establishment nor a permanent representative in Luxembourg to which the Shares are attributable are generally not subject to any income capital gains in Luxembourg.

Corporate shareholders which are non-residents of Luxembourg but which have a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Investors should consult their professional advisors regarding the possible tax or other consequences of buying, holding, transferring or selling Shares under the laws of their countries of citizenship, residence or domicile.

**11.3.7 Net Wealth Tax**

Luxembourg resident shareholders, and non-resident shareholders having a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, unless the shareholder is (i) a resident or non-resident individual taxpayer, (ii) a UCI governed by the Law of 2010, (iii) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (iv) a reserved alternative investment fund vehicle governed by the law of 23 July 2016, (v) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (vi) a specialised investment fund governed by the amended law of 13 February 2007, or (vii) a family wealth management company governed by the amended law of 11 May 2007.

However, (i) a Luxembourg resident securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a professional pension institution governed by the amended law of 13 July 2005, (iii) a reserved alternative investment fund vehicle (opting for the treatment as a venture capital vehicle) governed by the law of 23 July 2016 (iv) and a Luxembourg resident company governed by the amended law of 15 June 2004 on venture capital vehicles shall be subject to the minimum net wealth tax charge according to the amended law of 16 October 1934 on net wealth tax.

#### 11.3.8 Other Taxes

Under Luxembourg tax law, where an individual shareholder is a resident of Luxembourg for tax purposes at the time of his death, the Shares are included in his taxable basis for inheritance tax purposes. On the contrary, no estate or inheritance tax is levied on the transfer of Shares upon death of an individual shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death.

Luxembourg gift tax may be levied on a gift or donation of Shares if embodied in a Luxembourg notarial deed or otherwise registered in Luxembourg.

### 11.4 Exchange of information

#### 11.4.1 FATCA

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

FATCA provisions impose a reporting to the U.S. Internal Revenue Service of US Persons' (within the meaning of FATCA) direct and indirect ownership of non-U.S. accounts and non-U.S. entities.

As part of the process of implementing FATCA, Luxembourg entered into a Model I IGA, in order to facilitate compliance of entities like the Fund, with FATCA and avoid US withholding tax. Under the IGA, some Luxembourg entities like the Fund will have to provide the Luxembourg tax authorities with information on the identity, the investments of the shareholders and the income received by their shareholders. The Luxembourg tax authorities will then automatically pass the information on to the U.S. Internal Revenue Service.

However, the reporting obligations are not required in case the Fund can rely on a specific exemption contained in the IGA. In this respect, the Fund expects to be treated as a Non-Reporting Financial Institution under the Collective Investment Vehicle category within the meaning of the IGA, given that all of the Shares are expected to be held by or through FATCA Eligible Investors.

Accordingly, the Fund should not be required to report information on its shareholders and their investment in the Fund under the IGA.

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

- qualify the relevant investor as Prohibited Person and compulsorily redeem the shares of the relevant investors, provided that this compulsory redemption is permitted by applicable laws and regulations and the Management Company, the Investment Manager and the Sub-Investment Manager (as the case may be) are acting in good faith and on reasonable grounds;

- withhold any taxes or similar charges that it is legally required to withhold by applicable laws and regulations in respect of any shareholding in the Fund provided that such withholding is permitted by applicable laws and regulations and the Management Company, the Investment Manager and the Sub-Investment Manager (as the case may be) are acting in good faith and on reasonable grounds;

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

- divulge any such personal information to any tax or authority, as may be required by applicable laws or regulations or requested by such authority; and

- delay payments of any dividend or redemption proceeds to a shareholder until the Fund holds sufficient information to comply with applicable laws and regulations or determine the correct amount to be withheld.

To ensure that the Fund regularly satisfies the aforementioned investors' restrictions, shareholders may be requested to provide the Fund with the information, along with the required supporting documentary evidence. In this context, as further detailed above under the "Data Protection" clause of this Agreement, the shareholders are hereby informed that the Fund is responsible for the processing of their Personal Data and each shareholder has notably a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the Data Protection Law.

In case the Non-Reporting Financial Institution status of the Fund changed to a Reporting Financial Institution status, the shareholders will be notified of the change and the Prospectus amended accordingly.

The shareholders undertake to inform the Fund within thirty (30) days of receipt of any statement that would affect its status including inaccurate personal data. The shareholders further undertake to immediately inform the Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for any taxes or penalties imposed on the Fund and attributable to such shareholder’s failure to provide the documentation and may be qualified by the Fund as Prohibited Person.

No indemnification on FATCA may be imposed on shareholders of the Fund.

All prospective investors are advised to consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Fund and on the Fund and Sub-Funds.

### 11.4.2 Exchange of information – Common Reporting Standard

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

The Fund may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the “**Standard**”) and its Common Reporting Standard (the “**CRS**”) as set out in the Luxembourg law dated 18 December 2015 implementing the CRS in Luxembourg (the “**CRS Law**”).

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

The Fund’s ability to satisfy its reporting obligations under the CRS Law will depend on each shareholder providing the Fund with the Information, along with the required supporting documentary evidence. In this context, as further detailed above under the “Data Protection” clause of this Agreement, the shareholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law.

The shareholders undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

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

Similarly, the shareholders undertake to inform the Fund 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 Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes within thirty (30) days.

Any shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such shareholder's failure to provide the Information or subject to disclosure of the Information by the Fund to the Luxembourg tax authorities.

## 12. CO-MANAGEMENT AND POOLING

To ensure effective management, the Board of Directors may decide to authorise the Investment Manager to manage all or part of the assets of one or more Sub-Funds with other Sub-Funds in the Fund (technique of pooling) or to co-manage all or part of the assets, except for a cash reserve, if necessary, of one or more Sub-Funds of the Fund with assets of other Luxembourg UCI or of one or more sub-funds of other Luxembourg UCI (hereinafter called "Party(ies) to co-managed assets") for which the Depositary was appointed the depositary bank. These assets will be managed in accordance with the respective investment policy of the Parties to co-managed assets, each of which pursuing identical or comparable objectives. Parties to co-managed assets will only participate in co-managed assets as stipulated in their respective prospectus and in accordance with their respective investment restrictions. Parties to co-managed assets have the right to leave the co-management regime at any time.

Each Party to co-managed assets will participate in co-managed assets in proportion to the assets contributed thereto by it. Assets will be allocated to each Party to co-managed assets in proportion to its contribution to co-managed assets. The entitlements of each Party to co-managed assets apply to each line of investment in the aforesaid co-managed assets.

The aforementioned co-managed assets will be formed by the transfer of cash or, if necessary, other assets from each Party to co-managed assets. Thereafter, the Board of Directors may regularly make subsequent transfers to co-managed assets. The assets can also be transferred back to a Party to co-managed assets for an amount not exceeding the participation of the said Party to co-managed assets.

Dividends, interest and other distributions deriving from income generated by co-managed assets will accrue to the Parties to co-managed assets in proportion to their respective investments. Such income may be kept by the Party to co-managed assets or reinvested in the co-managed assets.

All charges and expenses incurred in respect of co-managed assets will be applied to these assets. Such charges and expenses will be allocated to each Party to co-managed assets in proportion to its respective entitlement in the co-managed assets.

In the case of infringement to investment restrictions affecting a Sub-Fund, when such a Sub-Fund takes part in co-management and even though the manager has complied with the investment restrictions applicable to the co-managed assets in question, the Board of Directors shall ask the Investment Manager to reduce the investment in question proportionally to the participation of the Sub-Fund concerned in the co-managed assets or, if necessary, reduce its participation in the co-managed assets so that investment restrictions for the Sub-Fund are observed.

When the Fund is liquidated or when the Board of Directors decides - without prior notice - to withdraw the participation of the Fund or a Sub-Fund from co-managed assets, the co-managed assets will be allocated to Parties to co-managed assets proportionally to their respective participation in the co-managed assets.

**Investors must be aware of the fact that such co-managed assets are employed solely to ensure effective management, and provided that all Parties to co-managed assets have the same depositary bank. Co-managed assets are not distinct legal entities and**

**are not directly accessible to investors. However, the assets and liabilities of each Sub-Fund will be constantly separated and identifiable.**

## APPENDIX I – LIST OF SUB-DELEGATES OF THE GLOBAL SUB-CUSTODIAN

| Country | Sub-delegate/Agent |
|---|---|
| Argentina | HSBC Bank Argentina S.A. |
| Australia | HSBC Bank Australia Limited |
| Austria | HSBC Trinkaus & Burkhardt AG |
| Bahrain | HSBC Bank Middle East Ltd |
| Bangladesh | The Hongkong & Shanghai Banking Corporation Ltd (Bangladesh) |
| Belgium | BNP Paribas Securities Services |
| Belgium | Euroclear Bank SA/NV |
| Benin | Societe Generale Cote D’Ivoire |
| Bermuda | HSBC Bank of Bermuda Ltd |
| Botswana | Standard Chartered Bank Botswana Ltd |
| Brazil | Bradesco-Kirton Corretora de Títulos e Valores Mobiliários S.A. |
| Bulgaria | UniCredit Bulbank AD |
| Burkina Faso | Societe Generale Cote D’Ivoire |
| Canada | Royal Bank of Canada |
| Chile | Banco Santander Chile |
| China | HSBC Bank (China) Company Limited |
| Colombia | Itau Securities Services Colombia S.A. Sociedad Fuduciaria |
| Costa Rica | Banco Nacional De Costa Rica |
| Croatia | Privredna Banka Zagreb d.d. |
| Cyprus | HSBC France, Athens Branch |
| Czech Republic | Ceskoslovenska obchodni banka, a. s. |
| Denmark | Skandinaviska Enskilda Banken AB |
| Egypt | HSBC Bank Egypt Ltd |

| Country | Sub-delegate/Agent |
|---|---|
| Estonia | SEB Pank |
| Finland | Skandinaviska Enskilda Banken AB |
| France | CACEIS Bank |
| Germany | HSBC Trinkaus & Burkhardt AG |
| Ghana | Standard Chartered Bank Ghana Ltd |
| Greece | HSBC France, Athens Branch |
| Hong Kong | The Hongkong & Shanghai Banking Corporation Ltd (Hong Kong) |
| Hungary | UniCredit Bank Hungary Zrt. |
| India | The Hongkong & Shanghai Banking Corporation Ltd (India) |
| Indonesia | PT Bank HSBC Indonesia |
| Ireland | HSBC Bank plc |
| Israel | Bank Leumi le-Israel BM |
| Italy | BNP Paribas Securities Services, Milan Branch |
| Ivory Coast | Societe Generale Cote D'Ivoire |
| Japan | The Hongkong & Shanghai Banking Corporation Ltd (Japan) |
| Jordan | Bank of Jordan Plc |
| Kazakhstan | JSC Citibank Kazakhstan |
| Kenya | Standard Chartered Bank Kenya Ltd |
| Kuwait | HSBC Bank Middle East Ltd |
| Latvia | AS SEB banka |
| Lebanon | Bank Audi s.a.l. |
| Lithuania | AS SEB bankas |
| Luxembourg | Clearstream Banking S.A. |
| Malaysia | HSBC Bank Malaysia Berhad |

| Country | Sub-delegate/Agent |
|---|---|
| Mali | Societe Generale Cote D'Ivoire |
| Mauritius | The Hongkong & Shanghai Banking Corporation Ltd (Mauritius) |
| Mexico | HSBC Mexico, S.A. |
| Morocco | Citibank Maghreb |
| Netherlands | BNP Paribas Securities Services |
| New Zealand | The Hongkong & Shanghai Banking Corporation Ltd (New Zealand) |
| Niger | Societe Generale Cote D'Ivoire |
| Nigeria | Stanbic IBTC Bank Plc |
| Norway | Skandinaviska Enskilda Banken AB |
| Oman | HSBC Bank Oman S.A.O.G. |
| Pakistan | Citibank N.A. |
| Palestine | Bank of Jordan Plc |
| Peru | Citibank del Peru S.A. |
| Philippines | The Hongkong & Shanghai Banking Corporation Ltd (Philippines) |
| Poland | Bank Polska Kasa Opieki SA |
| Portugal | BNP Paribas Securities Services |
| Qatar | HSBC Bank Middle East Ltd |
| Romania | Citibank Europe plc Dublin - Romania Branch |
| Russia | AO Citibank |
| Saudi Arabia | HSBC Saudi Arabia Ltd |
| Senegal | Societe Generale Cote D'Ivoire |
| Serbia | Unicredit Bank Serbia JSC |
| Singapore | The Hongkong & Shanghai Banking Corporation Ltd (Singapore) |
| Slovakia | Ceskoslovenska obchodni banka, a. s. |

| Country | Sub-delegate/Agent |
|---|---|
| Slovenia | UniCredit Banka Slovenija d.d. |
| South Africa | Standard Bank of South Africa Ltd |
| South Korea | The Hongkong & Shanghai Banking Corporation Ltd (South Korea) |
| Spain | BNP Paribas Securities Services |
| Sri Lanka | The Hongkong & Shanghai Banking Corporation Ltd (Sri Lanka) |
| Sweden | Skandinaviska Enskilda Banken AB |
| Switzerland | Credit Suisse (Switzerland) Ltd |
| Taiwan | HSBC Bank (Taiwan) Limited |
| Tanzania | Standard Chartered Bank (Mauritius) Ltd |
| Thailand | The Hongkong & Shanghai Banking Corporation Ltd (Thailand) |
| Togo | Societe Generale Cote D'Ivoire |
| Tunisia | Union Internationale de Banques |
| Turkey | HSBC Bank A.S. |
| Uganda | Standard Chartered Bank Uganda Ltd |
| United Arab Emirates | HSBC Bank Middle East Ltd |
| United Kingdom | HSBC Bank plc |
| United States | HSBC Bank (USA) NA |
| Vietnam | HSBC Bank (Vietnam) Limited |
| Zambia | Standard Chartered Bank Zambia Ltd |

**SUPPLEMENT 1:**
**AIA INVESTMENT FUNDS – AIA ASIA (EX JAPAN) EQUITY FUND**

## 1. Launch date

The AIA Investment Funds – AIA Asia (Ex Japan) Equity Fund (the "**Sub-Fund**") was launched on 22 November 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to generate long-term total returns through a portfolio of equities and equity-related securities issued primarily by Asian companies, as further described below.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by companies either (i) incorporated in the Asia (ex-Japan) region, (ii) listed, traded or quoted on the stock exchanges in the Asia (ex-Japan) region or (iii) have most of their assets and/or activities located in the Asia (ex-Japan) region.

The Sub-Fund will invest in companies it believes to have above average earnings growth potential compared to other companies or in companies it believes are undervalued compared to their perceived worth. The Investment Manager uses a bottom-up approach to buying and selling investments for the Sub-Fund.

The Sub-Fund will invest primarily in listed equity securities and equity-related securities including, but not limited to, common shares, preference shares, warrants, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)).

The Sub-Fund may also invest on an ancillary basis in debt securities convertible into common shares, issued by the same issuers as well as eligible Real Estate Investment Trusts (REITs) investing in Asia (ex-Japan).

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps, forwards, futures and contracts for difference (CFDs).

The eligible markets for the Sub-Fund include, but are not limited to, Other Regulated Markets in the Asia (ex-Japan) region.

The Sub-Fund may invest in China A-Shares in the People's Republic of China ("**PRC**") using Stock Connect. When using Stock Connect, the Sub-Fund will invest in China A-Shares listed on the SSE and the SZSE.

In particular, TRS may be used for efficient portfolio management, including to gain exposure to one or more eligible financial indices. The notional amount of such TRS may represent up to a maximum of 10% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the notional amount of such TRS will not exceed 5% of the Net Asset Value and remain within the range of 0% to 5% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into TRS and/or any increase or decrease of their notional amount.

The Sub-Fund may, when the size of the portfolio will be sufficient, have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund's assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, and (iv) margin lending transactions. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index. The Sub-Fund may invest in equity securities and equity-related securities of companies of any market capitalisation and of any industry or sector.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI AC Asia ex Japan or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

**5. Sub-Investment Manager**

No Sub-Investment Manager has been appointed for this Sub-Fund.

**6. Investor profile**

The Sub-Fund is intended for investors seeking long term growth potential offered through investments in equities with a particular focus on the Asia (ex-Japan) region.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

**7. Global exposure**

The global exposure of the Sub-Fund is measured using the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

**8. Valuation**

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is both (i) defined as a Business Day in the Prospectus and also (ii) a day on which the markets or exchanges where the assets of this Sub-Fund is substantially invested in is opened for normal trading.

A schedule of Valuation Days will be made available at the registered office of the Fund and may be updated from time to time during the course of the year.

**9. Subscriptions**

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| Class I (USD) Shares | USD 10.- | Up to 5.00% | Up to 1.00% p.a. | Up to 0.75% p.a. |
| Class I (SGD) Shares | SGD 10.- | Up to 5.00% | Up to 1.00% p.a. | Up to 0.75% p.a. |
| Class R (USD) Shares | USD 10.- | Up to 5.00% | Up to 1.00% p.a. | Up to 1.50% p.a. |
| Class Z (USD) Shares | USD 10.- | Up to 5.00% | Up to 1.00% p.a. | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Emerging Markets Risk;
- Stock Connect Risk;
- Investments in the PRC Risk;
- Foreign Exchange Risk and Currency Risk.

## SUPPLEMENT 2:
## AIA INVESTMENT FUNDS – AIA INDIA EQUITY FUND

### 1. Launch date

The AIA Investment Funds – AIA India Equity Fund (the "**Sub-Fund**") will be launched upon a decision of the Board of Directors.

### 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

### 3. Investment objective

The Sub-Fund aims to generate long-term total returns through a portfolio of equities and equity-related securities issued primarily by Indian companies, as further described below.

### 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by companies (i) incorporated in India, or (ii) listed, traded or quoted on the stock exchanges in India, or (iii) having most of their assets and/or activities located in India.

The Sub-Fund will invest in companies it believes to have above average earnings growth potential compared to other companies or in companies it believes are undervalued compared to their perceived worth. The Investment Manager uses a bottom-up approach to buying and selling investments for the Sub-Fund. The Sub-Fund may invest in equity securities and equity-related securities of companies of any market capitalisation and of any industry or sector.

The Sub-Fund will invest primarily in listed equity securities and equity-related securities including, but not limited to, common shares, preference shares, warrants, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)).

The Sub-Fund may also invest on an ancillary basis in debt securities convertible into common shares, issued by the same issuers as well as eligible Real Estate Investment Trusts (REITs) investing in India.

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps, forwards, futures and contracts for difference (CFDs).

In particular, TRS may be used for efficient portfolio management, including to gain exposure to one or more eligible financial indices. The notional amount of such TRS may represent up to a maximum of 10% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the notional amount of such TRS will not exceed 5% of the Net Asset Value and remain within the range of 0% to 5% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into TRS and/or any increase or decrease of their notional amount.

The Sub-Fund may, when the size of the portfolio will be sufficient, have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund's assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, and (iv) margin lending transactions. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI India Index or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

### 5. Sub-Investment Manager

No Sub-Investment Manager has been appointed for this Sub-Fund.

## 6. Investor profile

The Sub-Fund is intended for investors seeking long term growth potential offered through investments in equities with a particular focus on India.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is both (i) defined as a Business Day in the Prospectus and also (ii) a day on which banks are open the whole day for non-automated business in India.

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Emerging Markets Risk;
- Foreign exchange risk and currency Risk;
- Country Specific Risk.

**SUPPLEMENT 3:**
**AIA INVESTMENT FUNDS – AIA GREATER CHINA EQUITY FUND**

## 1. Launch date

The AIA Investment Funds – AIA Greater China Equity Fund (the "**Sub-Fund**") was launched on 12 July 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to generate long-term total returns through a portfolio of equities and equity-related securities issued primarily by Greater China companies, as further described below.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by companies (i) incorporated in the Greater China region (*i.e.* the People's Republic of China ("**PRC**"), the Hong Kong S.A.R., Macau S.A.R. and the Taiwan R.O.C.), (ii) listed, traded or quoted on the stock exchanges in the Greater China region or (iii) having most of their assets and/or activities located in the Greater China region.

The Sub-Fund will invest in companies it believes to have above average earnings growth potential compared to other companies or in companies it believes are undervalued compared to their perceived worth. The Investment Manager uses a bottom-up approach to buying and selling investments for the Sub-Fund. The Sub-Fund may invest in equity securities and equity-related securities of companies of any market capitalisation and of any industry or sector.

The Sub-Fund will invest primarily in listed equity securities and equity-related securities including, but not limited to, common shares, preference shares, warrants, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)).

The Sub-Fund may also invest on an ancillary basis in debt securities convertible into common shares, issued by the same issuers as well as eligible Real Estate Investment Trusts (REITs) investing in the Greater China region.

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps, forwards, futures and contracts for difference (CFDs).

The Sub-Fund may invest in China A-Shares in the PRC using Stock Connect. When using Stock Connect, the Sub-Fund will invest in China A-Shares listed on the SSE and the SZSE.

In particular, TRS may be used for efficient portfolio management, including to gain exposure to one or more eligible financial indices. The notional amount of such TRS may represent up to a maximum of 10% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the notional amount of such TRS will not exceed 5% of the Net Asset Value and remain within the range of 0% to 5% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into TRS and/or any increase or decrease of their notional amount.

The Sub-Fund may, when the size of the portfolio will be sufficient, have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund's assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, and (iv) margin lending transactions. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.
Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI AC

Golden Dragon Index or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

## 5. Sub-Investment Manager

No Sub-Investment Manager has been appointed for this Sub-Fund.

## 6. Investor profile

The Sub-Fund is intended for investors seeking long term growth potential offered through investments in equities with a particular focus on the Greater China region.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is both (i) defined as a Business Day in the Prospectus and also (ii) a day on which banks are open the whole day for non-automated business in Hong Kong.

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes and hedging

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Emerging Markets Risk;
- Stock Connect Risk;
- Investments in the PRC Risk;
- Country Specific Risk.

**SUPPLEMENT 4:**
**AIA INVESTMENT FUNDS – AIA GLOBAL MULTI-FACTOR EQUITY FUND**

## 1. Launch date

The AIA Investment Funds – AIA Global Multi-Factor Equity Fund (the "**Sub-Fund**") was launched on 15 July 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to provide long-term investment growth through exposure to a diversified portfolio of global equities and equity-related securities that exhibit various investment factor characteristics.

## 4. Investment policy and specific restrictions

The Sub-Fund will seek to achieve its investment objective by investing primarily, i.e. at least 50% of its Net Asset Value, in equities and equity-related securities, including but not limited to, warrants, convertible notes, convertible preference shares, convertible senior subordinated note, mandatory convertible preferred shares, common shares, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)), of companies worldwide that exhibit the characteristics of certain investment factors that drive the long-term return of equities. The Sub-Fund will gain exposure to a range of investment factors (also commonly known as investment styles) that may include low volatility, momentum, quality, value and small cap.

The Sub-Fund may invest in China A-Shares in the People's Republic of China ("**PRC**") using Stock Connect. When using Stock Connect, the Sub-Fund will invest in China A-Shares listed on the SSE and the SZSE.

The Sub-Fund may also invest in collective investment schemes and exchange-traded funds for equitizing cash exposure. Nevertheless, the Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps and futures. Under normal circumstances, it is expected that the notional value of futures contracts will not exceed 10% of the Net Asset Value of the Sub-Fund.

The Sub-Fund may, when the size of the portfolio will be sufficient have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund's assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, (iv) margin lending transactions and (v) TRS. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund will not be subject to any geographic, industry or sector restrictions.

The Sub-Fund may invest in companies of any market capitalisation.

The currency exposure of the Sub-Fund is flexibly managed.

The Sub-Fund is actively managed and the Investment Manager will not track any index. The portfolio of the Sub-Fund will however be based on a model portfolio (the "**Model Portfolio**") constructed by reference to a series of MSCI World indices, as provided in the KIID and as may be amended from time to time, according to a dynamic allocation between those indices rebalanced from time to time. The Investment Manager and the Sub-Investment Manager will therefore be constrained in relation to the allocation of the portfolio, based on the change in the composition of those indices.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI World Index or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

*Investment Methodology*

The Sub-Fund will invest in securities chosen by the Investment Manager based on certain characteristics, or factors, having persistent drivers of excess returns which change infrequently over a business cycle, with the goal of enhancing diversification, improving returns and reducing volatility of the portfolio.

When selecting the relevant factors and securities to be invested by the Sub-Fund, and building the Model Portfolio, the Investment Manager will apply a three stage process comprising quantitative analyses, qualitative inputs and analyses and portfolio construction.

In the first stage the Investment Manager undertakes quantitative analysis on amongst others, returns, risk, correlations, and style characteristics to ascertain the relative valuation of the various factors. Thereafter, the Investment Manger incorporates its proprietary research, analysis and forecasts on current macroeconomic and business environment to derive short, medium and long term views for each factor. In the final stage, factor allocation recommendations are made based on individual factor analysis, optimisation of various factor combinations as well as risk and performance attribution analysis. A monthly review of the Model Portfolio is undertaken to determine if adjustments to the individual and/or combination of factors in the Model Portfolio is required.

The Sub-Investment Manager will invest the portfolio of the Sub-Fund based on the Model Portfolio constructed by the Investment Manager by reference to a series of MSCI World indices, as provided in the KIID and as may be amended from time to time, according to a dynamic allocation between those indices rebalanced from time to time.

In instances where full replication of the Model Portfolio provided by the Investment Manager may be considered less effective due to amongst others, illiquid securities, high transactions costs, unavailable markets, and other legal and regulatory constraints, the Sub-Investment Manager may exercise its discretion to employ an optimization process. The Sub-Investment Manager’s optimization process is based on a risk model and creates a portfolio that has risk characteristics similar to that of the Model Portfolio provided by the Investment Manager which may involve, but is not limited to, the strategic selection of some (rather than all) of the securities that make up the Model Portfolio and the selection of securities which are not part of the Model Portfolio but provide similar performance and risk characteristics to certain securities that make up the Model Portfolio.

## 5. Sub-Investment Manager

The Investment Manager has appointed BlackRock Financial Management, Inc. as Sub-Investment Manager to invest the portfolio of the Sub-Fund in securities based on the Model Portfolio constructed by the Investment Manager in view of the Sub-Manager’s expertise in trading across multiple markets and time zones, in accessing multiple markets and counterparts, its technical infrastructure, processes and know-how, with a view to achieving an investment return that is similar to the return of the Model Portfolio.

The Sub-Investment Manager may appoint the delegates listed below as its sub-managers or investment advisors and shall pay them out of its own sub-investment management fee:

BlackRock Investment Management (UK) Limited, regulated by the Financial Conduct Authority, United Kingdom

BlackRock Asset Management North Asia Limited, regulated by the Securities and Futures Commission in Hong Kong

BlackRock Financial Management, Inc. is a company incorporated under the laws of the State of Delaware whose registered office is at 55 East 52nd Street, New York City, NY 10055, United States of America. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the United States of America's Securities and Exchange Commission under local law or regulation.

## 6. Investor profile

The Sub-Fund is intended for investors seeking long term total return potential offered through investments in global equities that exhibit investment factor characteristics.

The Sub-Fund is intended as a long-term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is both (i) defined as a Business Day in the Prospectus and also (ii) a day on which banks are open the whole day for non-automated business in the United States of America[1].

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |

[1] Item (ii) will become effective as from 7 April 2020

| | | | | |
|---|---|---|---|---|
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 – General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Market Risk;
- Emerging Markets Risk;
- Foreign Exchange Risk and Currency Risk;
- Volatility Risk;
- Economic Risk;
- Stock Connect Risk;
- Small Capitalisation Risk.

**SUPPLEMENT 5:**
**AIA INVESTMENT FUNDS – AIA GLOBAL QUALITY GROWTH FUND**

## 1. Launch date

The AIA Investment Funds – AIA Global Quality Growth Fund (the "**Sub-Fund**") was launched on 5 July 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund seeks to provide investors returns comprising capital growth and dividend income over the long term by investing primarily in global equities and equity-related securities worldwide.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity related securities of companies globally which demonstrates potential of quality growth in the long term.

The Sub-Investment manager will adopt a long term investment horizon and will look at indicators such as the long term strategic direction and culture of a company, capital allocation, skill of the management team and their level of alignment with shareholders to identify companies which in their opinion is running the business for the long term.

The Sub-Fund will invest primarily in listed equity securities and equity related securities including, but not limited to, common shares, preference shares, warrants, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)).

The Sub-Fund may invest up to 25% of its net assets in China A-Shares in the People's Republic of China ("**PRC**") using Stock Connect. When using Stock Connect, the Sub-Fund will invest in China A-Shares listed on the SSE and the SZSE.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities or commodities lending and securities or commodities borrowings, (iii) buy/sell-back transactions or sell/buy-back transactions, (iv) margin lending transactions and (v) TRS. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Assets in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI AC World Index or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

## 5. Sub-Investment Manager

The Investment Manager has delegated its investment management functions to Baillie Gifford Overseas Limited as Sub-Investment Manager.

Baillie Gifford Overseas Limited has been appointed as Sub-Investment Manager in relation to certain Sub-Funds as agreed from time to time.

Baillie Gifford Overseas Limited is a company incorporated under the laws of Scotland whose registered office is at Calton Square, 1 Greenside Row, Edinburgh EH1 3AN. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the UK's Financial Conduct Authority under local law or regulation.

## 6. Investor profile

The Sub-Fund is suitable for investors who are seeking exposure to growth investments over the long term and will not look to an investment in the Sub-Fund as a regular source of income.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is defined as a Business Day in the Prospectus.

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 – General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Economic Risk;
- Volatility Risk;
- Liquidity Risk;
- Portfolio Concentration Risk;
- Emerging Markets Risk;
- Stock Connect Risk;
- Market Risk;
- Foreign Exchange Risk and Currency Risk.

**SUPPLEMENT 6:**
**AIA INVESTMENT FUNDS – AIA NEW MULTINATIONALS FUND**

## 1. Launch date

The AIA Investment Funds – AIA New Multinationals Fund (the "**Sub-Fund**") was launched on 5 July 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to generate long-term total returns through a concentrated portfolio of global equities and equity-related securities, as further described below.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by companies globally with a bias towards large cap companies.

The Sub-Fund will invest in equity, such as shares, preferred stocks, and other securities with equity characteristics, comprising listed as well as over-the-counter, depository receipts (such as American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and European Depository Receipts (EDRs)), rights, warrants, units of eligible Real Estate Investment Trusts (REITs), either directly or indirectly through financial derivative instruments.

The Sub-Fund may also invest in Initial Public Offerings (IPOs) and secondary offerings.

The Sub-Fund may invest in market access products (comprising warrants on equities, options on equities and equity swaps) for securities issued by developed and emerging market companies. The Sub-Fund may also hold securities issued pursuant to Rule 144A and/or Regulation S securities of the U.S. Securities and Exchange Commission. Regulation S securities are those offered outside the United States of America without registration under the United States Securities Act of 1933 (as amended). Rule 144A provides a mechanism for privately placed securities without registration under the United States Securities Act of 1933 (as amended) to be traded amongst qualified institutional buyers. Investments in Rule 144A securities shall not exceed 20% of the net assets of the Sub-Fund.

The Sub-Fund will be diversified by industry and country, and the portfolio will be designed to ensure high liquidity with a relatively lower turnover. The Sub-Fund will generally invest in developed countries, and may invest up to 20% of its net assets in countries, which are considered to be emerging markets or frontier markets.

The Sub-Fund may also make limited investments in securities traded on markets of the Russian Federation and invest up to 10% of its net assets in China A-Shares traded via Stock Connect.

The Sub-Investment Manager will adopt a long-term investment horizon and select companies based on compelling fundamental merits and attractive management stewardship profile. The Sub-Fund will not be subject to any geographic, industry or sector restrictions.

The Sub-Fund may use financial derivative instruments, including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, equity index futures, rights, warrants, swaps, options, currency derivatives and other UCITS eligible derivatives.

In particular, TRS may be used for efficient portfolio management, including to gain exposure to one or more eligible financial indices. The notional amount of such TRS may represent up to a maximum of 10% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the notional amount of such TRS will not exceed 5% of the Net Asset Value and remain within the range of 0% to 5% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into TRS and/or any increase or decrease of their notional amount.

The Sub-Fund may, when the size of the portfolio will be sufficient, have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks The principal amount of the Sub-Fund’s assets that can be subject to securities lending transactions may represent up to a maximum of 20% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 10% of the Net Asset Value and remain within the range of 5% to 10% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, and (iv) margin lending transactions. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the MSCI AC World Index or such other benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

## 5. Sub-Investment Manager

The Investment Manager has delegated its investment management functions to Wellington Management Company LLP as Sub-Investment Manager, which may appoint the delegates listed below as its sub-managers or investment advisors and shall pay them out of its own sub-investment management fee:

Wellington Management International Ltd, authorised and regulated by the Financial Conduct Authority, United Kingdom

Wellington Management Japan Pte Ltd, regulated by the Financial Services Agency in Japan

Wellington Management Hong Kong Ltd, regulated by the Securities and Futures Commission in Hong Kong

Wellington Management Australia Pty Ltd, regulated by the Australian Securities and Investments Commission

Wellington Management Singapore Pte Ltd, regulated by the Monetary Authority of Singapore.

Wellington Management Company LLP is a limited liability partnership organised under the laws of Delaware, United States of America. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the U.S. Securities and Exchange Commission under local law or regulation.

## 6. Investor profile

The Sub-Fund is suitable for investors who are seeking investment in concentrated portfolios maximizing long term growth potential but with a higher deviation from the broad market indices.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

**7. Global exposure**

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund’s net derivative exposure may be up to 50% of its Net Asset Value.

**8. Valuation**

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is defined as a Business Day in the Prospectus.

**9. Subscriptions**

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

**10. Redemptions**

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Portfolio Concentration Risk;
- Market Risk;
- Emerging Markets Risk;
- Stock Connect Risk;
- Foreign Exchange Risk and Currency Risk.

**SUPPLEMENT 7:**
**AIA INVESTMENT FUNDS – AIA GLOBAL THEMES FUND**

## 1. Launch date

The AIA Investment Funds – AIA Global Themes Fund (the "**Sub-Fund**") will be launched upon a decision of the Board of Directors.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to generate attractive long-term returns by primarily investing in equity securities and equity-related securities issued by companies which, in the opinion of the Sub-Investment Manager, are generating significant revenues from emerging thematic trends.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in equity securities and equity-related securities issued by developed and emerging market companies globally, which, in the opinion of the Sub-Investment Manager, are generating significant revenues from one of the specific emerging thematic trends. These companies would generally operate in business areas that actively participate in social, economic and environment changes and drive long-term structural trends, including ageing population, automation, robotics, digitalisation, internet security and healthcare.

The Sub-Fund will invest primarily in listed equity securities and equity-related securities including, but not limited to, common shares, preference shares, warrants, rights issues and depositary receipts (American Depository Receipts (ADRs) and Global Depository Receipts (GDRs)).

Subject to the limits above, the Sub-Fund may also invest on an ancillary basis in fixed income securities or other non-equity instruments issued to existing equity stock holders in lieu of stock.

The Sub-Fund may invest in China A-Shares in the People's Republic of China ("**PRC**") using Stock Connect. When using Stock Connect, the Sub-Fund will invest in China A-Shares listed on the SSE and the SZSE.

The Sub-Fund may invest in exchange traded funds for equitizing cash exposure. Nevertheless, the Sub-Fund is not permitted to invest in aggregate more than 10% of its net assets in shares or units of UCITS or other UCI.

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps and futures. Under normal circumstances, it is expected that the notional value of futures contracts will not exceed 10% of the net assets of the Sub-Fund.

The Sub-Fund may, when the size of the portfolio will be sufficient, have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund's assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The types of assets that can be subject to securities lending transactions are equity securities and equity-related securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, (iv) margin lending transactions and (v) TRS. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund will not be subject to any geographic, industry or sector restrictions. The Sub-Fund may invest in companies of any market capitalisation.

The Sub-Fund is actively managed without reference to any benchmark. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

**5. Sub-Investment Manager**

The Investment Manager has delegated its investment management functions to BlackRock Financial Management, Inc. as Sub-Investment Manager.

BlackRock Financial Management, Inc. is a company incorporated under the laws of the State of Delaware whose registered office is at 55 East 52nd Street, New York City, NY 10055, United States of America. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the United States of America's Securities and Exchange Commission under local law or regulation.

## 6. Investor profile

The Sub-Fund is intended for investors seeking long term growth potential offered through investments in equities relating to emerging thematic trends.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is defined as a Business Day in the Prospectus.

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as an Equity Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 0.75% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Funds Investing in Specific Sectors;
- Market Risk;
- Volatility Risk;
- Emerging Markets Risk;
- Foreign Exchange Risk and Currency Risk;
- Stock Connect Risk.

**SUPPLEMENT 8:**
**AIA INVESTMENT FUNDS – AIA DIVERSIFIED FIXED INCOME FUND**

## 1. Launch date

The AIA Investment Funds – AIA Diversified Fixed Income Fund (the "**Sub-Fund**") was launched on 5 July 2019.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to maximise long-term return by investing in a diversified fixed income portfolio consisting primarily investment grade bonds and other debt securities denominated in USD.

## 4. Investment policy and specific restrictions

In order to achieve its investment objective, the Sub-Fund will invest primarily, *i.e.* at least 50% of the Sub-Fund's Net Asset Value, in USD-denominated fixed or floating rate fixed income securities issued by government, agencies and companies globally.

The Sub-Fund may invest in a full spectrum of fixed income securities including corporate bonds, emerging markets debt instruments, collateralized loan obligations (CLOs), asset backed securities (ABS), commercial mortgage backed securities (CMBS), taxable municipals, US government or agency obligations, as well as cash and commercial paper.

Investments in collateralized loan obligations (CLOs), asset backed securities (ABS), commercial mortgage backed securities (CMBS) and emerging market securities shall not, when combined, exceed 20% of the net assets of the Sub-Fund.

The Sub-Fund can invest in securities issued by issuers domiciled outside of the US as long as they are denominated in USD.

The Sub-Fund will primarily invest in securities rated investment grade (BBB- or above rated by Standard & Poor's, Baa3 or above by Moody's and BBB- or above by Fitch or an equivalent rating from an internationally recognised rating agency) and non-investment grade securities shall not exceed 20% of the net assets of the Sub-Fund. The Sub-Fund will not invest in distressed or default securities (rated CCC+ (or equivalent) or below).

The Sub-Fund may not invest in securities from an issuer in the tobacco industry or firms involved in the production of cluster munitions.

The Sub-Fund may use financial derivative instruments for hedging and efficient portfolio management purposes only.

The Sub-Fund may when the size of the portfolio will be sufficient have recourse to securities lending for the purposes of efficient portfolio management. In particular, securities lending may be used to generate additional capital or income or for reducing its costs or risks. The principal amount of the Sub-Fund’s assets that can be subject to securities lending transactions may represent up to a maximum of 50% of the Net Asset Value of the Sub-Fund. Under normal circumstances, it is generally expected that the principal amount of such transactions will not exceed 30% of the Net Asset Value and remain within the range of 0% to 30% of the Net Asset Value. In certain circumstances this proportion may be higher. The Sub-Fund may incur fees and transaction costs upon entering into such techniques and instruments. The type of assets that can be subject to securities lending transactions are bonds and other debt securities.

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase and reverse repurchase transactions, (ii) commodities lending and securities or commodities borrowings, (iii) buy-sell back or sell-buy back transactions, (iv) margin lending transactions and (v) TRS. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund is not permitted to invest in aggregate more than 10% of its Net Asset Value in shares or units of UCITS or other UCI.

The Sub-Fund is actively managed. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

Should investors in the Sub-Fund wish to measure the performance of the Sub-Fund for comparison purposes, then the Investment Manager would suggest using the composite benchmark as may be disclosed from time to time in the KIID for this Sub-Fund.

The composite benchmark will also serve as an internal guideline provided by the Investment Manager to the Sub-Investment Manager for assessment of the Sub-Investment Manager’s performance.

## 5. Sub-Investment Manager

The Investment Manager has delegated its investment management functions to BlackRock Financial Management, Inc. as Sub-Investment Manager.

BlackRock Financial Management, Inc. is a company incorporated under the laws of the State of Delaware whose registered office is at 55 East 52nd Street, New York City, NY 10055, United States of America. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the United States of America's Securities and Exchange Commission under local law or regulation.

## 6. Investor profile

The Sub-Fund is intended for investors seeking potential capital growth in the relative stability of the debt markets over the long term.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be up to 50% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is both (i) defined as a Business Day in the Prospectus and also (ii) a day on which banks are open the whole day for non-automated business in the United States of America[2].

## 9. Subscriptions

[2] Item (ii) will become effective as from 7 April 2020

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

## 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as a Bond / Fixed Income Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 3.00% | Up to 1.00% | Up to 0.50% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 3.00% | Up to 1.00% | Up to 0.50% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 3.00% | Up to 1.00% | Up to 1.25% p.a. |

| | | | | |
|---|---|---|---|---|
| **Class Z (USD) Shares** | USD 10.- | Up to 3.00% | Up to 1.00% | N.A. |
| **Class $Z_{DS}$ (USD) Shares** | USD 10.- | Up to 3.00% | Up to 1.00% | N.A. |

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Fixed Income Transferable Securities;
- Interest Rate Risk;
- Sovereign Debt Risk;
- Bond Downgrade Risk;
- Investment Grade Bond Risk;
- Credit Risk.

**SUPPLEMENT 9:**
**AIA INVESTMENT FUNDS – AIA MULTI-ASSET FUND**

## 1. Launch date

The AIA Investment Funds – AIA Multi-Asset Fund (the "**Sub-Fund**") will be launched upon a decision of the Board of Directors.

## 2. Reference currency

The Reference Currency of the Sub-Fund is USD.

## 3. Investment objective

The Sub-Fund aims to deliver long-term total return, which is a combination of capital growth and income at a lower risk than equity markets by investing in a multi-asset portfolio comprising a broad range of asset classes, markets and investment instruments.

## 4. Investment policy and specific restrictions

The Sub-Fund will seek to achieve its investment objective by obtaining indirect exposure through investments in Underlying Funds, as defined below, to a broad range of asset classes, which may include equity and equity-related securities, including, but not limited to, common shares, preference shares, warrants, rights issues, American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), fixed income and fixed income-related securities, money market instruments and cash.

Exposure to the above assets will be achieved through investments in units or shares of eligible UCITS and UCIs, including but not limited to exchange traded funds and other index funds (the "**Underlying Funds**"), subject to a maximum exposure of 20% of the Net Asset Value of the Sub-Fund to each of the Underlying Funds and a maximum of 30% of the Net Asset Value of the Sub-Fund to all Underlying Funds, which are not UCITS, combined, in line with UCITS rules.

It is intended that the Sub-Fund's indirect exposure to equities will not exceed 80% of its Net Asset Value, however, this exposure may vary over time.

The Sub-Fund's does not have any minimum credit rating requirement in respect of the fixed income instruments in which it may indirectly take exposure to which may include unrated fixed income securities. The Sub-Fund's indirect exposure to non-investment grade fixed income securities shall not exceed 60% of its Net Asset Value.

The Sub-Fund may also take indirect exposure to commodities through investments in eligible Underlying Funds (including exchange traded funds).

The following is an indicative indirect asset allocation of the Sub-Fund based on asset classes expected to be invested by the Underlying Funds:

| Underlying Funds Asset Type | Indicative Percentage of the Sub-Fund's Net Asset Value |
|---|---|
| Equity and equity-related securities | 30% – 80% |
| Fixed income and fixed income-related securities | 10% – 60% |
| Non-investment grade fixed income securities | 0% – 60% |
| Money market instruments, cash and near-cash instruments | 0% – 100% |

At the time of this Supplement, the Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities or commodities lending and securities or commodities borrowings, (iii) buy/sell-back transactions or sell/buy-back transactions, (iv) margin lending transactions and (v) TRS. Should the Sub-Fund use any of these techniques, this Supplement shall be updated accordingly.

The Sub-Fund may use financial derivative instruments including OTC derivatives for hedging and efficient portfolio management purposes, including, but not limited to, options, swaps, forwards, futures and contracts for difference (CFDs).

The Sub-Fund may also retain amounts in cash or cash equivalents including investments in money market funds if it is considered appropriate to achieve the investment objective, including, but not limited to, during portfolio rebalancing.

The Sub-Fund will not be subject to any geographic, industry or sector restrictions. The Sub-Fund may invest in companies of any market capitalisation.

The currency exposure of the Sub-Fund is flexibly managed.

The asset allocation of the Sub-Fund will change according to the Investment Manager's views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market.

The Sub-Fund is actively managed without reference to any benchmark. The Investment Manager will therefore not track any index and/or have any constraints in relation to the allocation of the portfolio, based on the change in the composition of any index.

## 5. Sub-Investment Manager

The Investment Manager has delegated its investment management functions to BlackRock Financial Management, Inc. as Sub-Investment Manager.

BlackRock Financial Management, Inc. is a company incorporated under the laws of the State of Delaware whose registered office is at 55 East 52nd Street, New York City, NY 10055, United States of America. The Sub-Investment Manager is authorised for the purpose of asset management and regulated by the United States of America's Securities and Exchange Commission under local law or regulation.

## 6. Investor profile

The Sub-Fund is intended for investors seeking long term growth potential offered through investments in a diversified range of assets and markets, including indirect exposure of a significant of the portfolio to non-investment grade fixed income securities.

The Sub-Fund is intended as a long term investment. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser on their risk tolerance and investment horizon before investing in the Sub-Fund.

## 7. Global exposure

The global exposure of the Sub-Fund is calculated under the commitment approach on a daily basis.

The Sub-Fund's net derivative exposure may be more than 50% but up to 100% of its Net Asset Value.

## 8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated as of 4:00 pm CET on each Valuation Day.

With respect to this Sub-Fund, a Business Day is any day which is defined as a Business Day in the Prospectus.

## 9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 11:00 am CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is no later than three (3) Business Days following the relevant Subscription Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business. Otherwise receipt of cleared monies will be the next Business Day where the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

### 10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 11:00 am CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is no later than three (3) Business Days following the relevant Redemption Day (which are Business Days during which the banks in the principal financial centre for the settlement currency of the relevant Share Class are open for business).

### 11. Share Classes

The Share Classes established within the Sub-Fund and their features are listed below. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions.

The Sub-Fund will qualify as a Multi-asset Sub-Fund for the purpose of the Subscription Fee and the Investment Management Fee.

| Share Classes | Initial Offer Price | Subscription Fee | Redemption Fee / Conversion Fee | Investment Management Fee* |
|---|---|---|---|---|
| **Class I (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.00% p.a. |
| **Class I (SGD) Shares** | SGD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.00% p.a. |
| **Class R (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | Up to 1.50% p.a. |
| **Class Z (USD) Shares** | USD 10.- | Up to 5.00% | Up to 1.00% | N.A. |

* *As the Sub-Fund invests a substantial proportion of its assets in Underlying Funds, the maximum level of the Investment Management Fee that will be charged both to the Sub-Fund itself and to the Underlying Fund in which it intends to invest will be up to 1.80% p.a.*

## 12. Specific risks

Investors should carefully read section 5 - General Risk Factors of the Prospectus before investing in the Sub-Fund.

Investors should particularly consider the following risks which are specific to the Sub-Fund:

- Equity Risk;
- Fixed Income Transferable Securities;
- Commodities Risk;
- Exposure to Commodities within Exchange Traded Funds Risk;
- Investment in the PRC;
- Investing in Other Funds Risk;
- Derivative Risk;
- Below Investment Grade Risk;
- Emerging Markets Risk.