

## **MULTICOOPERATION SICAV**

**JULIUS BAER STRATEGY BALANCED (CHF)**  
**JULIUS BAER STRATEGY BALANCED (EUR)**  
**JULIUS BAER STRATEGY BALANCED (USD)**  
**JULIUS BAER STRATEGY GROWTH (CHF)**  
**JULIUS BAER STRATEGY GROWTH (EUR)**  
**JULIUS BAER STRATEGY INCOME (CHF)**  
**JULIUS BAER STRATEGY INCOME (EUR)**  
**JULIUS BAER STRATEGY INCOME (USD)**  
**JULIUS BAER GLOBAL EXCELLENCE EQUITY**  
**JULIUS BAER EQUITY FUND SPECIAL VALUE**  
**JULIUS BAER EQUITY ASIA**  
**JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE**  
**JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA**  
**JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE**  
**JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)**  
**JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR)**  
**JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (AS OF 16.06.2020 JULIUS BAER  
FIXED INCOME GLOBAL QUALITY HIGH YIELD)**  
**JULIUS BAER DYNAMIC ASSET ALLOCATION**  
**JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED**  
**JULIUS BAER EQUITY NEXT GENERATION**  
**JULIUS BAER EQUITY SUSTAINABILITY**  
**JULIUS BAER FIXED INCOME ASIA**  
**JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS**  
**JULIUS BAER FIXED MATURITY 2024 ASIA**  
**JULIUS BAER ASIA REITS**

Subfunds of MULTICOOPERATION SICAV, an open-ended investment company (Société d'Investissement à Capital Variable, SICAV) established under the laws of Luxembourg, which were launched for Bank Julius Bär & Co. AG, Zurich, by GAM (Luxembourg) S.A., Luxembourg

**SPECIAL PART A: 5 JUNE 2020**

This Part of the prospectus supplements the General Part with respect to the Subfunds JULIUS BAER STRATEGY BALANCED (CHF), JULIUS BAER STRATEGY BALANCED (EUR), JULIUS BAER STRATEGY BALANCED (USD), JULIUS BAER STRATEGY GROWTH (CHF), JULIUS BAER STRATEGY GROWTH (EUR), JULIUS BAER STRATEGY INCOME (CHF), JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER STRATEGY INCOME (USD), JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY FUND SPECIAL VALUE, JULIUS BAER EQUITY ASIA, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA, JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE, JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD), JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR), JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (as of 16.06.2020 JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD), JULIUS BAER DYNAMIC ASSET ALLOCATION, JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED, JULIUS BAER EQUITY NEXT GENERATION, JULIUS BAER EQUITY SUSTAINABILITY, JULIUS BAER FIXED INCOME ASIA, JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS, JULIUS BAER FIXED MATURITY 2024 ASIA and JULIUS BAER ASIA REITS. Where reference is made in this Document collectively to the Subfunds, they shall be referred to hereinafter as “**BJB-Funds**”.

The provisions as set out hereinafter must be read in conjunction with the corresponding statements made in the General Part of the prospectus.

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## 1. ISSUE OF THE SHARES IN THE BJB-FUNDS

The shares in the BJB-FUNDS were offered for subscription for the first time as set out below. The stated initial issue price is understood to apply per share plus a selling fee charged by the distributor of up to 5% maximum of the issue price.

SUBFUND		SUBSCRIPTION PERIOD	ISSUE PRICE
1.	JULIUS BAER STRATEGY BALANCED (CHF)	2 May 1994	CHF 100.--
2.	JULIUS BAER STRATEGY BALANCED (EUR)	23 – 29 July 1999	EUR 100.--
3.	JULIUS BAER STRATEGY BALANCED (USD)	30 November 2005	USD 100.--
4.	JULIUS BAER STRATEGY GROWTH (CHF)	22 – 30 May 2000	CHF 100.--
5.	JULIUS BAER STRATEGY GROWTH (EUR)	22 – 30 May 2000	EUR 100.--
6.	JULIUS BAER STRATEGY INCOME (CHF)	23 – 29 July 1999	CHF 100.--
7.	JULIUS BAER STRATEGY INCOME (EUR)	23 – 29 July 1999	EUR 100.--
8.	JULIUS BAER STRATEGY INCOME (USD)	15 Sep. – 10 Oct. 2003	USD 100.--
9.	JULIUS BAER GLOBAL EXCELLENCE EQUITY	18 July 2013	EUR 131.57****)
10.	JULIUS BAER EQUITY FUND SPECIAL VALUE	18 July 2013	*)
11.	JULIUS BAER EQUITY ASIA (Until 5 July 2018: JULIUS BAER EQUITY GLOBAL EXCELLENCE EMERGING MARKETS)	28. July 2014	USD 100
12.	JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	15. July 2014	EUR 100
13.	JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA	15. July 2014	USD 100
14.	JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE (Until 07 March 2019 Julius Baer FIXED INCOME EMERGING MARKETS HARD CURRENCY)	4. August 2014	USD 100
15.	JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) (Until 5 July 2018: JULIUS BAER FIXED INCOME GLOBAL HIGH INVESTMENT GRADE)	15. July 2014	EUR 100**)
16.	JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR) (Until 5 July 2018: JULIUS BAER FIXED INCOME GLOBAL LOW INVESTMENT GRADE)	21. July 2014	EUR 100
17.	JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (As of 16.06.2020 JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD)	22 April 2016	USD 100
18.	JULIUS BAER DYNAMIC ASSET ALLOCATION	16 – 23 February 2018	USD 100
19.	JULIUS BAER EQUITY NEXT GENERATION	16 – 23 February 2018	USD 100
20.	JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED	30 November 2017	USD 100
21.	JULIUS BAER EQUITY SUSTAINABILITY	Open***)	USD 100

22.	JULIUS BAER FIXED INCOME ASIA	17.07.2020	USD 100
23.	JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS	open***)	USD 100
24.	JULIUS BAER FIXED MATURITY 2024 ASIA	05. – 17.06.2020	USD 100
25.	JULIUS BAER ASIA REITS	1.07.2020	USD 100

\*) The initial issue price was equal to the net asset value as of 18 July 2013 of the UCITS Luxembourg law “Julius Baer Strategy Fund – Julius Baer Equity Fund Special Value”, which is available on the internet on [www.funds.gam.com](http://www.funds.gam.com).

\*\*) As at 06 July 2018, the accounting currency of the Subfund JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) has been changed from EUR to USD.

\*\*\*) The Company will determine the initial subscription period of the Subfunds at its own discretion at a later date. The date of issue shall be announced by publication in the "Luxembourg Word" and, if applicable, in other publication media chosen by the Company. In addition, the prospectus will be adjusted accordingly at the next submission.

\*\*\*\*) As at 22 February 2019, the accounting currency of the Subfund JULIUS BAER GLOBAL EXCELLENCE EQUITY has been changed from EUR to USD.

## 2. INVESTMENT OBJECTIVES AND POLICY OF BJB-FUNDS

### 2.1 INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER STRATEGY BALANCED (CHF), JULIUS BAER STRATEGY BALANCED (EUR) AND JULIUS BAER STRATEGY BALANCED (USD)

The Company's investment objective for the Subfunds

- Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (CHF) (“**JULIUS BAER STRATEGY BALANCED (CHF)**”),
- Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (EUR) (“**JULIUS BAER STRATEGY BALANCED (EUR)**”)
- and
- Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (USD) (“**JULIUS BAER STRATEGY BALANCED (USD)**”)

is to generate a steady return in their reference currency, as indicated below, reflecting the conditions on the financial markets. The focus is on long-term performance. Commensurate risks in the form of fluctuations in value are taken into account. To this end, the Company invests the assets of these Subfunds in the following investment vehicles.

#### TRADITIONAL INVESTMENTS:

- (i) Within an investment scope of between 30% and 70% of the assets of the respective Subfund: fixed-interest or floating rate securities, debt securities and claims, and other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging-market bonds, high-yield bonds as well as asset backed securities (ABS) and mortgage backed securities (MBS) [ABS and MBS together max. 20% of the assets of each Subfund]) issued or guaranteed by issuers worldwide. Investments as defined in (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.
- (ii) Within an investment scope of between 20% and 60% of the respective Subfund's assets: stocks and other equities and equity rights of companies worldwide, including issuers in emerging market countries. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real-estate funds and listed real-estate investment trusts (REITs). Investments as defined in (vi), (vii) and (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.

- (iii) Within an investment scope of between 0% and 49% of the assets of the respective Subfund: money-market instruments, which have a total expiration period of up to 12 months at the time of issue, as well as sight deposits and deposits at notice as defined in section 5 of the General Part.

Investments according to (i), (ii) and (iii) can also be made indirectly by means of derivatives and structured products or by acquiring units of other UCITS or UCI, including ETFs (together: target funds), within the meaning and subject to the restrictions of section 5 of the General Part.

**ALTERNATIVE INVESTMENTS:**

Alternative investments, as described below, may be made within a scope of from 0% up to a maximum total of 25% of the assets of the respective Subfund.

1. Derivative instruments and structured products on commodity indices (or corresponding sub-indices) which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and commodity funds and commodity ETFs within the meaning and subject to the restrictions of section 5 of the General Part, and listed structured products on individual commodities which according to their prospectuses are deemed to be a suitable investment for a UCITS, in which no derivatives are embedded, within the meaning of Article 41 (1) of the 2010 Law and where physical delivery of the underlying asset is excluded.
2. Units of open-ended funds or open-ended ETFs investing in precious metals, in which no derivatives are embedded and which are in line with Article 41 (1) of the 2010 Law.
3. Derivative instruments and structured products on hedge fund indices (or corresponding sub-indices), which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and units of UCITS that invest mainly in alternative strategies, and listed units of investment companies, holding companies or closed-ended UCIs that mainly invest in hedge funds.
4. Listed private equity, that is, listed units of investment companies, holding companies or closed-ended UCIs that mainly invest in equity securities and equity rights which are traded neither on a stock exchange nor on another regulated market.
5. Listed units of investment companies, holding companies or closed-ended UCIs or open-ended UCITS or UCIs that mainly invest in so-called disaster bonds and other insurance linked securities.

The Subfunds may also hold liquidity.

By way of derogation from the provisions of the General Part, more than 10% but no more than a total of 49% of the assets of the respective Subfund may be invested in target funds.

The Subfunds are denominated in the following **reference currencies**:

- JULIUS BAER STRATEGY BALANCED (CHF) is denominated in Swiss francs.
- JULIUS BAER STRATEGY BALANCED (EUR) is denominated in Euro.
- JULIUS BAER STRATEGY BALANCED (USD) is denominated in US dollars.

The investments shall be made in the reference currency of the respective Subfund and, also without currency hedging, in other currencies up to a maximum of 60% of the respective Subfund's assets. Consequently, the Reference Currency is not identical to the investment currency in every case, and losses due to currency variations cannot be ruled out. The specific classes of security, markets and currencies shall be weighted in accordance with principles which not only are based on the expected return of an investment but which also view such return in the context of the expected risk.

For these Subfunds investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include in particular the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index.

**In connection with investments in emerging market countries, please refer to the section “Information on Investments in Emerging Market Countries” below.**

Direct investments in the People’s Republic of China can be made solely via “China-H” shares, i.e. shares of companies having their registered office in the People’s Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars and which are in accordance with Article 41 (1) of the 2010 Law.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management, as well as for active investment in transferable securities and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and, in particular, call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, “CDS”) on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section “Information on Investment in Derivative Instruments and Structured Products”.**

## 2.2 INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER STRATEGY GROWTH (CHF) AND JULIUS BAER STRATEGY GROWTH (EUR)

The Company’s investment objective for the Subfunds

- Multicooperation SICAV – JULIUS BAER STRATEGY GROWTH (CHF) (“**JULIUS BAER STRATEGY GROWTH (CHF)**”) and
- Multicooperation SICAV – JULIUS BAER STRATEGY GROWTH (EUR) (“**JULIUS BAER STRATEGY GROWTH (EUR)**”)

is to generate a steady return in their reference currency, as indicated below, reflecting the conditions on the financial markets. The focus is on long-term performance. Commensurate risks in the form of fluctuations in value are taken into account. To this end, the Company invests the assets of these Subfunds in the following investment vehicles.

### TRADITIONAL INVESTMENTS:

- (i) Within an investment scope of between 10% and 60% of the assets of the respective Subfund: fixed-interest or floating rate securities, debt securities and claims, and other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging-market bonds, high-yield bonds as well as asset backed securities (ABS) and mortgage backed securities (MBS) [ABS and MBS together max. 20% of the assets of each Subfund]) issued or guaranteed by issuers worldwide. Investments as defined in (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.
- (ii) Within an investment scope of between 40% and 90% of the respective Subfund’s assets: stocks and other equities and equity rights of companies worldwide, including issuers in emerging market countries. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs). Investments as defined in (vi), (vii) and (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.
- (iii) Within an investment scope of between 0% and 49% of the assets of the respective Subfund: money-market instruments, which have a total expiration period of up to 12 months at the time of issue, as well as sight deposits and deposits at notice as defined in section 5 of the General Part.

Investments according to (i), (ii) and (iii) can also be made indirectly by means of derivative instruments and structured products or by acquiring units of other UCITS or UCI, including ETFs (together: target funds), within the meaning and subject to the restrictions of section 5 of the General Part.

### ALTERNATIVE INVESTMENTS

Alternative investments, as described below, may be made within a scope of from 0% up to a maximum total of 25% of the assets of the respective Subfund.



- (iv) Derivative instruments and structured products on commodity indices (or corresponding sub-indices) which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and commodity funds and commodity ETFs within the meaning and subject to the restrictions of section 5 of the General Part, and listed structured products on individual commodities which according to their prospectuses are deemed to be a suitable investment for a UCITS, in which no derivatives are embedded, within the meaning of Article 41 (1) of the 2010 Law and where physical delivery of the underlying asset is excluded.
- (v) Units of open-ended funds or ETFs investing in open-ended precious metals, in which no derivatives are embedded and which are in line with Article 41 (1) of the 2010 Law.
- (vi) Derivative instruments and structured products on hedge fund indices (or corresponding sub-indices), which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and units of UCITS that invest mainly in alternative strategies, and listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in hedge funds.
- (vii) Listed private equity, that is, listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in equity securities and equity rights which are neither traded on a stock exchange nor on another regulated market.
- (viii) Listed units of investment companies, holding companies or closed-ended UCIs or open-ended UCITS or UCIs that invest mainly in so-called disaster bonds and other insurance linked securities.

The Subfunds may also hold liquidity.

By way of derogation from the provisions of the General Part, more than 10% but no more than a total of 49% of the assets of the respective Subfund may be invested in target funds.

The Subfunds are denominated in the following **reference currencies**:

- JULIUS BAER STRATEGY GROWTH (CHF) is denominated in Swiss francs.
- JULIUS BAER STRATEGY GROWTH (EUR) is denominated in Euro.

The investments shall be made in the reference currency of the respective Subfund and, also without currency hedging, in other currencies up to a maximum of 65% of the respective Subfund's assets. Consequently, the currency of investments may differ to the aforementioned extent from the Reference Currency mentioned in the name of the fund. Losses due to currency variations therefore cannot be ruled out. The specific classes of security, markets and currencies shall be weighted in accordance with principles which not only are based on the sole return of an investment but which also view such return in the context of the expected risk.

For these Subfunds investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include in particular the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information on Investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars and which are in accordance with Article 41 (1) of the 2010 Law.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in transferable securities and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative**

instruments and structured products, please refer to the section “Information on Investments in Derivative Instruments and Structured Products”.

## 2.3 INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER STRATEGY INCOME (CHF), JULIUS BAER STRATEGY INCOME (EUR) AND JULIUS BAER STRATEGY INCOME (USD)

The Company’s investment objective for the Subfunds

- Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (CHF) “**JULIUS BAER STRATEGY INCOME (CHF)**”,
- Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (EUR) “**JULIUS BAER STRATEGY INCOME (EUR)**” and
- Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (USD) “**JULIUS BAER STRATEGY INCOME (USD)**”)

is to generate a steady return in their reference currency, as indicated below, reflecting the conditions on the financial markets. The focus is on long-term performance. Commensurate risks in the form of fluctuations in value are taken into account. To this end, the Company invests the assets of these Subfunds in the following investment vehicles.

### TRADITIONAL INVESTMENTS:

- (i) Within an investment scope of between 50% and 90% of the assets of the respective Subfund: fixed-interest or floating rate securities, debt securities and claims, and other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging-market bonds, high-yield bonds as well as asset backed securities (ABS) and mortgage backed securities (MBS) [ABS and MBS together max. 20% of the assets of each Subfund]) issued or guaranteed by issuers worldwide. Investments as defined in (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.
- (ii) Within an investment scope of between 10% and 35% of the respective Subfund’s assets: equities and other equity securities and equity rights of companies worldwide, including issuers in emerging market countries. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs). Investments as defined in (vi), (vii) and (viii) which have one of the legal forms described in this paragraph do not come within the investment scope described here.
- (iii) Within an investment scope of between 0% und 49% of the respective Subfund’s assets: money-market instruments, which have a total expiration period of up to 12 months at the time of issue, as well as sight deposits and deposits at notice as defined in section 5 of the General Part.

Investments according to (i), (ii) and (iii) can also be made indirectly by means of derivative instruments and structured products or by acquiring units of other UCITS or UCI, including ETFs (together: target funds), within the meaning and subject to the restrictions of section 5 of the General Part.

### ALTERNATIVE INVESTMENTS

Alternative investments, as described below, may be made within a scope of from 0% up to a maximum total of 25% of the assets of the respective Subfund.

- (iv) Derivative instruments and structured products on commodity indices (or corresponding sub-indices) which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and commodity funds and commodity ETFs within the meaning and subject to the restrictions of section 5 of the General Part, and listed structured products on individual commodities which according to their prospectuses are deemed to be a suitable investment for a UCITS, in which no derivatives are embedded, within the meaning of Article 41 (1) of the 2010 Law and where physical delivery of the underlying asset is excluded.
- (v) Units of open-ended funds or open-ended ETFs investing in precious metals, in which no derivatives are embedded and which are in line with Article 41 (1) of the 2010 Law.

- (vi) Derivative instruments and structured products on hedge fund indices (or corresponding sub-indices), which are representative, broadly diversified and appropriately published and which in each case meet the requirements of Articles 8 and 9 or, as applicable, Article 2 of Directive 2007/16/EC, and units of UCITS that invest mainly in alternative strategies, and listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in hedge funds.
- (vii) Listed private equity, that is, listed units of investment companies, holding companies or closed-ended UCIs that invest mainly in equity securities and equity rights which are neither traded on a stock exchange nor on another regulated market.
- (viii) Listed units of investment companies, holding companies or closed-ended UCIs or open-ended UCITS or UCIs that invest mainly in so-called disaster bonds and other insurance linked securities.

The Subfunds may also hold liquidity.

By way of derogation from the provisions of the General Part, more than 10% but no more than a total of 49% of the assets of the respective Subfund may be invested in target funds.

The Subfunds are denominated in the following **reference currencies**:

- JULIUS BAER STRATEGY INCOME (CHF) is denominated in Swiss francs.
- JULIUS BAER STRATEGY INCOME (EUR) is denominated in Euro.
- JULIUS BAER STRATEGY INCOME (USD) is denominated in US dollars.

The investments shall be made in the reference currency of the respective Subfund and, also without currency hedging, in other currencies up to a maximum of 55% of the respective Subfund's assets. Consequently, the reference currency is not identical to the investment currency in every case, and losses due to currency variations cannot be ruled out. The specific classes of security, markets and currencies shall be weighted in accordance with principles which not only are based on the expected return of an investment but which also view such return in the context of the expected risk.

For these Subfunds, investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. They include in particular the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in emerging market countries, please refer to the section "Information on Investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China can be made solely via "China-H" shares, i.e. shares of companies having their registered office in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and denominated in Hong Kong dollars and which are in accordance with Article 41 (1) of the 2010 Law.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in transferable securities and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

## 2.4 INVESTMENT OBJECTIVES AND POLICY OF JULIUS BAER GLOBAL EXCELLENCE EQUITY

The investment objective of the Company in relation to JULIUS BAER GLOBAL EXCELLENCE EQUITY is to achieve a high capital growth with a steady return, taking into consideration the guarantee of the capital and the liquidity of the assets.

For such purpose the Company invests at least two thirds of the assets of the Subfund in a portfolio of shares and other equity securities and equity rights of companies worldwide, including issuers in emerging market countries. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs).

Up to one third of the assets of the JULIUS BAER GLOBAL EXCELLENCE EQUITY may also be invested in the following securities: (i) fixed-interest or floating-rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (ii) sight deposits and deposits at notice (iii) structured products on equities and other equity securities (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances, and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

The JULIUS BAER GLOBAL EXCELLENCE EQUITY is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

For this Subfund investments can be acquired which are either issued by issuers of emerging market countries ("Emerging Market Countries") and/or are denominated in currencies of Emerging Market Countries or which are economically linked to the currency of Emerging Market Countries. Emerging Market Countries generally mean markets in countries currently developing into modern industrialised countries, with the result that they exhibit high potential but also increased risk. In particular, these include the countries included in the *S&P Emerging Broad Market Index* or the *MSCI Emerging Markets Index*. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China are made solely through "China-H" shares, i.e. shares of companies with their place of business in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and which are denominated in Hong Kong dollar and which fulfil the requirements of Art. 41 (1) of the 2010 Law.

*Until 15.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in transferable securities and active currency allocation.*

*As of 16.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

## 2.5 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY FUND SPECIAL VALUE

The investment objective of the Company in relation to JULIUS BAER EQUITY FUND SPECIAL VALUE is to achieve an above-average long-term capital growth.

For this purpose the JULIUS BAER EQUITY FUND SPECIAL VALUE invests worldwide at least two thirds of its assets in a portfolio of carefully selected shares and other equity securities of companies which, in the opinion of the Company, are strongly undervalued and can expect a high market price and which have their place of business or the major part of their business activities in recognised countries. The country, sector and title

selection are adjusted according to the market situation, therefore the investment focus may greatly vary as appropriate.

Up to a maximum of one third of the assets of the JULIUS BAER EQUITY FUND SPECIAL VALUE may also be invested in fixed-interest or floating-rate securities as well as in convertible and warrant bonds (max. 25% of the assets) issued by issuers from recognised countries. Up to a maximum of 15% of the assets of the JULIUS BAER EQUITY FUND SPECIAL VALUE may be invested in warrants on shares and other equity securities. Purchases of such warrants involve increased risks due to the higher volatility of such investments. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

The JULIUS BAER EQUITY FUND SPECIAL VALUE is denominated in Euro. The investments of the JULIUS BAER EQUITY FUND SPECIAL VALUE may be denominated in Euro or other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

For this Subfund investments can be acquired which are either issued by issuers from emerging market countries ("Emerging Market Countries") and/or are denominated in currencies of emerging market countries or which are economically linked to the currency of Emerging Market Countries. Emerging Market Countries generally mean markets in countries currently developing into modern industrialised countries, with the result that they exhibit high potential but also increased risk. In particular, these include the countries included in the *S&P Emerging Broad Market Index* or the *MSCI Emerging Markets Index*. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China are made solely through "China-H" shares, i.e. shares of companies with their place of business in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and which are denominated in Hong Kong dollar and which fulfil the requirements of Art. 41 (1) of the 2010 Law.

*Until 15.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment in transferable securities and active currency allocation.*

*As of 16.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

## 2.6 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY ASIA

The investment objective of the Company in relation to JULIUS BAER EQUITY ASIA is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets.

For this purpose the Company invests at least two thirds of the assets of the Subfund in shares and other equity securities and equity rights of companies which have their place of business or the major part of their business activities in Asia. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs).

Up to one third of the assets of the JULIUS BAER EQUITY ASIA may also be invested in the following securities: (i) shares and other equity securities and equity rights of companies worldwide; (ii) fixed-interest or floating-rate securities as well as money market instruments (which have a total expiration period of up to 12



months at the time of issue), of issuers worldwide; (iii) sight deposits and deposits at notice; (iv) structured products on equities and other equity securities (up to max. 10% of the assets); (v) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iv) and funds as defined in (v), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

Investments in China may also be made indirectly by purchasing share-based products, in particular ADRs (American depositary receipts) and GDRs (global depositary receipts), which comply with the provisions of article 41 of the 2010 Law and which do not invest in derivatives, or Exchange Traded Funds (ETFs) and other investment funds.

The JULIUS BAER EQUITY ASIA is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in China are made in what are referred to as "China-A", "China-B", "China H" shares or shares of Chinese companies that are quoted on another foreign exchange outside the People's Republic of China (PRC). "China A" and "China B" shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. "China A" shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in "China A" shares comply with the conditions imposed by article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in China-A shares. "China B" shares are quoted on the stock exchanges of Shanghai or Shenzhen and represent equity of companies traded in foreign currency. The face value of "China B" shares is determined in Renminbi. In Shanghai, "China B" shares are traded in US dollars and in Shenzhen, in Hong Kong dollars. "China H" shares are shares of companies which have their registered office in the PRC, are listed on the Hong Kong Stock Exchange and are denominated in Hong Kong dollars.

**Furthermore, investors should be aware of the increased risk associated with investments in "China A" shares, which is described in the section 3.6 "Risks associated with investments in the People's Republic of China".**

## 2.7 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE

The investment objective of the Company in relation to JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets.

For this purpose the Company will invest at least two-thirds of the assets of the subfund in shares and other equity securities and equity rights of companies having their registered office or the major part of their business activities in Europe. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs).

Up to one third of the assets of the JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE may also be invested in the following securities: (i) shares and other equity securities of other companies worldwide; (ii) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (iii) sight deposits and deposits at notice; (iv) structured products on equities and other equity securities (up to max. 10% of the assets); (v) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iv) and funds as defined in (v), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is denominated in Euro. The investments may be denominated in the reference currency EUR or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China are made solely through "China-H" shares, i.e. shares of companies with their place of business in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and which are denominated in Hong Kong dollar and which fulfil the requirements of Art. 41 (1) of the 2010 Law.

**In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

The Subfund is linked to the reference index MSCI Europe TR Net local which represents the European equity market. JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE is actively managed and aims to outperform

the reference index over the long term. The majority of the Subfund's securities will normally be included in the reference Index. The Investment Manager may, at its discretion and in accordance with the Prospectus, also invest in securities not included in the reference index in order to take advantage of specific investment opportunities. The deviation of the Subfund's portfolio from the reference Index may be significant both in terms of the selection and weighting of the Fund's investments.

## 2.8 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA

The investment objective of the Company in relation to JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets.

For this purpose the Company will invest at least two-thirds of the assets of the subfund in shares and in other equity securities and equity rights of companies having their registered office or the major part of their business activities in North America. This scope also includes equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs).

Up to one third of the assets of the JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA may also be invested in the following securities: (i) shares and other equity securities of other companies worldwide; (ii) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (iii) sight deposits and deposits at notice; (iv) structured products on equities and other equity securities (up to max. 10% of the assets); (v) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iv) and funds as defined in (v), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided the assets are settled in cash and no physical delivery takes place. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA is denominated in US Dollar. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China are made solely through "China-H" shares, i.e. shares of companies with their place of business in the People's Republic of China, which are listed on the Hong Kong



Stock Exchange and which are denominated in Hong Kong dollar and which fulfil the requirements of Art. 41 (1) of the 2010 Law.

**In connection with investments in derivative instruments and structured products, please refer to the section “Information on Investment in Derivative Instruments and Structured Products”.**

## 2.9 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE is to achieve a maximum of capital growth with a steady return, taking into consideration the principle of risk limitation and the liquidity of the assets.

For this purpose the Company will invest at least two-thirds of the assets of the subfund in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging-market bonds, high-yield bonds, CoCo-Bonds, Hybrid-Bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS)) issued or guaranteed by issuers having their registered office or the major part of their business activities in emerging countries. The investments are denominated in the currencies of the emerging countries, whereas at least 70% are denominated in USD.

At least 50% of the investments have a rating of at least BBB- ("Investment Grade") from Standard & Poor's or Moody's or the equivalent of another recognised rating agency such as Fitch. Investments in ABS and MBS amount together up to a maximum of 20% of the Subfund's assets. Furthermore, investments in CoCo-Bonds and Hybrid-Bonds in total are limited to a maximum of 20% of the Subfund's assets. **In connection with investments in Asset and Mortgage Backed Securities and in Coco-Bonds, please refer respectively to the sections “Information on Investments in ABS and MBS” and “Information on CoCo-Bonds”.**

Up to one third of the assets of the Subfund in question may also be invested in the following securities: (i) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on equities and other equity securities or similar investments (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the assets. In addition, the Subfund may invest up to a maximum of 10% of its assets in shares, stock rights, option rights and other equity securities, other capital shares and participation certificates acquired through the exercise of conversion and subscription rights or options. Shares acquired by exercise or subscription must be sold no later than 12 months after acquisition.

JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE is denominated in US Dollar. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section “Information on Investment in Derivative Instruments and Structured Products”.**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

## 2.10 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR)

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR) is to achieve a maximum of return with limited risk, taking into consideration the liquidity of the assets.

For this purpose the Company will invest at least two-thirds of the assets of the subfund in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, high-yield bonds as well as CoCo-Bonds, Hybrid-Bonds, asset backed securities (ABS) and mortgage backed securities (MBS)) issued or guaranteed by issuers from developed countries. At least two thirds of the investments have a rating of at least BBB- from Standard & Poor's or the equivalent of another recognised rating agency such as Moody's or Fitch. Investments in ABS and MBS amount together up to a maximum of 20% of the Subfund's assets. Furthermore, investments in CoCo-Bonds and Hybrid-Bonds in total are limited to a maximum of 20% of the Subfund's assets. **In connection with investments in Asset and Mortgage Backed Securities and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS" and "Information on CoCo-Bonds".**

Up to one third of the assets of the Subfund may also be invested in the following assets: (i) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on equities and other equity securities or similar investments (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the assets. In addition, the Subfund may invest up to a maximum of 10% of its assets in equity securities, equity rights and warrants, as well as shares, other capital shares and profit participation certificates acquired through the exercise of conversion and subscription rights or options. Equity securities acquired through exercise or subscription must be sold no later than 12 months after acquisition.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

With regard to the Subfund derivative financial instruments (derivatives) may also be employed on a larger scale for the purpose of hedging and efficient portfolio management, as well as for active investment and active

currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR) is denominated in Euro. The investments may be denominated in the reference currency EUR or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

## 2.11 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) is to achieve a maximum of return with limited risk, taking into consideration the liquidity of the assets.

For this purpose the Company will invest at least two-thirds of the assets of the subfund in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, high-yield bonds as well as CoCo-Bonds, Hybrid-Bonds, asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers from developed countries. At least two thirds of the investments have a rating of at least BBB- ("Investment Grade") of the rating agency Standard & Poor's or the equivalent of another recognised rating agency such as Moody's or Fitch. Investments in ABS and MBS amount together up to a maximum of 20% of the Subfund's assets. Furthermore, investments in CoCo-Bonds and Hybrid-Bonds in total are limited to a maximum of 20% of the Subfund's assets. **In connection with investments in Asset and Mortgage Backed Securities and in CoCo-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS" and "Information on CoCo-Bonds".**

Up to one third of the assets of the Subfund in question may also be invested in the following assets: (i) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), issued by issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on equities and other equity securities or similar investments (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the assets. -In addition, the Subfund may invest up to a maximum of 10% of its assets in equity securities, equity rights and warrants, as well as shares, other capital shares and profit participation certificates acquired through the exercise of conversion and subscription rights or options. Equity securities acquired through exercise or subscription must be sold no later than 12 months after acquisition.

For this Subfund investments of up to one third of the Subfund's assets may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD) is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

## 2.12 UNTIL 15.06.2020: INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD

The investment objective of the Company in relation to JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD is to achieve a high steady return while taking into consideration the preservation of the capital.

For this purpose the Company will invest at least 51% of the assets of the Subfund in the following assets:

- (i) Direct investment in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, as well as Coco-Bonds and Hybrid-Bonds, Inflation-Linked Bonds, emerging-market bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers worldwide and which have been classed as under BBB- by the rating agency Standard & Poor's or as the equivalent by another recognised rating agency;

In addition, the Company may invest the assets of the Subfund in the following assets:

- (ii) Investments referred to in (i), which have no official rating (max. 30% of the assets of the Subfund) or have a rating of BB+ by the rating agency Standard & Poor's or the equivalent by another recognised rating agency;
- (iii) Money market instruments (certificates of deposits, treasury bills, commercial papers, bankers' acceptances or similar) from issuers worldwide;
- (iv) Shares and other equity securities of other companies worldwide;
- (v) Structured products on fixed-interest or floating rate securities and similar investments (in total, up to max. 10% of the assets of the Subfund);
- (vi) Units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets);
- (vii) Derivatives on fixed or floating rate securities, interest rates and currencies as well as other derivative financial instruments and on financial indices;
- (viii) Sight deposits and deposits at notice (up to max. 49% of the assets of the Subfund).

Investments in structured products as defined in (v) and funds as defined in (vi), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, following restrictions shall apply: convertible and warrant bonds together to a max. of 10%, CocoBonds and Hybrid-Bonds together to a max. of 20%, as well as ABS and MBS together to a max. of 10% of the assets of the Subfund.

JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies, whereas the return of the fund is measured in USD. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. The buying and selling of interest rate futures and credit derivatives (especially those on indexes) without respective underlying assets are permitted.

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in the People's Republic of China are made solely through "China-H" shares, i.e. shares of companies with their place of business in the People's Republic of China, which are listed on the Hong Kong Stock Exchange and which are denominated in Hong Kong dollar and which fulfil the requirements of Art. 41 (1) of the 2010 Law.

**In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

**In connection with investments in Asset and Mortgage Backed Securities, in Emerging Market Countries and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS", "Information on investments in Emerging Market Countries" and "Information on CoCo-Bonds".**

**As of 16.06.2020: INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD**

*The investment objective of the Company in relation to JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD is to achieve a high steady return while taking into consideration the preservation of the capital.*

*For this purpose the Company will invest at least two thirds of the assets of the Subfund in the following assets:*

- (i) *Direct investment in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, as well as Coco-Bonds and Hybrid-Bonds, Inflation-Linked Bonds, emerging-market bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers worldwide and which have been classed as under BBB- by a recognized rating agency such as Standard & Poor's, Moody's or Fitch;*

*At least 51% of the investments must have a rating of BB- or higher from at least one of the recognized rating agencies such as Standard & Poor's, Moody's or Fitch.*

*In addition, the Company may invest the assets of the Subfund in the following assets:*

- (ii) *Investments referred to in (i), which have no official rating by a recognized rating agency Standard & Poor's, Moody's or Fitch (max. 30% of the assets of the Subfund);*
- (iii) *Money market instruments (certificates of deposits, treasury bills, commercial papers, bankers' acceptances or similar) from issuers worldwide;*
- (iv) *Up to a maximum of 10% of the Subfund's assets in equity securities, equity rights and warrants, as well as shares, other equity interests and participation certificates acquired through the exercise of conversion and subscription rights or options. The equity securities acquired by exercise or subscription must be sold no later than 12 months after acquisition;*



- (v) *Structured products on fixed-interest or floating rate securities and similar investments (in total, up to max. 10% of the assets of the Subfund);*
- (vi) *Units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets);*
- (vii) *Derivatives on fixed or floating rate securities, interest rates and currencies as well as other derivative financial instruments and on financial indices;*
- (viii) *Sight deposits and deposits at notice (up to max. 49% of the assets of the Subfund).*

*Investments in structured products as defined in (v) and funds as defined in (vi), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, following restrictions shall apply: convertible and warrant bonds together to a max. of 10%, CocoBonds and Hybrid-Bonds together to a max. of 20%, as well as ABS and MBS together to a max. of 10% of the assets of the Subfund.*

*JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies, whereas the return of the fund is measured in USD. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.*

*The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%.*

*With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of hedging and efficient portfolio management as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices. The buying and selling of interest rate futures and credit derivatives (especially those on indexes) without respective underlying assets are permitted.*

*For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.***

***In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".***

***In connection with investments in Asset and Mortgage Backed Securities, in Emerging Market Countries and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS", "Information on investments in Emerging Market Countries" and "Information on CoCo-Bonds".***

## 2.13 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER DYNAMIC ASSET ALLOCATION

The investment objective of the Company in relation to the Multicooperation SICAV – JULIUS BAER DYNAMIC ASSET ALLOCATION ("JULIUS BAER DYNAMIC ASSET ALLOCATION") is to achieve a long-term capital growth by investing in share categories, sectors and countries considered to be the most promising worldwide by the Investment Manager.

For this purpose the Subfund invests in the following assets:

- (i) units of other UCITS and/or UCI, including Exchange Traded Funds (ETF) (together "target funds"), investing the assets, directly or indirectly, in accordance with their investment policy, primarily in the following assets:

- a) fixed-interest and floating-rate securities, debt securities and claims as well as related instruments, government and corporate bonds, convertible and warrant bonds, as well as Coco-Bonds and Hybrid-Bonds, Inflation-Linked Bonds, High Yield Bonds, emerging markets bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers worldwide.
- b) Shares and other equity securities of other companies worldwide;
- (ii) equities and other equity securities of real-estate companies and listed closed-ended real estate funds and listed real estate investment trusts (REITs), within the meaning of Article 41 (1) of the 2010 Law;
- (iii) Exchange Traded Commodities (ETCs) (up to max. 20% of the assets of the Subfund), provided that the assets are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.
- (iv) Fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments issued or guaranteed by issuers worldwide, such as US Treasuries.

Investments in target funds amount to at least 70% of the assets of the Subfund in UCITS within the meaning of the Directives 85/611/ EEC (as amended) and. 2009/65/EC. Investments in other UCI can be made only within the meaning and subject to the restrictions of section 5 of the General Part.

By way of derogation from the provisions of the General Part, up to 100% of the assets of the Subfund may be invested in target funds. In connection with investments in target funds, please refer to the section "Information on Investments in fund-of-funds structures".

In derogation of the 70% rule described above, the Subfund may for the purpose of liquidity management and capital preservation invest up to 49% of the its assets in money-market instruments, which have a total expiration period of up to 12 months at the time of issue, as well as in sight deposits and deposits at notice, as defined in section 5 of the General Part.

Derivative financial instruments (derivatives) may also be employed on a larger scale in the Subfund and/or indirectly via the target funds, both for the purpose of hedging and efficient portfolio management, as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

For this Subfund investments may also be acquired directly or indirectly via the target funds which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the *S&P Emerging Broad Market Index* or in the *MSCI Emerging Markets Index*. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below. In connection with investments in Asset and Mortgage Backed Securities, in High Yield Bonds and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS", "Information on investments in High Yield Bonds" and "Information on CoCo-Bonds".**

JULIUS BAER DYNAMIC ASSET ALLOCATION is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

## 2.14 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED

The investment objective of the Company in relation to Multicooperation SICAV – JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED (“JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED”) is to achieve a rate of return as high as possible with limited risk.

For this purpose the Subfund mainly invests in units of other UCITS and/or UCI, including Exchange Traded Funds (ETF) (together “target funds”) investing their assets in accordance with their investment policy, primarily in fixed-interest and floating-rate securities (i.e. government or corporate bonds), convertible bonds and convertible preferred shares, index-linked securities, derivatives (including credit derivatives, interest derivatives and currency derivative contracts), cash and money market instruments from all over the world. In addition, the target funds may also invest in Coco-Bonds and Hybrid-Bonds, Inflation-Linked Bonds, High Yield Bonds, emerging markets bonds, asset backed securities (ABS) and mortgage backed securities (MBS) or debt securities and claims issued or guaranteed by issuers worldwide. **In connection with investments in Asset and Mortgage Backed Securities, in High Yield Bonds and in Coco-Bonds, please refer respectively to the sections “Information on Investments in ABS and MBS”, “Information on investments in High Yield Bonds” and “Information on CoCo-Bonds”.**

Investments in target funds amount to at least 70% of the assets of the Subfund in UCITS within the meaning of the Directives 85/611/ EEC (as amended) and. 2009/65/EC. Investments in other UCI can be made only within the meaning and subject to the restrictions of section 5 of the General Part. In addition, the Subfund may invest directly in fixed-interest and floating-rate securities (i.e. government or corporate bonds), convertible bonds and convertible preferred shares, index-linked securities, cash and money market instruments or other instruments, investing primarily in the types of assets or strategy mentioned above.

By way of derogation from the provisions of the General Part, up to 100% of the assets of the Subfund may be invested in target funds. In connection with investments in target funds, please refer to the section “Information on Investments in fund-of-funds structures”.

In derogation of the 70% rule described above, the Subfund may for the purpose of liquidity management and capital preservation invest up to 49% of the its assets in money-market instruments, which have a total expiration period of up to 12 months at the time of issue, as well as in sight deposits and deposits at notice, as defined in section 5 of the General Part.

Derivative financial instruments (derivatives) may also be employed on a larger scale in the Subfund and/or indirectly via the target funds, both for the purpose of hedging and efficient portfolio management, as well as for active investment and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments, please refer to the section “Information on Investment in Derivative Instruments and Structured Products”.**

For this Subfund investments may also be acquired directly or indirectly via the target funds which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term “emerging markets” is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section “Information on investments in Emerging Market Countries” below.**

JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.



## 2.15 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY NEXT GENERATION

The investment objective of the Company in relation to the Multicooperation SICAV – JULIUS BAER EQUITY NEXT GENERATION (“JULIUS BAER EQUITY NEXT GENERATION”) is to achieve a long-term capital growth by investing in global companies and sectors in structural growth areas resulting from changes in consumer spending and investment. This will provide the investor with direct or indirect access to certain key investment themes, such as the growing economies and middle classes in Asia, digital transformation and technological innovation, the energy transition, a more sustainable food production, as well as to global demographic developments and lifestyle changes.

For this purpose the Company invests at least two thirds of the assets of the Subfund in shares and other equity securities and equity rights of companies worldwide, which, in the opinion of the Company, can best benefit from these key investment themes.

Up to one third of the assets of the Subfund may also be invested in the following securities: (i) shares and other equity securities and equity rights and money market instruments (which, at the time of issue, have a total expiration period of up to 12 months) of issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on equities and other equity securities and equity rights (in total, less than 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (in total, less than 10% of the assets). Investments in structured products as defined in point (iii) and funds, as defined in point (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

Direct investments in China are made in what are referred to as “China-A”, “China-B”, “China H” shares or shares of Chinese companies that are quoted on another foreign exchange outside the People’s Republic of China (PRC). “China A” and “China B” shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. “China A” shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in “China A” shares comply with the conditions imposed by article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in China-A shares. “China B” shares are quoted on the stock exchanges of Shanghai or Shenzhen and represent equity of companies traded in foreign currency. The face value of “China B” shares is determined in Renminbi. In Shanghai, “China B” shares are traded in US dollars and in Shenzhen, in Hong Kong dollars. “China H” shares are shares of companies which have their registered office in the PRC, are listed on the Hong Kong Stock Exchange and are denominated in Hong Kong dollars.

Investments in China may also be made indirectly by purchasing share-based products, in particular ADRs (American depositary receipts) and GDRs (global depositary receipts), which comply with the provisions of article 41 of the 2010 Law and in which no derivatives are embedded, or Exchange Traded Funds (ETFs) and other investment funds.

**Furthermore, investors should be aware of the increased risk associated with investments in “China A” shares, which is described in the section 3.6 “Risks associated with investments in the People’s Republic of China”.**

*Until 15.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale both for the purpose of hedging and efficient portfolio management, as well as for active investment and active currency allocation.*

*As of 16.06.2020: With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale for the purpose of efficient portfolio management.*

The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, “CDS”) on transferable securities, interest and currencies, as well as on other derivative financial instruments

and on financial indices. The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

For this Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

The JULIUS BAER EQUITY NEXT GENERATION is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

## 2.16 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER EQUITY SUSTAINABILITY

The investment objective of the Company in relation to the Multicooperation SICAV – JULIUS BAER EQUITY SUSTAINABILITY ("JULIUS BAER EQUITY SUSTAINABILITY") is to achieve a long-term capital growth.

For this purpose the JULIUS BAER EQUITY SUSTAINABILITY invests at least two thirds of its assets in a portfolio of carefully selected shares and other equity securities and equity rights of companies having their registered office or the major part of their business activities in recognised countries and which have an adequate sustainability profile and/or rating of specialised organisations ("ESG"- Environmental, Social and Governance).

Without limiting the scope of the criteria of sustainability "ESG", companies are assessed in terms of environment aspects (including resources efficiency, environment management, reporting), social aspects (including reputation risk, working conditions, employee diversity, specific stakeholder interests) as well as aspects of good corporate governance (independence, control systems, shareholder rights, remuneration). When assessing the sustainability of companies, information from specialised organisations can be consulted.

In addition, the Subfund may invest in companies which have a business model or products that to a certain extent follow principles such as social responsibility or sustainable investments (CSR – Corporate Socially Responsibility) and are active in areas such as energy efficiency, environment, health and demography or social improvement. A corresponding ESG thesis is prepared for these companies. Furthermore, up to 10% of the Subfund's assets may also be invested in companies that do not have a sustainability profile or rating and for which no ESG thesis has been prepared, but which, according to the Investment manager's assessment, provide significant positive impact to sustainability issues through their business.

The investment strategy is based on an active portfolio management approach, according to which additional analyses of the companies in question are carried out in addition to sustainability assessments.

Up to one third in total of the assets of the Subfund may also be invested in the following assets: (i) fixed-interest or floating rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), issued by issuers worldwide; (ii) sight deposits and deposits at notice; (iii) structured products on equities and other equity securities and equity rights (up to max. 10% of the assets); (iv) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iii) and funds as defined in (iv), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

Ancillary liquid assets may be held which, under certain circumstances and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the assets.

With regard to the Subfund derivative financial instruments (derivatives) may be employed on a larger scale both for the purpose of hedging and active currency allocation. The range of possible derivatives includes exchange

traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies, as well as on other derivative financial instruments and on financial indices. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

For the Subfund JULIUS BAER EQUITY SUSTAINABILITY investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P Emerging Broad Market Index or the MSCI Emerging Markets Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in China are made in what are referred to as "China A", "China B", "China H" shares or shares of Chinese companies that are quoted on another foreign exchange outside the People's Republic of China (PRC). "China A" and "China B" shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. "China A" shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in "China A" shares comply with the conditions imposed by article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in "China A" shares. "China B" shares are quoted on the stock exchanges of Shanghai or Shenzhen and represent equity of companies traded in foreign currency. The face value of "China B" shares is determined in Renminbi. In Shanghai, "China B" shares are traded in US dollars and in Shenzhen, in Hong Kong dollars. "China H" shares are shares of companies which have their registered office in the PRC, are listed on the Hong Kong Stock Exchange and are denominated in Hong Kong dollars.

Investments in China may also be made indirectly by purchasing share-based products, in particular ADRs (American depositary receipts) and GDRs (global depositary receipts), which comply with the provisions of article 41 of the 2010 Law and in which no derivatives are embedded, or Exchange Traded Funds (ETFs) and other investment funds.

**Furthermore, investors should be aware of the increased risk associated with investments in "China A" shares, which is described in the section 3.6 "Risks associated with investments in the People's Republic of China".**

The JULIUS BAER EQUITY SUSTAINABILITY is denominated in USD. The investments may be denominated in USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged against the USD. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

## 2.17 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED INCOME ASIA

The investment objective of the Company in relation to the Subfund JULIUS BAER FIXED INCOME ASIA is to achieve a maximum of return with limited risk, taking into consideration the liquidity of the fund's assets.

The JULIUS BAER FIXED INCOME ASIA is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

To achieve the investment objective, the Subfund will invest at least two-thirds of its assets in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and warrant bonds, inflation-linked bonds, emerging-market bonds, high-yield bonds, CoCo-Bonds, Hybrid-Bonds, as well as asset backed securities (ABS) and mortgage backed securities (MBS) issued or guaranteed by issuers which have their place of business or the major part of their business activities in Asia.

Up to one third of the assets of the Subfund may also be invested in the following securities: (i) fixed-interest or floating rate securities and money market instruments (which have a total expiration period of up to 12 months at

the time of issue), of issuers worldwide; (ii) sight deposits and deposits at notice; (iii) units of other UCITS and/or UCI, including Exchange Traded Funds (in total less than 10% of the assets). Investments in funds as defined in (iii), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

The following additional investment restrictions apply in connection with the fulfilment of the investment objective of the JULIUS BAER FIXED INCOME ASIA:

- At least 80% of the Subfund's assets in investments which are either issued by issuers in emerging and/or developed countries or which are economically linked to emerging and/or developed countries. Emerging and industrialised countries are classified according to the MSCI All Country World Index.
- A maximum of 20% of the Subfund's assets in investments either issued by issuers of frontier market countries or economically linked to frontier market countries. The classification of Frontier Market countries is based on the MSCI ACWI + FRONTIER.
- Maximum 5% of the Subfund's assets in debt securities of any single issuer.
- The investments have an average rating of at least BBB- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch. The investments have a minimum rating of at least B- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch, with at least 65% of the Subfund's assets having a rating of at least BBB- or higher. The rating of the investments is based on the worst issue rating principle, according to which the worst rating must always be taken into account in the event of unequal ratings from rating agencies.
- Investments in ABS and MBS amount together up to a maximum of 10% of the Subfund's assets. Furthermore, investments in CoCo-Bonds and Hybrid-Bonds in total are limited to a maximum of 20% of the Subfund's assets.
- Up to a maximum of 10% of the Subfund's assets in shares, share rights and option rights, as well as other equity securities, other capital shares and participation certificates acquired through the exercise of conversion and subscription rights or options. Shares acquired by exercise or subscription must be sold no later than 12 months after acquisition;

Ancillary liquid assets may be held which under certain circumstances, and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

The weighted average maturity of the Subfund is a maximum of five years.

The Subfund may also make extensive use of derivative financial instruments (derivatives) for the purpose of hedging. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

For the Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

**In connection with investments in Asset and Mortgage Backed Securities and in Coco-Bonds, please refer respectively to the sections “Information on Investments in ABS and MBS” and “Information on CoCo-Bonds”.**

## **2.18 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS**

### **SUBSCRIPTION PERIOD**

The JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS has a limited duration. There will be a subscription period prior to the launch of the Subfund, as defined in Chapter 1 of Special Part B. Within the subscription period, no sales commission will be levied. After the end of the subscription period, the issue of new Shares will be discontinued. However, the redemption of Shares is possible at any time.

### **DURATION AND LIQUIDATION CONDITIONS**

The maturity of the Subfund shall be no earlier than until 30 June 2025 and may be extended by up to 12 months ("maturity date"). An extension of the maturity date, as well as an early dissolution of the Subfund may be decided by the Company at its sole discretion. Should the Company make use of this discretion, it will inform the investors in an appropriate manner. After the maturity date, the Company has the option of paying out the assets of the Subfund to the investors on a pro rata basis and liquidating the Subfund or changing the Subfund's investment policy. If the Company decides to change the Subfund's investment policy, it will inform the investors in an appropriate manner.

### **INVESTMENT OBJECTIVE**

The investment objective of the Company in relation to JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS is to focus on income generation, taking into account the principle of risk limitation and the liquidity of assets for a limited period of time. The weighted average maturity of the Subfund is five years and may be changed as described above.

The Subfund is denominated in USD. Investments of the Subfund will be made in debt securities under normal market conditions. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

### **INVESTMENT POLICY**

In order to achieve the investment objective, the Subfund will invest at least two-thirds of its assets in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and option bonds, inflation-linked bonds, high-yield bonds, hybrid bonds as well as CoCo-Bonds) issued or guaranteed by issuers which have their place of business or the major part of their business activities in emerging market countries. Although the Investment Manager will seek to match the expected maturity date of the debt securities with the maturity date of the Subfund, the maturity date of some debt securities may occur before or after the maturity date of the Subfund. At least 80% of the debt securities will have a maturity date that extends to six months after the maturity date of the Subfund. Although it is intended that the Subfund will hold the investments until the maturity date, the Investment Manager has the right to sell the debt securities prior to their maturity date.

Up to a total of one third of the assets of the Subfund may also be invested in the following securities: (i) fixed-interest or floating rate securities and money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide (ii) sight deposits and deposits at notice; (iii) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in funds as defined in (iii), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

The following additional investment restrictions apply in connection with the fulfilment of the investment objective of the JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS:

- At least 80% of the Subfund's assets in investments which are either issued by issuers in emerging and/or developed countries or which are economically linked to emerging and/or developed countries. Emerging and developed countries are classified according to the MSCI All Country World Index.



- A maximum of 20% of the Subfund's assets in investments either issued by issuers of frontier market countries or economically linked to frontier market countries. The classification of Frontier Market countries is based on the MSCI ACWI + FRONTIER.
- Maximum 5% of the Subfund's assets in debt securities of any single issuer.
- The investments have an average rating of at least BBB- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch. The investments have a minimum rating of at least BB- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch, with at least 65% of the Subfund's assets having a rating of at least BBB- or higher. The rating of the investments is based on the worst issue rating principle, according to which the worst rating must always be taken into account in the event of unequal ratings from rating agencies.
- Investments in Hybrid Bonds and CoCo Bonds are limited to a maximum of 20% of the Subfund's assets.
- Up to a maximum of 10% of the Subfund's assets in equity securities and equity rights and warrants as well as shares, other equity interests and participation certificates acquired through the exercise of conversion and subscription rights or options. The equity securities acquired by exercise or subscription must be sold no later than 12 months after acquisition.

Ancillary liquid assets may be held which under certain circumstances, and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

For the Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

The Subfund may also make extensive use of derivative financial instruments (derivatives) for the purpose of hedging. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards and swaps (including interest rate swaps "IRS" and credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

**In connection with investments in Asset and Mortgage Backed Securities and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS" and "Information on CoCo-Bonds".**

## 2.19 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER FIXED MATURITY 2024 ASIA

### SUBSCRIPTION PERIOD

The JULIUS BAER FIXED MATURITY 2024 ASIA has a limited duration. There will be a subscription period prior to the launch of the Subfund, as defined in Chapter 1 of Special Part B. Within the subscription period, no sales commission will be levied. After the end of the subscription period, the issue of new Shares will cease. However, the redemption of Shares is possible at any time.

### DURATION AND LIQUIDATION CONDITIONS

The maturity of the Subfund shall be no earlier than 30 June 2024 and may be extended by up to 12 months ("maturity date"). An extension of the maturity date, as well as an early dissolution of the Subfund may be

decided by the Company at its sole discretion. Should the Company make use of this discretion, it will inform the investors in an appropriate manner. After the maturity date, the Company has the option of paying out the assets of the Subfund to the investors on a pro rata basis and liquidating the Subfund or changing the Subfund's investment policy. If the Company decides to change the Subfund's investment policy, it will inform the investors in an appropriate manner.

#### **INVESTMENT OBJECTIVE**

The investment objective of the Company in relation to JULIUS BAER FIXED MATURITY 2024 ASIA is to focus on income generation, taking into account the principle of risk limitation and the liquidity of assets for a limited period of time. The weighted average maturity of the Subfund is five years and may be changed as described above.

The Subfund is denominated in USD. Investments of the Subfund will be made in debt securities under normal market conditions. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

#### **INVESTMENT POLICY**

In order to achieve the investment objective, the Subfund will invest at least two-thirds of its assets in fixed-interest and floating-rate securities, debt securities and claims as well as other fixed-interest investments (including convertible and option bonds, inflation-linked bonds, high-yield bonds, hybrid bonds as well as CoCo-Bonds) issued or guaranteed by issuers which have their place of business or the major part of their business activities in Asia. Although the Investment Manager will seek to match the expected maturity date of the debt securities with the maturity date of the Subfund, the maturity date of some debt securities may occur before or after the maturity date of the Subfund. At least 80% of the debt securities will have a maturity date that extends to six months after the maturity date of the Subfund. Although it is intended that the Subfund will hold the investments until the maturity date, the Investment Manager has the right to sell the debt securities prior to their maturity date.

Up to one third of the assets of the Subfund may also be invested in the following securities: (i) fixed-interest or floating rate securities and money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide (ii) sight deposits and deposits at notice; (iii) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in funds as defined in (iii), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets.

The following additional investment restrictions apply in connection with the fulfilment of the investment objective of the JULIUS BAER FIXED MATURITY 2024 ASIA:

- At least 80% of the Subfund's assets in investments which are either issued by issuers in emerging and/or developed countries or which are economically linked to emerging and/or developed countries. Emerging and developed countries are classified according to the MSCI All Country World Index.
- A maximum of 20% of the Subfund's assets in investments either issued by issuers of frontier market countries or economically linked to frontier market countries. The classification of Frontier Market countries is based on the MSCI ACWI + FRONTIER.
- Maximum 5% of the Subfund's assets in debt securities of any single issuer.
- The investments have an average rating of at least BBB- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch. The investments have a minimum rating of at least BB- from Standard & Poor's or the equivalent of another recognised rating agency, such as Moody's and Fitch, with at least 65% of the Subfund's assets having a rating of at least BBB- or higher. The rating of the investments is based on the worst issue rating principle, according to which the worst rating must always be taken into account in the event of unequal ratings from rating agencies.
- Investments in Hybrid Bonds and CoCo Bonds are limited to a maximum of 20% of the Subfund's assets.

- Up to a maximum of 10% of the Subfund's assets in equity securities, equity rights and warrants, as well as shares, other equity interests and participation certificates acquired through the exercise of conversion and subscription rights or options. The equity securities acquired by exercise or subscription must be sold no later than 12 months after acquisition;

Ancillary liquid assets may be held which under certain circumstances, and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.

For the Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the ICE BofAML Emerging Markets Corporate Plus Index (EMCB) or JPM CEMBI Broad Diversified Index (JBCDCOMP). **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

The Subfund may also make extensive use of derivative financial instruments (derivatives) for the purpose of hedging. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards and swaps (including interest rate swaps "IRS" and credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

**In connection with investments in Asset and Mortgage Backed Securities and in Coco-Bonds, please refer respectively to the sections "Information on Investments in ABS and MBS" and "Information on CoCo-Bonds".**

## 2.20 INVESTMENT OBJECTIVES AND POLICY OF THE JULIUS BAER ASIA REITS

The investment objective of the Company with respect to the JULIUS BAER ASIA REITS is to maximize the total return from income and capital appreciation by offering an exposure primarily from a portfolio of real estate related investments, taking into account the principle of risk limitation and the liquidity of the assets.

To this end, the Company invests at least two thirds of the Subfund's assets in shares and other equity securities of real estate companies as well as listed closed-end real estate funds and listed closed-end real estate investment trusts (REITs) domiciled in Asia or carrying out the majority of their business activities in Asia.

Up to a total of one third of the assets of the JULIUS BAER ASIA REITS may also be invested in the following securities: (i) shares and other equity securities and equity rights of companies worldwide; (ii) fixed-interest or floating-rate securities as well as money market instruments (which have a total expiration period of up to 12 months at the time of issue), of issuers worldwide; (iii) sight deposits and deposits at notice; (iv) structured products on equities and other equity securities (up to max. 10% of the assets); (v) units of other UCITS and/or UCI, including Exchange Traded Funds (up to max. 10% of the assets). Investments in structured products as defined in (iv) and funds as defined in (v), which do not qualify as UCITS in the sense of Directive 2009/65/EC of 13 July 2009 (UCITS IV) or subsequent directives, must cumulatively fall below 10% of assets. In addition, up to max. 10% of the assets of the Subfund may be invested in Exchange Traded Commodities (ETCs) (so called Delta 1 certificates), commodity funds and investments in precious metal accounts; provided that the assets are settled in cash and payments in kind are excluded. ETCs are deemed to be suitable investment assets within the meaning of Article 41 (1) of the 2010 Law, in which no derivatives are embedded and where physical delivery of the underlying asset is excluded.

Ancillary liquid assets may be held which under certain circumstances, and in derogation of the 2/3 rule in the second paragraph of this section, may amount to up to 49% of the net assets.



Investments for this Subfund may also be made indirectly by purchasing so called share-based products, in particular ADRs (American depositary receipts) and GDRs (global depositary receipts), which comply with the provisions of article 41 of the 2010 Law and which do not invest in derivatives, or Exchange Traded Funds (ETFs) and other investment funds.

The Subfund JULIUS BAER ASIA REITS is denominated in USD. The investments may be denominated in the reference currency USD or may also be made in other currencies. Foreign currency risks may be fully or partially hedged. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Subfund may also make extensive use of derivative financial instruments (derivatives) for the purpose of hedging and efficient portfolio management, as well as for active investment in transferable securities and active currency allocation. The range of possible derivatives includes exchange traded as well as OTC-instruments and in particular call and put-options, futures, forwards, warrants, contracts for difference and swaps (including credit default swaps, "CDS") on transferable securities, interest and currencies as well as on other derivative financial instruments and on financial indices.

The Subfund's aggregated risk exposure inherent to the use of derivative instruments amounts to a maximum of 200%. **In connection with investments in derivative instruments and structured products, please refer to the section "Information on Investment in Derivative Instruments and Structured Products".**

For the Subfund investments may also be acquired which are issued either by issuers in emerging countries (also known as emerging-market countries) and/or are denominated in currencies of emerging market countries or which are linked economically to currencies of emerging market countries. The term "emerging markets" is generally taken to mean the markets of countries that are in the process of developing into modern industrialised countries and thus display a high degree of potential but also involve a greater degree of risk. In particular, these include the countries included in the S&P APAC REIT USD Index or MSCI AC Asia Pac. Equity REITS GICS Level 3 Gross Return USD Index. **In connection with investments in Emerging Market Countries, please refer to the section "Information on investments in Emerging Market Countries" below.**

Direct investments in China are made in what are referred to as "China A", "China B", "China H" shares or shares of Chinese companies that are quoted on another foreign exchange outside the People's Republic of China (PRC). "China A" and "China B" shares are securities quoted on the stock exchanges of Shanghai and/or Shenzhen. "China A" shares are denominated in Renminbi and can be bought through the Shanghai Hong Kong Stock Connect Programme or Shenzhen-Hong Kong Stock Connect Programme. Investments in "China A" shares comply with the conditions imposed by article 41 paragraph 1 of the 2010 Law. The Subfund may invest a maximum of 10% of its assets in "China A" shares. "China B" shares are quoted on the stock exchanges of Shanghai or Shenzhen and represent equity of companies traded in foreign currency. The face value of "China B" shares is determined in Renminbi. In Shanghai, "China B" shares are traded in US dollars and in Shenzhen, in Hong Kong dollars. "China H" shares are shares of companies which have their registered office in the PRC, are listed on the Hong Kong Stock Exchange and are denominated in Hong Kong dollars.

**Furthermore, investors should be aware of the increased risk associated with investments in "China A" shares, which is described in the section "Risks associated with investments in the People's Republic of China".**

## 2.21 FURTHER INVESTMENT RESTRICTIONS / INVESTMENT CONDITIONS FOR THE BJB-FUNDS

- a) As far as not stated differently in the respective investment policy, overall a maximum of 10% of the assets of each Subfund can be invested in other assets as mentioned under section 5./1. of the General Part of the Prospectus.
- b) Notwithstanding any provisions to the contrary in the Prospectus and the investment objectives and policies set out above, the Subfunds JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY SPECIAL VALUE, JULIUS BAER EQUITY ASIA, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER GLOBAL EXCELLENCE NORTH AMERICA, JULIUS BAER EQUITY NEXT GENERATION and JULIUS BAER EQUITY SUSTAINABILITY invest continually in agreement with its respective investment policy, for as long as required, at least 51% of its net assets in shares which qualify as equity funds within the meaning of the

German Investment Tax Act 2018 ("GITA", as amended). The actual capital participation ratios (within the meaning of the GITA) of target investment funds can be taken into account.

### 3. RISK INFORMATION

**The Company makes every effort to achieve the Company's investment objectives for the Subfunds. However, no guarantee can be given that the investment objectives will actually be achieved. As a result, the net asset value of the shares may become greater or smaller, and different levels of positive as well as negative income may be earned.**

#### 3.1 INFORMATION ON INVESTMENTS IN EMERGING MARKET COUNTRIES

**The attention of potential investors in BJB-FUNDS is drawn to the fact that investments in emerging market countries involve increased risk.** In particular, the investments are subject to the following risks:

- a) trading volumes in relation to the securities may be low or absent on the securities market involved, which can lead to liquidity problems and serious price fluctuations;
- b) uncertainties surrounding political, economic and social circumstances, with the associated dangers of expropriation or seizure, unusually high inflation rates, prohibitive tax measures and other negative developments;
- c) potentially serious fluctuations in the foreign exchange rate, different legal frameworks, existing or potential foreign exchange export restrictions, customs or other restrictions, and any laws and other restrictions applicable to investments;
- d) political or other circumstances which restrict the investment opportunities of the Subfund, for example restrictions with regard to issuers or industries deemed sensitive to relevant national interests,
- e) the absence of sufficiently developed legal structures governing private or foreign investments and the risk of potentially inadequate safeguards with respect to private ownership;
- f) the standards applied by supervisory authorities may not be comparable to those in developed markets;
- g) inflation and rapid fluctuations in inflation rates have had, and may continue to have, a negative impact on the economies and securities markets of some emerging and developing countries; and
- h) there is also a risk that competing demands may arise in relation to securities held by or to be transferred to the Subfund and that no compensation programs exist or that existing compensation programs are limited or insufficient to satisfy the Subfund's demands in any such case

Foreign exchange export restrictions and other related regulations in these countries may also lead to the delayed repatriation of all or some of the investments or may prevent them from being repatriated in full or in part, with the result that there may be a delay in the payment of the redemption price.

#### 3.2 INFORMATION ON INVESTMENTS IN DERIVATIVE INSTRUMENTS AND STRUCTURED PRODUCTS

The BJB-FUNDS may make considerable use of derivative instruments and other special investment techniques and financial instruments, in particular swaps, certificates and structured products. As a result, the risk features of derivatives and other investment techniques and instruments in addition to the risk features of securities must be considered. In general, they are exposed to the risks of the markets or instruments underlying them and therefore frequently involve greater risks than direct investments in securities. Potential risks of such instruments may, for example, arise from the complexity, non-linearity, high volatilities, low liquidity, restricted ability to be valued, risk of a loss of returns or even a total loss of the invested capital, or from the counterparty risk.

If a derivative is embedded in a security, this must also be taken into account when applying the investment restrictions and for risk monitoring.

In addition to the general risks, derivatives and structured products on commodity indices and/or commodity sub-indices or individual commodities involve an additional risk potential. These risks consist in particular of political, military, economic (e.g. supply and demand) and natural (e.g. weather or environmental disasters) influences as

well as terrorist or criminal activities, which may, inter alia, impair the production of or trade in commodities or which may adversely affect the availability or the price of the commodity concerned.

In addition to general risks, derivatives and structured products based on hedge funds and/or hedge fund indices involve an additional risk potential. Hedge funds are investment funds which employ alternative investment strategies and are subject to no or only minimal statutory or other restrictions. Depending on the respective hedge fund strategy, a reinforcement of the general market trend or a distinctly contrary market trend may occur, with significant upward and downward fluctuations.

### 3.3 INFORMATION ON CoCo-BONDS

CoCo-Bonds, also referred to as “CoCos” are contingent convertible bonds. They qualify as securities with a hybrid character insofar as they are issued in the form of bonds, which may lose their nominal value (i.e. be written down) or, following a determined trigger event, be transformed in equity. The trigger event will notably materialise when the prudential ratio (the so called “Tier One”) of the issuing bank falls under a certain threshold or upon a decision of the competent supervisory authority. In such case, the CoCo-Bonds initially issued under the form of a bond will be automatically converted into equity without the holder of the CoCo-Bond being preliminarily consulted. Investment in CoCo-Bonds may entail the following risks (non-exhaustive list):

- **LIQUIDITY RISK:** in certain circumstances finding a ready buyer for Co-Co-Bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.
- **CAPITAL STRUCTURE INVERSION RISK:** contrary to classical capital hierarchy, CoCo-Bonds’ investors may suffer a loss of capital when equity holders do not.
- **TRIGGER LEVEL RISK:** trigger levels determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the portfolio manager of a subfund to anticipate the triggering events that would require the debt to convert into equity.
- **CONVERSION RISK:** it might be difficult for the portfolio manager of the subfund to assess how the securities will behave upon conversion. In case of conversion into equity, the portfolio manager might be forced to sell these new equity shares because of the investment policy of the subfund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.
- **COUPON CANCELLATION:** for some CoCo-Bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.
- **CALL EXTENSION RISK:** some CoCo-Bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.
- **SECTOR CONCENTRATION RISK:** CoCo-Bonds are issued by banking/insurance institutions. If a subfund invests significantly in CoCo-Bonds its performance will depend to a greater extent on the overall condition of the financial services industry than a subfund following a more diversified strategy.
- **UNKNOWN RISK:** The structure of CoCo-Bonds is innovative and yet untested.

A detailed analysis of the risks inherent to CoCo-Bonds may be found in the statement ESMA/2014/944 (<http://www.esma.europa.eu/content/Potential-Risks-Associated-Investing-Contingent-Convertible-Instruments>).

### 3.4 INFORMATION ON HIGH YIELD BONDS

For securities of issuers which – according to market assessments – do not have a good credit rating, a higher-than-average volatility, compared to investment-grade bonds, must be expected or, as the case may be, even the complete loss of individual investments cannot be ruled out. Careful monitoring and a wide diversification of the issuers are used to reduce such risks.

### 3.5 INFORMATION ON INVESTMENTS IN ABS AND MBS

The liquidity level of the individual Asset Backed Securities („ABS“) and Mortgage Backed Securities („MBS“) in which the Subfund invests may be achieved only partially by the investment. As a result, the Subfund may

redeem such positions with substantial difficulty and, as the case may be, at a disadvantageous price compared to its intrinsic value. This effect is aggravated by the fact that the ABS and MBS can, under certain circumstances, have a very long expiration period.

For certain ABS and MBS there is the additionally risk of premature repayment (so-called prepayment risk) or repayment after the due date (so-called extension risk).

The intrinsic value of the collateral pool (credit pool) underlying the ABS and MBS is subject to credit risks, liquidity risks and interest rate risks, and generally oscillates depending on the interest rate level, the general economic situation, the creditworthiness of the debtor and similar factors. A deterioration of these factors may increase the number of delayed payments or declarations of insolvency on the part of the debtors, and, consequently, may lead to the non-reimbursement of the collaterals underlying the ABS and MBS.

### 3.6 RISKS ASSOCIATED WITH INVESTMENTS IN THE PEOPLE'S REPUBLIC OF CHINA (PRC)

Where indicated in the relevant investment policy, the respective Subfund may invest directly in so-called "China-A" shares. "China-A" shares are quoted in Renminbi on the stock exchanges of Shanghai and Shenzhen, of companies founded on mainland China and can be purchased within the possibilities described below:

#### SHANGHAI-OR SHENZHEN HONG KONG STOCK CONNECT PROGRAMS

The respective Subfund may invest directly in certain permissible China A shares through the Shanghai Hong Kong Stock Connect Programme (the "**Stock Connect Programme**"). The Stock Connect Programme is a securities trading and clearing programme developed by Hong Kong Exchanges and Clearing Limited ("**HKEx**"), the Shanghai Stock Exchange ("**SSE**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), whose objective is to provide mutual access to the stock markets of Hong Kong and the PRC.

Under the Stock Connect Programme, foreign investors (including the Subfunds) can trade certain China A shares listed on the SSE (the "SSE securities") (known as Northbound Trading), subject to the currently applicable regulations governing the Northbound Trading Link. Conversely, investors in Mainland China have an opportunity to participate through the SSE and clearing houses in Shanghai (Southbound Trading) in trading in selected securities listed on the HKEx.

The SSE securities comprise the scope of all shares contained at the relevant time in the SSE 180 Index and in the SSE 380 Index, as well as all China A shares listed on the SSE. Furthermore, shareholders' attention is drawn to the fact that under the applicable ordinances, a security may be removed from the scope of the Stock Connect Programme. This may impair the ability of the Subfund concerned to achieve its investment objective, for example, if the investment manager would like to buy a security that has been removed from the scope of the Stock Connect Programme.

Further information on the Stock Connect Programme can be obtained on the HKEx website.

Apart from risks connected with investments in international markets and emerging countries, and other general investment risks, which are described above and also apply to investments in China, investors should also consider the additional specific risks related to Shanghai-Hong-Kong Stock Connect, which are set out below:

#### QUOTA RISK

Trading is also subject to a cross-border maximum quota ("Aggregate Quota") and to a daily quota ("Daily Quota"). The Aggregate Quota relates to the restriction on the absolute funds flows to Mainland China through the Northbound trading link. The Daily Quota restricts the maximum net buying trades that may be conducted in cross-border trading on a daily basis under the Stock Connect Programme. As soon as the remaining balance of the Northbound Daily Quota reaches zero or is exceeded at the beginning of a session, new buying orders may be rejected.

In addition, there are restrictions on the aggregate holdings of foreign investments that apply to all investors from Hong Kong and abroad, as well as restrictions on the holdings of individual investors from abroad. On account of this quota restriction, impairments may occur if a pending investment in China A shares is not possible through the Stock Connect Programme and, as a result, the investment strategy cannot be efficiently implemented.

#### RESTRICTION OF FOREIGN SHARE OWNERSHIP

The PRC requires that the existing buying restrictions for foreign investors also be applied in conjunction with the Stock Connect Programme. Hong Kong and foreign investors come within the scope of this restrictions on share ownership. The limits may be altered at any time and are currently as follows:

- Shareholdings of foreign individual investors (including the Subfund), of each Hong Kong or foreign investor in China A shares, may not exceed 10% of the shares issued.
- Shareholdings of all foreign investors, of all Hong Kong and foreign investors in China A shares may not exceed 30% of the shares issued.

#### SSE PRICE LIMIT

SSE securities are subject to a general price limit, which is calculated on the basis of the closing price of the previous day. The price limit for shares and investment funds is currently between +/-10% and for shares under special treatment +/-5%. All orders must be within this price limit, which may change from time to time.

#### EXPOSURE RISK

Both the Stock Exchange of Hong Kong Limited ("SEHK") and the SSE reserve the right to suspend trading if it is necessary to ensure an orderly and fair market, and to control the risks prudentially. This may have a negative influence on the ability of the Subfund concerned to gain access to the market of the PRC.

#### DIFFERENT TRADING DAYS

The Stock Connect Programme is only available when both the markets in the PRC and those in Hong Kong are open for trading, and when the banks in both markets are also open on the settlement days concerned.

It may therefore happen that it is a usual trading day for the market in the PRC, whereas the market in Hong Kong is closed and investors from Hong Kong (such as, for example, the Subfunds) cannot trade China A shares. During this period, the Subfund concerned may be exposed to the risk of price fluctuations on China A shares owing to the fact that the Stock Connect Programme is not available for trading.

#### SHORT SELLING

The legal regulations of the PRC provide that sufficient shares must be available on the account before an investor may sell shares. If this is not the case, the SSE rejects the sales orders concerned. Before trading, the SEHK checks the sales orders of its exchange participants (i.e. share brokers) in relation to China A shares in order to make sure that no short selling is taking place.

#### PROCESSING MODELS

Various Stock Connect Models have been developed for order processing. One of these is the "integrated model" in which the Subfund's local sub-custodian bank and broker belong to the same group. This allows the broker to confirm the availability, without transfer, of the securities, and the local sub-custodian bank to settle the account with a guarantee that the securities will not be transferred until the payment of the trade has been carried out (hence the name "synthetic DvP"). In another model, however, the respective shares are transferred to a broker one day before the planned purchase.

Another model is the "multi-broker model" or "SPSA model", in which up to 20 brokers can be appointed in addition to a local sub-custodian bank. This model only became possible in March 2015, when the authorities introduced the Special Segregated Accounts (SPSA) which enables local sub-custodian banks to open a SPSA directly with Hong Kong Securities Clearing Company Limited ("HKSCC"). Each investor is identified by a specific ID number. Thereby, the availability of securities can be confirmed, without them having to be transferred to a particular broker in advance. Thus, the SPSA model also takes into account all concerns regarding the beneficial ownership of shares. Once a separate account is opened, the Investment Manager and the name of the Subfund in question will appear on the account belonging to a the beneficial owner of the respective shares held in the account, according to the Hong Kong Stock Exchange ("HKEx"). However, under the classic SPSA "multi-broker model", the settlement process can give rise to the risk that the cash settlement of securities sold by a broker for one of his customers takes place only a few hours after the securities are transferred and credited to the customer.



#### CLEARING AND SETTLEMENT RISKS

The Hong Kong Securities Clearing Company Limited ("HKSCC") and ChinaClear provide the clearing connection by entering into mutual shareholdings in order to facilitate the clearing and settlement of cross-border transactions. As the national central counterparty for the PRC's securities market, ChinaClear operates a comprehensive network with clearing, settlement and share depository infrastructure. ChinaClear has established a risk management concept and measures that are approved and monitored by the China Securities Regulatory Commission ("CSRC").

In the unlikely event of a payment default by ChinaClear and the latter being unable to meet its payment obligations, HKSCC shall only be liable in its clearing contracts with the market participants of the Northbound trading link to the extent that these market participants will receive support in enforcing their claims against ChinaClear. The HKSCC will attempt in good faith to settle and obtain the outstanding securities and funds through the available legal channels or apply for liquidation of ChinaClear. In this case, the Subfunds may only be able to call in their losses resulting from transactions with ChinaClear late or not in their entirety. On the other hand, an omission or a delay on the part of HKSCC in fulfilling its obligations may lead to a settlement failure or the loss of Stock Connect securities or related funds, which may subsequently cause losses to the Subfunds and their shareholders.

#### NOMINEE ARRANGEMENTS FOR THE HOLDING OF CHINA A SHARES

If the Subfund concerned acquires SSE securities through the Stock Connect programme, HKSCC is the "nominee holder". HKSCC for its part holds the Stock Connect shares of all participants as a single nominee through a collective securities account (single nominee omnibus Securities account), which is held in its name with ChinaClear. HKSCC acts only as the nominee holder, whereas the Subfunds remain the beneficial owners of the Stock Connect shares.

The Stock Connect rules laid down by the CSRC expressly provide that investors who acquire SSE securities through the Stock Connect Programme can enforce their rights, which are in accordance with currently applicable Chinese law. However, it is uncertain whether the Chinese courts would recognize the ownership rights of Stock Connect investors and would give them the opportunity to take legal action against Chinese companies, if this were necessary.

Therefore the Subfund concerned and the Custodian Bank cannot ensure that the ownership of these securities by the Subfund concerned is guaranteed under all circumstances.

Furthermore, according to the HKSCC Clearing rules for securities listed or traded on the SEHK, HKSCC as the nominee holder is not under any obligation to take legal action or to conduct judicial proceedings to enforce rights for investors in relation to SSE securities in the PRC or elsewhere. Therefore problems or delays may occur for the Subfund concerned in enforcing its rights in relation to China A shares, even if the ownership of the corresponding Subfund is ultimately recognized.

If it is assumed that HKSCC performs custodial functions in relation to assets held through it, it should be noted that the Custodian Bank and the Subfunds concerned have no legal relationship with HKSCC and have no direct recourse against HKSCC if the Subfund concerned should sustain losses due to the performance or insolvency of HKSCC.

#### TRADING COSTS

In connection with Northbound trades of China A shares through the Stock Connect Programme, in addition to payment of trading taxes and stamp duty, further costs are also incurred such as new portfolio fees, dividend taxes and income taxes from share transfers, which taxes are determined by the competent authorities.

#### REGULATORY RISK

The Stock Connect Programme is a new programme that is subject to the various regulations of the PRC and Hong Kong. Furthermore the implementing directives of the securities exchanges participating in the Stock Connect Programme are applicable. Since this programme is new, the regulations have not yet been tried and tested, so that there is not yet any certainty about the way in which they will be applied. The current regulations may be altered at any time. Moreover, there are no commitments with regard to the continued existence of the Stock Connect Programme in the future.

The attention of the shareholders of the Subfund concerned who may invest in the markets of Mainland China through the Stock Connect Programme is therefore drawn to the fact that they have to expect change, which may have a detrimental effect.

#### **TAXATION OF INVESTMENTS IN THE PRC**

The tax regulations in the PRC are subject to change, possibly with retroactive effect. Changes in tax regulations may reduce the relevant Subfund's after-tax profits and/or the capital invested in the PRC.

The Subfunds investing in securities and deposits in the PRC may be subject to a withholding tax and other taxes levied in the PRC, including the following:

Dividends and interest paid by companies in the PRC are subject to a withholding tax. The company in the PRC paying these dividends and this interest is currently responsible for withholding the tax when the payment is made.

Gains from the trading of securities in the PRC may be subject to a tax, although there are currently no clear guidelines for the way in which it will be imposed. Gains from the sale of China A shares via the Stock Connect Programme by foreign investors on or after 17 November 2014 are provisionally exempt from taxation, although no termination date for this exemption is currently known. There is no guarantee that this provisional exemption will remain in place in future or that it will not be cancelled, possibly with retroactive effect.

The Management Company and/or the Company reserve(s) the right at any time to make provisions for taxes or gains of the relevant Subfund which invests in assets in the PRC; this may affect the valuation of the relevant Subfund.

Given the uncertainty as to whether and how certain income from investments will be taxed in the PRC, and the possibility that the laws and practices in the PRC will change and that taxes may possibly also be levied retroactively, the tax provisions formed for the relevant Subfund may turn out to be excessive or insufficient to settle the final tax liabilities in the PRC. Consequently, this may work to the advantage or disadvantage of investors, depending on the final taxation of this income, the actual amount of the provision and the time of the purchase and/or sale of their units in the relevant Subfund. In particular, if the actual provisions are less than the final tax liabilities, and this gap has to be covered by the assets of the relevant Subfund, this would have a negative impact on the value of the assets of the relevant Subfund and, consequently, on the current investors; in any case, the net asset value of the Subfund concerned is not recalculated during the period of the missing, insufficient or excessive provisions.

## **4. INVESTOR PROFILE**

**JULIUS BAER STRATEGY GROWTH (CHF), JULIUS BAER STRATEGY GROWTH (EUR), JULIUS BAER STRATEGY GROWTH (GBP), JULIUS BAER GLOBAL EXCELLENCE EQUITY, JULIUS BAER EQUITY FUND SPECIAL VALUE, JULIUS BAER EQUITY ASIA, JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE, JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA, JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (as of 16.06.2020 JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD), JULIUS BAER DYNAMIC ASSET ALLOCATION, JULIUS BAER EQUITY NEXT GENERATION, JULIUS BAER EQUITY SUSTAINABILITY and JULIUS BAER ASIA REITS.**

Each of these Subfunds is suitable for investors who have experience with volatile investments, have sound knowledge of the capital markets and wish to participate in the performance of the capital markets so as to pursue their specific investment objectives. Investors must expect fluctuations in the value of the investments, which may also lead to high temporary value losses. Each of these Subfunds may be used as a basic investment within the portfolio.

**JULIUS BAER STRATEGY BALANCED (CHF), JULIUS BAER STRATEGY BALANCED (EUR), JULIUS BAER STRATEGY BALANCED (USD), JULIUS BAER STRATEGY INCOME (CHF), JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER STRATEGY INCOME (USD), JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE, JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR), JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD), JULIUS BAER MULTI-**

**MANAGER FIXED INCOME UNCONSTRAINED, JULIUS BAER FIXED INCOME ASIA, JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS and JULIUS BAER FIXED MATURITY 2024 ASIA.**

Each of these Subfunds is suitable for investors who have experience with volatile investments, have sound knowledge of the capital markets and wish to participate in the performance of the capital markets so as to pursue their specific investment objectives. Investors must expect fluctuations in the value of the investments, which may temporarily also lead to substantial loss of value. Each of these Subfunds may be used as a basic investment within the portfolio.

**5. INVESTMENT MANAGER**

The respective Investment Manager is authorised, without limitation, to make investments directly for the BJB-FUNDS, taking into account the investment objectives, policy and limits of the Company or the BJB-FUNDS, as applicable, and under the ultimate supervision of the Management Company or the Board of Directors or the auditor(s) appointed by the Management Company. The respective Investment Manager may, with the consent of the Management Company, avail itself of the assistance of investment advisers.

The Management Company and the Company may delegate the portfolio management of some or all of the BJB Funds to one or more Investment Managers under their supervision and ultimate responsibility, subject to the prior approval of the CSSF. The current names of the Investment Managers are as follows:

- **Bank Julius Bär & Co. Ltd**, Bahnhofstrasse 36, CH-8001 Zurich

Bank Julius Bär & Co. AG is the Investment Manager of the following BJB-FUNDS:

- JULIUS BAER STRATEGY BALANCED (CHF)
- JULIUS BAER STRATEGY BALANCED (EUR)
- JULIUS BAER STRATEGY BALANCED (USD)
- JULIUS BAER STRATEGY GROWTH (CHF)
- JULIUS BAER STRATEGY GROWTH (EUR)
- JULIUS BAER STRATEGY INCOME (CHF)
- JULIUS BAER STRATEGY INCOME (EUR)
- JULIUS BAER STRATEGY INCOME (USD)
- JULIUS BAER GLOBAL EXCELLENCE EQUITY
- JULIUS BAER EQUITY FUND SPECIAL VALUE
- JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE
- JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA
- JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE
- JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)
- JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR)
- JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (as of 16.06.2020: JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD)
- JULIUS BAER DYNAMIC ASSET ALLOCATION
- JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED
- JULIUS BAER EQUITY NEXT GENERATION
- JULIUS BAER EQUITY SUSTAINABILITY
- JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS



The history of BANK JULIUS Bär & Co. Ltd stretches back to 1890. It is now established as a Swiss public limited company and is a wholly owned subsidiary of JULIUS Bär GROUP AG, Zurich. BANK JULIUS Bär & Co. Ltd is a bank within the meaning of the Swiss Banking Act (*schweizerisches Bankengesetz*) and as such is subject to the supervision of the Swiss Financial Market Supervision Authority (FINMA). The authorisation of FINMA also covers the activities of an asset manager.

- **Bank Julius Bär & Co. Ltd**, Singapore Branch, 7 Straits View #28-01 Marina One East Tower, Singapore 018936

Bank Julius Bär & Co. AG, Singapore Branch is the Investment Manager of the following BJB-FUNDS:

- JULIUS BAER EQUITY ASIA
- JULIUS BAER FIXED INCOME ASIA
- JULIUS BAER FIXED MATURITY 2024 ASIA
- JULIUS BAER ASIA REITS

Bank Julius Bär & Co. Ltd, Singapore Branch, is a company governed by Swiss law and a wholly-owned subsidiary of Julius Bär Group Ltd, Zurich. Bank Julius Bär & Co. Ltd, Singapore Branch, was registered as a branch in Singapore in 2007 and is subject to the supervision of the Monetary Authority of Singapore (MAS).

## 6. DESCRIPTION OF THE SHARES IN THE BJB-FUNDS

After the initial issue date, the Company may issue shares of the BJB-FUNDS in the following categories:

A shares:	distributing, as defined hereinafter;
Am shares:	distributing, on a monthly basis, as defined hereinafter;
Aq shares:	distributing, on a quarterly basis, as defined hereinafter;
B shares:	accumulating, as defined hereinafter;
C shares:	accumulating, for institutional investors, as defined hereinafter;
Ca shares:	distributing, for institutional investors, as defined hereinafter;
Cm shares:	distributing, on a monthly basis, for institutional investors, as defined hereinafter;
Cq shares:	distributing on a quarterly basis, for institutional investors, as defined hereinafter;
E shares:	accumulating, for certain distributors, as defined hereinafter;
K shares:	accumulating, with a minimum subscription amount, as defined hereinafter;
Ka shares:	distributing, with a minimum subscription amount, as defined hereinafter;
Km shares:	distributing, on a monthly basis, with a minimum subscription amount, as defined hereinafter;
Kq shares:	distributing on a quarterly basis, with a minimum subscription amount, as defined hereinafter;
N shares:	accumulating, for certain distributors, as defined hereinafter;
Na shares:	distributing, for certain distributors, as defined hereinafter;
Nm shares:	distributing, on a monthly basis, for certain distributors, as defined hereinafter;
Nq shares:	distributing, on a quarterly basis, for certain distributors, as defined hereinafter;
U shares:	accumulating, for certain investors, as defined hereinafter;

Ua shares:	distributing, for certain investors, as defined hereinafter;
Um shares:	distributing, on a monthly basis, for certain investors, as defined hereinafter;
Uq shares:	distributing, on a quarterly basis, for certain investors, as defined hereinafter;
V shares:	accumulating, with a minimum subscription amount, as defined hereinafter;
Va shares:	distributing, with a minimum subscription amount, as defined hereinafter;
Vm shares:	distributing, on a monthly basis, with a minimum subscription amount, as defined hereinafter;
Vq shares:	distributing, on a quarterly basis, with a minimum subscription amount, as defined hereinafter;
W shares:	accumulating, for institutional investors, as defined hereinafter;
Wa shares:	distributing, for institutional investors, as defined hereinafter;
Wm shares:	distributing, on a monthly basis, for institutional investors, as defined hereinafter;
Wq shares:	distributing on a quarterly basis, for institutional investors, as defined hereinafter;
X shares:	accumulating, with a minimum subscription amount, as defined hereinafter;
Xa shares:	distributing, with a minimum subscription amount, as defined hereinafter;
Xm shares:	distributing, on a monthly basis, with a minimum subscription amount, as defined hereinafter;
Xq shares:	distributing on a quarterly basis, with a minimum subscription amount, as defined hereinafter;
Y shares:	accumulating, for institutional investors, as defined hereinafter;
Ya shares:	distributing, for institutional investors, as defined hereinafter;
Ym shares:	distributing, on a monthly basis, for institutional investors, as defined hereinafter;
Yq shares:	distributing, on a quarterly basis, for institutional investors, as defined hereinafter;
Z shares:	accumulating, for certain institutional investors, as defined hereinafter;
Za shares:	distributing, for certain institutional investors, as defined hereinafter;
Zm shares:	distributing, on a monthly basis, for institutional investors, as defined hereinafter;
Zq shares:	distributing, on a quarterly basis, for institutional investors, as defined hereinafter;
A, B, C, Ca, Cm, Cq, E, K, Ka, Km, Kq, N, Na, Nm, Nq, U, Ua, Um, Uq, V, Va, Vm, Vq, W, Wa, Wm, Wq, X, Xa, Xm, Xq, Y, Ya, Ym, Yq, Z, Za, Zm and Zq shares with the suffix "h"	share category with full currency-hedging as defined hereinafter,
A, B, C, Ca, Cm, Cq, E, K, Ka, Km, Kq, N, Na, Nm, Nq, U, Ua, Um, Uq, V, Va, Vm, Vq, W, Wa, Wm, Wq, X, Xa, Xm, Xq, Y, Ya, Ym, Yq, Z, Za, Zm and Zq shares with the suffix "p"	share category with partial currency-hedging, as defined hereinafter.

Shares are issued only in registered form.

With regards to all BJB-FUNDS, shares categories can be issued either in the Subfund's accounting currency, or alternatively, in the currencies depicted in the table (Chapter 16 of the General Part). Details of the share categories available in each case can be obtained from the Management Company, the central administration agent or from the information agents and distributors, as well as at [www.funds.gam.com](http://www.funds.gam.com).

#### CURRENCY-HEDGING

The above share categories (if available) may be offered in different currencies at the discretion of the Management Company. If a share category is offered in a currency other than the accounting currency of the relevant subfund, it may be offered either without or with currency-hedging and will be labelled accordingly.

If a share category is labelled with the suffix "h", it refers to a currency-hedged share category, in which the shares of the share category are fully hedged against the accounting currency of the Subfund. Alternatively, if a share category is labelled with the suffix "p", it refers to a partially currency-hedged share category, in which 50% of the accounting currency of the respective Subfund is hedged against the currency of the share category.

Share categories without the suffix "h" and "p" don't have currency-hedging between the accounting currency of the Subfund and the currency of the share category. In this regard, further information on currency-hedging of share categories can be found in the General Part, Chapter "Description of Shares"

#### DESCRIPTION OF THE SHARE CATEGORIES

**A, Am und Aq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available to all investors, without a minimum subscription amount.

**B SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available to all investors, without a minimum subscription amount.

**C, CA, Cm and Cq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") may only be purchased by "institutional investors" within the meaning of Article 174ff of the 2010 Law. For legal entities incorporated in the EU, the definition of "institutional investor" includes, inter alia, all eligible counterparties and all clients per se considered to be professional clients within the meaning of Directive 2014/65/EC on Markets in Financial Instruments ("MIFID") and who have not applied for treatment as a non-professional client.

**E SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are issued exclusively to distributors domiciled in Spain or in Italy and to other specified distributors in other distribution markets, provided the Board of Directors of the Company has decided on a special authorisation for the latter to distribute the E SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p"). All other distributors are not allowed to acquire E SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p").

**K, KA, Km and Kq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription amount) or to employees of the Julius Bar Group who are exempted from the minimum subscription amount. Regarding the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix "h" and "p"), the Company will not pay any fees, commissions or other monetary or non-monetary benefits.

**N, NA, Nm and Nq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available exclusively to certain distributors who are not permitted to accept and retain fees, commissions or other monetary or non-monetary benefits of a third party or a person acting on behalf of a third party, whether (i) by virtue of legal provisions or (ii) on the grounds that they have entered into discretionary individual asset management or investment advisory mandates with separate fee agreements with their clients that exclude such payments. Consequently, no fees, commissions or other monetary or non-monetary benefits will be paid by the Company for sales and intermediary services in connection with the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix "h" and "p").

**U, UA, Um and Uq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are issued exclusively to investors that have entered into an investment advisory mandate with separate fee agreement with Julius Baer International Limited, 1 St Martin's Le Grand, London EC1A 4AS, England or that

have entered into investment advisory mandates with separate fee agreements with another company of the Julius Bär Group and that receive advice from Julius Bär International Limited, 1 St. Martin's Le Grand, London EC1A 4AS, England or from Julius Bär International Limited, Branch Ireland, 2 Hume Street, Dublin 2 D02 FT82, Ireland within the framework of this advisory mandate. Regarding the distribution, offering or holding of such shares (including, if applicable, currency-hedged shares with the suffix "h" and "p"), the Company will not pay any fees, commissions or other monetary or non-monetary benefits for sales and intermediary services.

**V, VA, Vm and Vq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription amount)

**W, WA, Wm and Wq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") provided the minimum subscription amount is invested, these shares may be purchased only by "institutional investors" within the meaning of Article 174ff of the 2010 Law. For legal entities incorporated in the EU, the definition of "institutional investor" includes i.a. all eligible counterparties and all clients per se considered to be professional clients within the meaning of Directive 2014/65/EC on Markets in Financial Instruments ("MIFID") and who have not applied for treatment as a non-professional client.

**X, XA, Xm and Xq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are available to all investors, provided the minimum subscription amount is invested (see below minimum subscription amount)

**Y, YA, Ym and Yq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") provided the minimum subscription amount is invested, these shares may be purchased only by "institutional investors" within the meaning of Article 174 of the 2010 Law. For legal entities incorporated in the EU, the definition of "institutional investor" includes all eligible counterparties and all clients per se considered to be professional clients within the meaning of Directive 2014/65/EC on Markets in Financial Instruments ("MIFID") and who have not applied for treatment as a non-professional client.

**Z, ZA, Zm and Zq SHARES** (including, if applicable, currency-hedged shares with the suffix "h" and "p") are issued exclusively to Subfunds of the SICAV Multicooperation SICAV, which are managed by Bank Julius Bär & Co. AG and to "institutional investors", within the meaning of Article 174 seqq. of the 2010 Law. In particular, to the Subfunds Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (CHF), Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (EUR), Multicooperation SICAV – JULIUS BAER STRATEGY BALANCED (USD), Multicooperation SICAV – JULIUS BAER STRATEGY GROWTH (CHF), Multicooperation SICAV – JULIUS BAER STRATEGY GROWTH (EUR), Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (CHF), Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (EUR) and Multicooperation SICAV – JULIUS BAER STRATEGY INCOME (USD). Other investors are not allowed to acquire such shares (including, if applicable, currency-hedged shares with the suffix "h" and "p")

## 7. DISTRIBUTION POLICY

The Company intends to distribute appropriate dividends taking into account the following aspects for the distributing shares in accordance with Luxembourg law, the articles as well as this prospectus:

- the net income generated by the Subfund (i.e. interest, dividends, other income);
- the capital and foreign-currency gains generated by the Subfund.

The annual distributions for the distributing share categories ("A" or with the addition "a", "m" and "q") are generally made within one month of the determination of the dividend in the currency of the respective share category. For the share categories with distribution on a monthly basis (with the suffix "m") and quarterly basis (with the suffix "q"), a regular interim dividend in the currency of the respective share category is provided for, the payment of which shall in principle be made monthly or quarterly in the currency of the respective share category.

The amount of dividends paid is not fixed and varies according to economic and other circumstances. The Company reserves the right to modify the distribution policy at any time in the interest of the shareholders, particularly also for tax reasons.

Occasionally, dividends may be distributed from the capital if the income / capital gains generated by the Subfund are insufficient. This may, in certain circumstances, reasonably maintain a constant payment per Share. The Subfund is managed in the interest of all Shareholders in accordance with the stated investment objectives and not with the aim of maintaining a stable pay-out per share for a particular share category. Shareholders should note in this connection that the payment of dividends from the capital represents a return or withdrawal of part of the amount they originally invested or of the capital gains attributable to the original investment. Such distributions may result in an immediate decrease in the Net Asset Value per share of the Subfund.

## 8. FEES AND COSTS

### A. MANAGEMENT FEE

For the management and advisory services relating to the securities portfolio and related administrative services as well as for distribution services, an annual maximum management fee based on the net asset value of the respective Subfund shall be debited to the latter, as follows:

Subfunds	Max. management fee ***** p.a. as % of net asset value						
	Shares A*) B*) E*); ****)	Shares C*); **) K*); ***)	Shares N*); ***)	Shares U*); ***)	Shares V*); **) W*); **)	Shares X*); **) Y*); **)	Shares Z*); **)
JULIUS BAER STRATEGY BALANCED (CHF)	1,40%	0,85%	1,00%	0,85%	0,75%	0,65%	0,00%
JULIUS BAER STRATEGY BALANCED (EUR)	1,40%	0,85%	1,00%	0,85%	0,75%	0,65%	0,00%
JULIUS BAER STRATEGY BALANCED (USD)	1,40%	0,85%	1,00%	0,85%	0,75%	0,65%	0,00%
JULIUS BAER STRATEGY GROWTH (CHF)	1,50%	0,90%	1,05%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER STRATEGY GROWTH (EUR)	1,50%	0,90%	1,05%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER STRATEGY INCOME (CHF)	1,30%	0,80%	0,90%	0,80%	0,70%	0,60%	0,00%
JULIUS BAER STRATEGY INCOME (EUR)	1,30%	0,80%	0,90%	0,80%	0,70%	0,60%	0,00%
JULIUS BAER STRATEGY INCOME (USD)	1,30%	0,80%	0,90%	0,80%	0,70%	0,60%	0,00%
JULIUS BAER GLOBAL EXCELLENCE EQUITY	1,65%	0,90%	1,10%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER EQUITY FUND SPECIAL VALUE	2,00%	0,85%	0,95%	0,85%	0,75%	0,65%	0,00%
JULIUS BAER EQUITY ASIA	1,65%	0,90%	0,90%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER EQUITY GLOBAL EXCELLENCE EUROPE	1,65%	0,90%	0,90%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER EQUITY GLOBAL EXCELLENCE NORTH AMERICA	1,65%	0,90%	0,90%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER FIXED INCOME EMERGING MARKETS CORPORATE	1,10%	0,60%	0,70%	0,60%	0,50%	0,40%	0,00%
JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (EUR)	1,10%	0,60%	0,70%	0,60%	0,50%	0,40%	0,00%
JULIUS BAER FIXED INCOME INVESTMENT GRADE CORPORATE (USD)	1,10%	0,60%	0,70%	0,60%	0,50%	0,40%	0,00%

JULIUS BAER FIXED INCOME GLOBAL HIGH YIELD (as of 16.06.2020: JULIUS BAER FIXED INCOME GLOBAL QUALITY HIGH YIELD)	1,10%	0,60%	0,70%-	0,60%	0,50%	0,40%	0,00%
JULIUS BAER DYNAMIC ASSET ALLOCATION	1,60%	1,00%	1,10%	1,00%	0,90%	0,80%	0,00%
JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED	1,10%	0,60%	0,70%	0,60%	0,50%	0,40%	0,00%
JULIUS BAER EQUITY NEXT GENERATION	2,00%	1,00%	1,10%	1,00%	0,90%	0,80%	0,00%
JULIUS BAER EQUITY SUSTAINABILITY	1,70%	0,90%	1,00%	0,90%	0,80%	0,70%	0,00%
JULIUS BAER FIXED INCOME ASIA	1,10%	0,60%	0,70%	0,60%	0,50%	0,40%	0,00%
JULIUS BAER FIXED MATURITY 2025 GLOBAL EMERGING MARKETS	0,80%	0,45%	0,55%	0,45%	0,40%	0,30%	0,00%
JULIUS BAER FIXED MATURITY 2024 ASIA	0,80%	0,45%	0,55%	0,45%	0,40%	0,30%	0,00%
JULIUS BAER ASIA REITS	1,65%	0,90%	0,90%	0,90%	0,80%	0,70%	0,00%

- \*) These shares are also available with the suffix or suffixes "a", "m", "q", "h" and "p", as defined in more detail in the chapter "Description of the shares of BJB funds".
- \*\*) Regarding the distribution, offering or holding of these shares, the Company will not pay any commission for any distribution services.
- \*\*\*) Regarding the distribution, offering or holding of these shares, the Company will not pay any fees, commissions or other monetary or non-monetary benefits for distribution and intermediary services.
- \*\*\*\*) An additional distribution fee of maximum 0.75% p.a. may be charged for these shares.
- \*\*\*\*\*) This percentage rate represents a maximum rate. The effective rate applied will be stated in the annual and semi-annual reports of the Company.

The remuneration of the Management Company, the custodian bank, the principal administrative agent, the principal paying agent, the transfer agent and registrar, as well as the fee for currency hedging at currency category level is paid separately and amounts to a maximum of 0.30% p.a.

## B. ADDITIONAL CHARGES

The Company also pays costs relating to its business operations. These include, inter alia, the following:

Costs of operational management and supervision of the Company's business, for taxes and tax services, costs of legal and auditing services, annual and semi-annual reports and prospectuses, publication costs in relation to the convening of the general meeting, share certificates and the payment of dividends, registration fees and other costs arising from or relating to reporting requirements to the authorities in the different distribution countries, sales support, paying agents and representatives, SSB-LUX (provided it is not already included in the aforementioned fee according to the provisions in the Special Part concerned), fees and expenses of the Board of Directors of the Company, insurance premiums, interest, stock exchange listing fees and brokerage fees, as well as for research services, including the special settlement of an analysis fee to be paid to the Investment Manager from the funds of the Company, via a separate account, a so-called Research Payment Account ("RPA"), as defined in Chapter 22, section "Incentives" of the General Part, purchase and sale of securities, public charges, license fees, reimbursement of expenses to the custodian and all other contractual parties of the Company as well as the costs of publishing the net asset value per share and the share prices.

Where such expenses and costs apply to all Subfunds equally, each Subfund is charged pro rata the costs corresponding to its share of the volume of the Company's total assets. Where expenses and costs only apply to one or some of the Subfunds, the costs are charged in full to the Subfund or Subfunds in question. Marketing and advertising expenditure may only be charged in individual cases following a resolution of the Board of Directors.



**C. INFORMATION REGARDING INVESTMENTS IN FUND-OF-FUNDS STRUCTURES**

In addition to the costs related to the JULIUS BAER DYNAMIC ASSET ALLOCATION and JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED levied in accordance with the provisions of this Prospectus and the Articles of Association, costs for the activity of the Management Company, the remuneration of the custodian, costs related to the auditors, taxes, as well as other costs, commissions and fees may apply for the target funds and, in consequence, multiple debit for similar costs may occur. The Management Fees charged to the target funds by their respective service providers generally amount to a maximum of 3.00%.

**9. ISSUE OF SHARES****A. GENERAL**

After expiry of the initial subscription period, the shares of BJB-FUNDS shall be issued on each valuation date. The issue price is based on the net asset value of the shares on the applicable valuation date in each case and shall be rounded to two decimal places.

Pursuant to the provisions contained in the General Part of the prospectus, a selling fee of a maximum of 5% may be charged additionally. In the case of large orders, the selling fee can be reduced accordingly, in which case investors investing the same amounts over the same period must be treated equally.

**B. MINIMUM SUBSCRIPTION AMOUNT**

At the initial subscription, certain share categories are subject to minimum subscription amount per subfund as shown in the table below:

SHARE CATEGORY	MINIMUM SUBSCRIPTION AMOUNT PER SUBFUND IN THE RESPECTIVE REFERENCE CURRENCY OF THE RESPECTIVE SUBFUND OR THE EQUIVALENT AMOUNT IN THE CURRENCY OF THE SHARE CATEGORY CONCERNED
C, CA, CM and CQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	500.000,-
K, KA, KM and KQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	500.000,-
V, VA, VM and VQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	10.000.000,-
W, WA, WM and WQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	10.000.000,-
X, XA, XM and XQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	25.000.000,-
Y, YA, YM and YQ SHARES (including, if applicable, currency-hedged shares with the suffix "h" and "p")	25.000.000,-

The Board of Directors of the Company may at its discretion accept initial subscription applications of a lower amount than the minimum subscription amount indicated. Further subscriptions of the above mentioned shares are not subject to a minimum subscription amount.

**C. APPLICATION PROCEDURE**

Investors may subscribe to shares of the BJB-FUNDS at any time directly with the principal paying agent in Luxembourg named in the General Part of the prospectus (or, as applicable, with appointed local distributors or

paying agents in individual distribution countries). The exact identity of the subscriber, the name of the Subfund and the category of the shares being subscribed must be stated.

All subscriptions of shares in the Subfunds, received by the principal paying agent on a valuation day (as defined in the section "Calculation of Net Asset Value") by no later than 3.00 p.m., and, respectively, in the Subfunds JULIUS BAER STRATEGY BALANCED (CHF), JULIUS BAER STRATEGY BALANCED (EUR), JULIUS BAER STRATEGY BALANCED (GBP), JULIUS BAER STRATEGY BALANCED (USD), JULIUS BAER STRATEGY GROWTH (CHF), JULIUS BAER STRATEGY GROWTH (EUR), JULIUS BAER STRATEGY GROWTH (GBP), JULIUS BAER STRATEGY INCOME (CHF), JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER STRATEGY INCOME (USD) and JULIUS BAER EQUITY NEXT GENERATION received by no later than 11.00 a.m. Luxembourg local time (cut-off time) will be made at the issue price determined on the next valuation day. Subscriptions received after this time will be made at the issue price of the valuation day after the following valuation day.

All subscriptions of shares in the Subfunds JULIUS BAER FIXED INCOME ASIA and JULIUS BAER FIXED MATURITY 2024 ASIA received by the principal paying agent on a valuation day (as defined in the section "Calculation of Net Asset Value" of the General Part) by no later than 3.00 p.m., Luxembourg local time (cut-off time), will be made at the issue price determined on the subsequent second (2) Valuation Day. Subscriptions received after this time will be made at the issue price of the third (3) Valuation Day.

All subscriptions of shares in the Subfunds JULIUS BAER DYNAMIC ASSET ALLOCATION and JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED received by the principal paying agent on a valuation day (as defined in the section "Calculation of Net Asset Value" of the General Part) by no later than 11.00 a.m., Luxembourg local time (cut-off time), will be made at the issue price determined on the subsequent third (3) Valuation Day. Subscriptions received after this time will be made at the issue price of the fourth (4) Valuation Day. The value of the total amount of the subscription must be credited to the account indicated in the General Part of this prospectus within four (4) Luxembourg banking days of the applicable valuation day in which the issue price has been determined.

No share coupons or share certificates will be delivered.

The Company reserves the right to reject applications or to accept them only in part or to request further information and documents. If an application is rejected in whole or in part, the subscription amount or the corresponding balance will be transferred back to the applicant.

#### **D. INVESTMENT RESTRICTIONS FOR US PERSONS**

The BJB Funds have not been and will not be registered in the US under the Investment Company Act of 1940, as amended. The share of the BJB Funds have not been and will not be registered in the United States under the Securities Act of 1933, as amended ("Securities Act") or under the securities laws of any state of the United States. The shares made available under this product range may not be offered or sold, directly or indirectly, in the United States or to or for the benefit of any U.S. person (as defined in Rule 902 of Regulation S under the Securities Act). Applicants may be required to make a declaration that they are not a US person and that they are not applying to subscribe for shares on behalf of a US person or acquiring shares with the intention of selling them to a US person. Should a shareholder become a US Person, they may be subject to US withholding taxes and US tax reporting.

## **10. REDEMPTION OF SHARES**

### **A. GENERAL**

Shares of BJB-FUNDS shall be redeemed on any valuation date by application to the principal paying agent in Luxembourg named in the General Part of the prospectus (or where applicable to local distributors or paying agents appointed in individual distribution countries).

All requests for redemption of shares in the Subfunds received by the principal paying agent on a valuation day by no later than 3.00 p.m. and, respectively, in the Subfunds JULIUS BAER STRATEGY BALANCED (CHF), JULIUS BAER STRATEGY BALANCED (EUR), JULIUS BAER STRATEGY BALANCED (USD), JULIUS BAER STRATEGY GROWTH (CHF), JULIUS BAER STRATEGY GROWTH (EUR), JULIUS BAER STRATEGY

INCOME (CHF), JULIUS BAER STRATEGY INCOME (EUR), JULIUS BAER STRATEGY INCOME (USD) and JULIUS BAER EQUITY NEXT GENERATION no later than 11.00 a.m. Luxembourg local time (cut-off time) will be made at the redemption price determined on the next valuation day. Applications received after this cut-off time will be made at the redemption price of the valuation day after the following valuation day.

All requests for redemption of shares in the Subfunds JULIUS BAER FIXED INCOME ASIA and JULIUS BAER FIXED MATURITY 2024 ASIA received by the principal paying agent on a valuation day (as defined in the section "Calculation of Net Asset Value" of the General Part) by no later than 3.00 p.m. Luxembourg local time (cut-off time) will be made at the redemption price determined on the subsequent second (2) Valuation Day. Redemptions received after this time will be made at the redemption price of the third (3) Valuation Day.

All requests for redemption of shares in the Subfunds JULIUS BAER DYNAMIC ASSET ALLOCATION and JULIUS BAER MULTI-MANAGER FIXED INCOME UNCONSTRAINED received by the principal paying agent on a valuation day (as defined in the section "Calculation of Net Asset Value" of the General Part) by no later than 11.00 a.m., Luxembourg local time (cut-off time) will be made at the redemption price determined on the subsequent third (3) Valuation Day. Redemptions received after this time will be made at the redemption price of the fourth (4) Valuation Day.

The redemption price is based on the net asset value of the shares on the valuation date applicable in each case and is rounded to the nearest hundredth. If no selling fee was charged when the shares were issued, a redemption fee of up to a maximum of 3% of the net asset value may be charged instead.

In general, payments are made in the currency of the respective Subfund or in the reference currency of the corresponding share category within four (4) Luxembourg banking days of the applicable valuation day in which the redemption price has been determined.

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## **B. PRICE SETTING PROCEDURE**

Following price setting procedure shall come into effect for the BJB-FUNDS:

- (i) at mid prices; provided that the valuation rules are applied consistently to each Subfund for the duration of its existence;
- (ii) at the bid and offer prices at the cut-off time if bid and offer prices are used to establish the prices at which shares are issued and redeemed; or
- (iii) at the quoted bid prices if the value of all redemption requests received on a trading day exceeds the value of all subscription requests received for that trading day, or at the quoted offer price if the value of all subscription requests received on a trading day exceeds the value of all redemption requests received for that trading day, in order in any case to maintain the value of the shares of the existing shareholders.

This provision shall only come into force as from the effective date of amendment of the Articles of Association.

## **11. SWITCHING OF SHARES**

Shares of BJB-FUNDS may be switched for shares of other active Subfunds of the Company to which such a switch is permitted in return for payment of a switching fee of up to 1% maximum of the net asset value of the aforesaid shares. No switching fee shall be charged for switching to shares of another Subfund of the Company launched on behalf of BANK JULIUS BÄR & CO. AG.

Shareholders of the BJB-FUNDS are entitled to switch some or all of their shares for shares in another Subfund on a valuation day which is applicable for both Subfunds, as well as within the BJB-FUNDS to switch shares of one share category into shares of another share category. All the qualification prerequisites and minimum subscription amounts ("Minimum Switching Value") and the other conditions applicable to the original share category or the new share category shall apply for the Distributors and/or shareholders effecting a switch. The Company's Board of Directors may at its discretion accept initial switching applications for an amount lower than the stated minimum switching amount.

Furthermore, the same modalities apply to requests for switching of shares as to redemptions of shares, and the provisions of the General Part of the prospectus are applicable.