

# Ninety One Global Alternative Fund 1

*Société d'Investissement à Capital Variable (SICAV) –  
Fonds d'investissement spécialisé (FIS)*

An open-ended specialised investment fund in the form of an investment company with variable capital  
(SICAV)

Subject to the Luxembourg law of 13 February 2007 relating to specialised investment funds, as  
amended

## Offering Document

[April] 2023

# 1      Key Features of the Fund

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## **List of Sub-Funds**

Global Credit Solution Fund  
Multi-Asset Credit Fund  
Multi-Asset Credit Defensive Fund  
Emerging Markets Transition Debt Fund

## The Fund Structure

This Offering Document contains information about Ninety One Global Alternative Fund 1 (the “Fund”) that a prospective investor should consider before investing in the Fund and should be retained for reference.

The Fund qualifies as an alternative investment fund (AIF) within the meaning of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, as may be amended from time to time (the “AIFMD”). The Fund is subject to the Luxembourg law of 13 February 2007 relating to specialised investment funds, as amended or supplemented from time to time (the “2007 Law”).

The Fund has appointed Ninety One Luxembourg S.A. (the “AIFM”) effective as of the Launch Date, to serve as its designated alternative investment fund manager in accordance with the provisions of the 2007 Law and of the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended from time to time (the “2013 Law”). The AIFM is a public limited company (*société anonyme*) incorporated on 8 July 2011 under registration number B 162485. The AIFM has been authorised by the CSSF, which is the Luxembourg supervisory authority of the financial sector, to manage the business and affairs of the Fund pursuant to the 2013 Law.

The Fund has been authorised by the CSSF. However, such registration of the Fund constitutes neither approval nor disapproval by any Luxembourg authority as to the adequacy or accuracy of this Offering Document or as to the assets held in any Sub-Fund. Any representations to the contrary are unauthorised and unlawful.

The Fund may be constituted of one or several portfolios of investments (the “Sub-Fund(s)”), the issue proceeds of which will be separately invested pursuant to investment policies fixed by the Board of Directors for each Sub-Fund. For each of the Sub-Funds, different Classes of Shares may be issued with different characteristics as further described in section 5 of this Offering Document.

The Fund has been established for an undetermined period. Each Sub-Fund of the Fund may be established for an unlimited or limited duration as specified in Appendix 1. In the latter case, upon expiry of the term, the Fund may extend the duration of the Sub-Fund once or several times. Investors will be notified at each extension. At the expiry of the duration of a Sub-Fund, the Fund will redeem all the Shares in that Sub-Fund in line with the provisions set out in section 6.9 of this Offering Document. Appendix 1 will indicate the duration of each Sub-Fund and its extension, where applicable.

The Fund, a Sub-Fund or a Class of Shares may be dissolved in the circumstances described in section 6 of this Offering Document.

The Fund has legal personality under Luxembourg Law. Each Sub-Fund shall be treated as a separate entity for purposes of segregating income, expenses, assets, and liabilities without having a legal personality under Luxembourg law. Each Sub-Fund is only liable for its own debts and obligations. The liability of any Shareholder is limited to the Shares it holds in a Sub-Fund.

The Fund may not change its specialised investment fund status without the unanimous consent of its Shareholders and the prior approval of the CSSF.

## Investor Rights

The Board of Directors of the Fund draws investors’ attention to the fact that any investor will only be able to fully exercise its investor rights directly against the Fund, notably the right to participate in general Shareholders’ meetings, if the investor is registered itself and in its own name in the Shareholders’ register of the Fund. In cases where an investor invests in the Fund through an intermediary in the intermediary’s name on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

## AIFMD disclosures to Investors

The information required to be disclosed to Investors pursuant to article 21 of the 2013 Law may be found in sections 4, 5, 6, 8, 9, 10 as well as in each section of Appendix 1 relating to the Sub-Funds, Appendix 2 and Appendix 3 of this Offering Document. Additional disclosures may be found in the Articles of Incorporation.

Such information shall be made available at the registered office of the AIFM during ordinary office hours.

## Notice to Prospective Investors

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisers to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares.

Prospective investors should review this Offering Document carefully and in its entirety. They should consider their own personal circumstances and consult with their legal, tax and financial advisors in relation to (i) the legal and regulatory requirements they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, conversion, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

The Shares are reserved for Eligible Investors, as further described in section 5.1 of this Offering Document. Eligible Investors include well-informed investors (*investisseurs avertis*) within the meaning of article 2 (1) of the 2007 Law. For further details, please refer to the definitions “Eligible Investors” and “Well-Informed Investor” set out in section 3 as well as to section 5.1 of this Offering Document. To the extent that Shares of the Fund are exclusively advised on, offered or sold to Professional Investors, no PRIIPs KID shall be issued. As a consequence, the PRIIPs Regulation does not apply in this context. Furthermore, the Fund will refuse to make any transfer of Shares to the extent that such transfer would result in the legal or beneficial ownership of such Shares to an investor that would not qualify as a Well-Informed Investor. The Fund, at its sole discretion, may refuse the issue or the transfer of the Shares if there exists no sufficient evidence that the person or entity to which the Shares should be issued or transferred is an Eligible Investor. In order to determine whether a purchaser or transferee of Shares may be qualified as an Eligible Investor, the Fund will refer to the recommendations made by the relevant supervisory authorities. The Fund may at its sole discretion reject any application for subscription of Shares and proceed, at any time, to the compulsory redemption of all the Shares held by an investor that, in the opinion of the Board of Directors, does not qualify as an Eligible Investor.

Shareholders should inform themselves about and observe any applicable legal requirements before dealing in any Shares of the Fund. It is the responsibility of any Shareholder to satisfy itself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction, including obtaining any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities needing to be observed and payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any such Shareholder will be responsible for any such issue, transfer or other taxes or payments by whomsoever payable and the Fund (and any person acting on behalf of it) shall be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes or payments as the Fund (and any person acting on behalf of it) may be required to pay.

The Board of Directors, whose names appear in section 2 below, accepts responsibility for the information contained in this Offering Document. To the best of the knowledge and belief of the Board of Directors (who have taken reasonable care to ensure that such is the case) the information contained in this Offering Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Board of Directors accepts responsibility accordingly.

Any information or representation given or made by any person which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this Offering Document nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information given in this Offering Document is correct as at any time subsequent to the date hereof.

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

Shares are offered on the basis of the information contained in this Offering Document and the documents referred to herein. The Shares should be viewed as medium to long-term investments.

The price of Shares and any income earned on the Shares may go down as well as up, and investors may not get back the amount they have invested in the Fund. No guarantees as to future performance of, or future return from, the Fund can be given by the Fund itself, or by the Board of Directors, by the AIFM, or any of its affiliates, or by any of their directors or officers, or by any authorised dealers. In addition, deduction of the applicable Initial Charge means that an investor may not get back the full amount they invested. Before investing, a prospective investor should consider the risks involved in such investment. Please see section 4.2 and Appendix 2.

Before consent to distribute this Offering Document is granted, certain jurisdictions require that it be translated into an appropriate language. Unless contrary to local law in the jurisdiction concerned in the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall prevail.

The distribution of this Offering Document in other jurisdictions may also be restricted; persons into whose possession this Offering Document comes are required to inform themselves about and to observe any such restrictions. This Offering Document does not constitute an offer by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer.

## Notice to US Shareholders Only

The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, or any other United States federal or state securities regulatory authority, and no such commission or authority has passed upon the merits of the offer of the Shares or the accuracy or adequacy of the information contained in this Offering Document, nor is it intended that any commissioner or authority will do so. Any representation to the contrary is a criminal offence in the United States.

None of the Shares, as defined below, have been or will be registered under the 1933 Act or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"), and such Shares may be offered, sold or otherwise transferred only in compliance with the 1933 Act and such state or other securities laws. Certain restrictions also apply to the subsequent transfer of Shares in the United States or to or for the account of any "US Person" (as defined in Regulation S under the 1933 Act) which includes any resident of the United States, or any corporation, partnership or other entity created or organised in or under the laws of the United States (including any estate of any such person created or organised in the United States). The attention of investors is drawn to certain compulsory redemption provisions applicable to US Persons described under section 5 below.

Neither the Fund nor any Sub-Fund has been or will be registered under the 1940 Act, in reliance on Section 3(c) of that Act, and any beneficial ownership by US Persons may be restricted.

Notwithstanding the foregoing prohibition on offers and sales in the United States of America or to or for the benefit of United States residents, private sales of Shares may be permitted to a limited number of US Persons who must each be an Accredited Investor and, in addition, must be a Qualified Purchaser (subject to minimum levels of investment determined by the Board of Directors of the Fund) and provided that:

- (a) such issue or transfer of Shares does not result in a violation of the 1933 Act or other securities laws;
- (b) such issue or transfer will not require the Fund to register under the United States Investment Company Act of 1940;
- (c) such issue or transfer will not cause any assets of the Fund to be "plan assets" for the purposes of ERISA (US Employee Retirement Income Securities Act of 1974 (as amended)) or Section 4975 of the US Internal Revenue Code of 1986 (as amended); and
- (d) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders.

Each applicant for and transferee of Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required to ensure that these requirements are met prior to the issue, or the registration of any transfer, of Shares.

## Notice to Canadian Shareholders Only

The Shares will not be publicly offered in Canada. Any offering of Shares in Canada will be made only by way of private placement: (i) pursuant to a Canadian offering memorandum containing certain prescribed disclosure, (ii) on a basis which is exempt from the requirement that the Fund prepare and file an offering document with the relevant Canadian securities regulatory authorities and pursuant to applicable requirements in the relevant Canadian jurisdictions and (iii) to persons or entities that are "accredited investors" (as such term is defined in National Instrument 45-106 Offering Document and Registration Exemptions) and, if required, "permitted clients" (as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations).

The Fund is not registered in any capacity in any jurisdiction in Canada and may rely on one or more exemptions from various registration requirements in certain Canadian jurisdictions. In addition to being an "accredited investor", a Canadian-resident Shareholder may also be required to be a "permitted client". If a Canadian-resident Shareholder, or a Shareholder that has become a Canadian-resident after purchasing Shares, is required to be a "permitted client" and does not qualify, or no longer qualifies, as a "permitted client", the Shareholder will not be able to purchase any additional Shares and may be required to redeem their outstanding Shares.

**Notice to Australian Shareholders Only**

This Offering Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Australia or to Australian domiciled persons except where such persons are “wholesale clients” as defined in section 761G of the Corporations Act 2001 (Cth) and where disclosure would not be required under Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). This Offering Document is issued by the Fund. The Fund is not licensed in Australia to provide financial product advice in relation to the Shares. An investor in the Shares will not have cooling off rights.

### **REGISTERED OFFICE**

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## **REGISTRAR AND TRANSFER AGENT**

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### 3 Definitions

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The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Offering Document.

<b>1915 Law</b>	means the Luxembourg law of 10 August 1915 on commercial companies, as may be amended from time to time.
<b>1933 Act</b>	means the United States Securities Act of 1933, as may be amended from time to time.
<b>1940 Act</b>	means the United States Investment Company Act of 1940, as may be amended from time to time.
<b>2004 Law</b>	means the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time.
<b>2007 Law</b>	means the Luxembourg law of 13 February 2007 relating to specialised investment funds, as amended.
<b>2010 Law</b>	means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended.
<b>2013 Law</b>	means the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended.
<b>Accredited Investor</b>	means any investor that is an “accredited investor” as defined in Regulation D of the 1933 Act.
<b>Accumulation Shares</b>	means a Class which does not entitle its Shareholders to income payments.
<b>Administrator</b>	means State Street Bank International GmbH, Luxembourg Branch.
<b>AIF</b>	means an alternative investment fund within the meaning of the 2013 Law and the AIFMD.
<b>AIFM</b>	means the alternative investment fund manager of the Fund within the meaning of the 2013 Law and the AIFMD, being Ninety One Luxembourg S.A. or any successor alternative investment fund manager appointed by the Fund.
<b>AIFM Laws and Regulations</b>	means the 2013 Law, the AIFMD Level 2 Regulation, any further delegated regulations issued by the European Commission in connection with the AIFMD and any further Luxembourg transposing legislation in connection with the AIFMD and related delegated acts, as well as any applicable direction, policy, circular, guideline, rule or order (whether formal or informal) that is made or given by the CSSF or ESMA in connection herewith, as may be amended from time to time.
<b>AIFMD</b>	means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, as may be amended from time to time.

**AIFMD Level 2 Regulation**

means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as may be amended from time to time.

**AML/CFT Rules**

means the 2004 Law, CSSF Regulation No. 12-02, CSSF Regulation No. 20-05 and the Grand Ducal Regulation of 1 February 2010, as they are amended or revised or replaced from time to time.

**Articles of Incorporation**

means the articles of incorporation of the Fund.

**Board of Directors**

means the board of directors of the Fund, as may be appointed from time to time.

**Business Day**

means any full day on which banks in both Luxembourg and the United Kingdom are open for normal banking business except for the 24 December in each year. In addition, the following days will not be regarded as Business Days for the following Sub-Funds. A list of the dates on which these additional days fall can be obtained from the AIFM on request.

This list is subject to change:

Global Credit Solution Fund	Any days which are public holidays in the United States of America
Multi-Asset Credit Fund	
Multi Asset Credit Defensive Fund	

**China or Mainland China or PRC**

means the People's Republic of China (excluding Hong Kong, Macau and Taiwan for the purposes of this Offering Document).

**CIBM Direct Access**

means the PRC investment program under which certain foreign institutional investors may invest, without particular license or quota, directly in RMB securities and derivatives dealt on the China Interbank Bond Market via an onshore bond settlement agent, after such bond settlement agent has made the relevant filings and account opening with the relevant PRC authorities, in particular the PBOC.

**Class(es)**

means within each Sub-Fund, separate classes of Shares (the "Class" or "Classes" or "Share Class(es)") whose assets will be commonly invested but where a specific fee structure, minimum subscription amount or dividend policy or such other distinctive feature as decided from time to time by the Board of Directors may be applied. If different Classes are issued within a Sub-Fund, the details of each Class are described in the relevant section of Appendix 1.

**Conducting Officers**

means the conducting officers of the AIFM.

**Contingent Convertibles or "CoCos"**

means contingent capital securities (which may be automatically written down upon the occurrence of a specific event) and contingent convertible securities (which may be automatically converted into an equity security upon the occurrence of a particular event). Please also refer to the specific risk factor "Contingent Convertibles or CoCos" under Appendix 2.

<b>Conversion of Shares</b>	means the conversion by Shareholders of all or part of their Shares of any Class of a Sub-Fund into Shares of another existing Class of that or another Sub-Fund on the basis of the Net Asset Values of both Classes concerned.
<b>CSDCC</b>	means the China Securities Depository and Clearing Corporation Limited.
<b>CSRC</b>	means the China Securities Regulatory Commission.
<b>CSSF</b>	means the <i>Commission de Surveillance du Secteur Financier</i> .
<b>CSSF Circular 07/309</b>	means the CSSF circular 07/309 of 3 August 2007 determining the risk spreading rules applicable to specialised investment funds (SIF).
<b>CSSF Regulation No. 12-02</b>	means CSSF Regulation No. 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended by the CSSF Regulation 20-05.
<b>CSSF Regulation No. 20-05</b>	means CSSF Regulation No. 20-05 of 14 August 2020 amending CSSF Regulation No. 12-02.
<b>Currency Denomination</b>	means the currency in which a Class of a Sub-Fund is calculated and reported.
<b>Dealing Day</b>	means a Business Day when the Fund is open for dealing as set out in Appendix 1 for each Sub-Fund. On a Dealing Day certain Sub-Funds may only be open for dealing applications for Subscriptions for Shares and not for dealing requests to redeem Shares as indicated in Appendix 1.
<b>Depository</b>	means State Street Bank International GmbH, Luxembourg Branch or any successor depository.
<b>Distressed Debt Securities</b>	means securities whereby its issuer has failed to make a contractual payment as it falls due, is subject to bankruptcy or equivalent procedures or is undertaking an involuntary debt restructuring. The Investment Manager will be guided by rating agencies, the ISDA Credit Derivatives Determinations Committee and other external data providers but may at times diverge from their opinions.
<b>Domiciliary Agent</b>	means State Street Bank International GmbH, Luxembourg Branch.
<b>Eligible Investor</b>	means an investor who (i) is a Well-Informed Investor and (ii) satisfies all additional eligibility requirements for a specific Sub-Fund or Share Class, as specified for the Sub-Fund or Share Class in Appendix 1 or in the general part of the Offering Document.
<b>Emerging Markets Borrower</b>	means a borrower that is an Emerging Markets Corporate Borrower and/or an Emerging Markets Sovereign Borrower.
<b>Emerging Markets Companies</b>	means any company that is (i) listed or has its registered office in an emerging or frontier market; (ii) listed or has its registered office outside of an emerging or frontier market but carries out a significant proportion of its operations in an emerging or frontier market or derives a material proportion of its revenues or profits from an emerging or frontier market; and/or

	(iii) is controlled by an entity established in an emerging or frontier market.
<b>Emerging Markets Corporate Borrower</b>	means a borrower that is an Emerging Markets Company
<b>Emerging Markets Sovereign Borrower</b>	means a borrower that is either a government, government agency or supranational body based in an emerging or frontier market, or whose debt securities are guaranteed by a government, government agency or supranational body based in an emerging or frontier market.
<b>EMIR</b>	means the Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.
<b>ESMA</b>	means the European Securities and Markets Authority.
<b>EU</b>	means the European Union.
<b>Fitch</b>	means Fitch Ratings (or any of its legal successors).
<b>FSMA</b>	means the United Kingdom's Financial Services and Markets Act 2000.
<b>Fund</b>	means Ninety One Global Alternative Fund 1.
<b>G7 treasuries</b>	means a transferable security or money market instrument issued or guaranteed by a nation in the Group of Seven, being the United States of America, Canada, France, Italy, the United Kingdom, Germany and Japan.
<b>Global Distributor</b>	means Ninety One Guernsey Limited.
<b>Grand Ducal Regulation of 1 February 2010</b>	means the Grand-Ducal Regulation of 1 February 2010 providing details on certain provisions of the 2004 Law.
<b>Group of Companies</b>	means companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts or according to recognised international accounting rules, as amended.
<b>Inc-2 Share Class</b>	any Income Shares where the word "Inc" in the Share Class name is followed by the number "2".
<b>Inc-3 Share Class</b>	any Income Shares where the word "Inc" in the Share Class name is followed by the number "3".
<b>Income Shares</b>	means a Class which entitles its Shareholders to distribution of all or part of the income of the Sub-Fund in which such Shares are held.
<b>Initial Charge</b>	means the charge levied for the subscription of certain Classes of Shares as disclosed in Appendix 1 which may be applied or may be waived in whole or in part at the discretion of the Board of Directors and paid to the AIFM or any of its agents. The Initial Charge paid to the AIFM or any of its agents (if any) shall be remitted to sub-distributors, intermediaries, dealers and investors and no part of it is retained by the AIFM,



	or any other company within the Ninety One Group, for its own account.
<b>Institutional Investors</b>	means institutional investors as determined in accordance with Luxembourg legal practice.
<b>Investment Grade</b>	means, in respect of securities, a rating (or an equivalent rating by a reputable credit rating agency, where coverage by S&P, Fitch or Moody's is not available, or an equivalent internal rating) at the time of investment of at least: (i) BBB- by S&P or Fitch or Baa3 by Moody's (or as such ratings may be amended from time to time); or (ii) for commercial paper, A-2 by S&P, F-2 by Fitch or Prime-2 by Moody's (or as such ratings may be amended from time to time). Securities which are unrated but are determined by the Investment Manager to be of comparable quality to the foregoing ratings shall also be included within this definition.
<b>Investment Manager</b>	means Ninety One UK Limited.
<b>Member State</b>	means a member state of the EU.
<b>MiFID II</b>	means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as may be amended from time to time.
<b>Money Market Instruments</b>	means instruments normally dealt in on the money market which are liquid under normal market conditions and have a value which can be accurately determined at any time by reference to market price.
<b>Moody's</b>	means Moody's Investor Service (or any of its legal successors).
<b>Net Asset Value</b>	means the value of the assets of the Fund or of any Sub-Fund less the liabilities of the Fund (or of the Sub-Fund concerned).
<b>Net Asset Value per Share</b>	means the net asset value of the Shares of each Share Class, as determined pursuant to section 6.5 of this Offering Document.
<b>Ninety One Group</b>	means companies that are connected or are otherwise associated with Ninety One UK Limited.
<b>Non-Investment Grade</b>	means, in respect of securities, securities rated below securities which are of Investment Grade and securities which are unrated but are determined by the Investment Manager to be of comparable quality to securities which are rated below Investment Grade.
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>Other Regulated Market</b>	means a market which is regulated, operates regularly and is open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are

	dealt in at a certain fixed frequency; (iii) which is recognised by a State or by a public authority which has been delegated by that State or by another entity which is recognised by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
<b>PBOC</b>	means the People's Bank of China.
<b>Portfolio Currency Hedged Share Class or PCHSC</b>	means a Share Class for which the Investment Manager (or its delegate) will use hedging transactions to reduce the impact of exchange rate movements between the currency denomination of the PCHSC and the primary currency exposures in the relevant Sub-Fund's portfolio, as described further in section 5.2.
<b>PRIIPs KID</b>	means key information documents for packaged retail and insurance-based investment products.
<b>PRIIPs Regulation</b>	means regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.
<b>Prohibited Person</b>	means any person considered as a Prohibited Person in the opinion of the Board of Directors according to the criteria set out in the Articles of Incorporation and section 5.1.3 of this Offering Document.
<b>Professional Investor</b>	means an investor who is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to MiFID II.
<b>Qualified Purchaser</b>	means any investor that is a "qualified purchaser" as defined in the 1940 Act and the rules promulgated thereunder.
<b>Quarterly Redemption Dealing Day</b>	for the Emerging Markets Transition Debt Fund only, shall be as defined in Appendix 1.
<b>Reference Currency</b>	means the currency in which the accounts of the Sub-Fund are reported as set out for each Sub-Fund in Appendix 1.
<b>Reference Currency of the Fund</b>	means the currency in which the accounts of the Fund are reported (i.e. in US Dollar).
<b>Reference Currency Hedged Share Class or RCHSC</b>	means a Share Class for which the Investment Manager (or its delegate) will use hedging transactions to reduce the impact of exchange rate movements between the currency denomination of the RCHSC and the Reference Currency of the relevant Sub-Fund, as described further in section 5.2.
<b>Registrar and Transfer Agent</b>	means RBC Investor Services Bank S.A. and any successor registrar and transfer agent.
<b>Regulated Market</b>	means a regulated market as defined in MiFID II, as amended.
<b>Regulation (EU) 2015/2365</b>	means the Regulation of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

<b>Regulatory Authority</b>	means the CSSF or its successor, the Luxembourg authority in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg.
<b>Renminbi or RMB</b>	means the currency of the PRC.
<b>RESA</b>	means the <i>Recueil Electronique des Sociétés et Associations</i> , the central electronic platform of the Grand-Duchy of Luxembourg.
<b>QFI</b>	means a Qualified Foreign Investor as approved under and subject to the applicable regulations in China.
<b>SAFE</b>	means the State Administration of Foreign Exchange in China.
<b>SCH</b>	means Shanghai Clearing House.
<b>SEHK</b>	means the Stock Exchange of Hong Kong Limited.
<b>Shareholder</b>	means a holder of registered Shares of a Sub-Fund.
<b>Shares</b>	means the fully paid for shares of each Sub-Fund in registered form and without certificates. Fractions of Shares will be issued up to three decimal places.
<b>SIF</b>	means a specialised investment fund subject to the 2007 Law.
<b>SOFR</b>	means the Secured Overnight Financing Rate, the risk free rate for US Dollar markets which is administered by the Federal Reserve Bank of New York.
<b>SSE</b>	means the Shanghai Stock Exchange.
<b>Standard &amp; Poor's or S&amp;P</b>	means Standard & Poor's Financial Services LLC (S&P) (or any of its legal successors).
<b>State</b>	means a State which is not a Member State.
<b>Stock Connect</b>	means (i) Shanghai-Hong Kong Stock Connect, the mutual market access programme through which investors can deal in select securities listed on the SSE through the SEHK and clearing house in Hong Kong (Northbound trading); and (ii) the Shenzhen-Hong Kong Stock Connect, the mutual market access program through which foreign investors can deal in select securities on the SZSE through the SEHK and clearing house in Hong Kong (Northbound trading).
<b>Sub-Fund(s)</b>	means one or more sub-funds in the Fund, which are distinguished mainly by their specific investment policy and objective and/or by the Reference Currency. The specifications of each Sub-Fund are described in Appendix 1. The Board of Directors may, at any time, decide to create additional Sub-Funds and, in such case, this Offering Document will be updated.
<b>Sub-Investment Manager</b>	means each of the sub-investment managers appointed, from time to time, in relation to a Sub-Fund by the Investment Manager.
<b>Subscription for Shares</b>	means the subscription for Shares at the Net Asset Value per Share.
<b>SZSE</b>	means Shenzhen Stock Exchange.

<b>Trade Order Cut-Off Time</b>	means the time at which valid subscription, conversion and redemption requests must be received for processing at the next Dealing Day as set out in Appendix 1 for the relevant Sub-Fund.
<b>Transferable Securities</b>	<p>means:</p> <ul style="list-style-type: none"> <li>- shares in companies and other securities equivalent to shares in companies;</li> <li>- bonds and other forms of securitised debt instruments;</li> <li>- any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange;</li> </ul> <p>excluding techniques and instruments.</p>
<b>UCI(s)</b>	means undertaking(s) for collective investment.
<b>UCITS Directive</b>	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, as may be further amended in the future.
<b>UK</b>	means the United Kingdom.
<b>Valuation Day</b>	means any Business Day, where the Net Asset Value per Share of a Share Class is determined as set out in Appendix 1 and any other day which may be designated by the Board of Directors as being a day the Net Asset Value per Share is determined.
<b>Valuation Time</b>	means 4:00 p.m. Luxembourg time on any Valuation Day.
<b>VaR</b>	means Value at Risk, which is a measure of the potential loss that could arise over a given interval under normal market conditions, and at a given confidence level.
<b>Well-Informed Investor</b>	means an investor as defined in article 2 (1) of the 2007 Law as described in section 5.1 (Eligible Investors), or in Appendix 1 as the case may be, of this Offering Document.

## 4 Investment Policies

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### 4.1 General Investment Objective and Policy of the Fund

In light of the objective of the Fund, which is the collective investment in assets in order to spread investment risks and to ensure the benefit of the results of the management of these assets for the Fund's investors, the Board of Directors has determined the investment objective and investment policy of each of the Sub-Funds as described in Appendix 1.

The Board of Directors may impose further investment restrictions or guidelines in respect of any Sub-Fund from time to time. There can be no assurance that the investment objective of the Fund will be attained. Pursuit of the investment objective and investment policy of any Sub-Fund must be in compliance with the limits and restrictions set out in section 10.2 (Investment Restrictions) below as well as in the sections entitled "Investment Policy" in Appendix 1.

Sub-Funds which have in their name a reference to an investment category (e.g. credit), a country, continent or region, or a particular market or market sector will invest "primarily" (which means at least two-thirds of their assets) in the referenced category.

Sub-Funds which have in their name a reference to a currency in brackets (e.g. (Euro)) will have such currency as its Reference Currency, however the Sub-Funds will not necessarily invest primarily in assets denominated in the Reference Currency.

An investment in a company shall be corresponding to a country, continent or region if such company is domiciled and/or exercising the predominant part of its economic activity in such country, continent or region. An investment shall be corresponding to a currency if the investment is permanently denominated in such currency.

Derivatives may be used for the purposes of hedging and/or efficient portfolio management of each of the Sub-Funds, and/or for investment purposes. If derivatives are used for investment purposes, this will be clearly stated for the relevant Sub-Funds in Appendix 1. When using financial derivative instruments, a Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risk in an over-the-counter (OTC) transaction must, where applicable, be limited having regard to the quality and qualification of the counterparty.

Where derivatives are used, certain investment risks as described below in section 4.2 and Appendix 2 are expected to arise as a result of such usage.

### 4.2 Risk Factors

Investors should read, be aware of and consider all of the "Risk Factors" set out in Appendix 2.

Investors should note that the "Risk Factors" set out in Appendix 2 will be updated as and when relevant and hence may require your further consideration.

The following General Risks apply to all of the Sub-Funds of the Fund.

#### 4.2.1 General

- You are not certain to make a profit; you may lose money and any income is not fixed – the value of your investments and any income derived from them can go up or down.
- Changes in the rates of exchange between currencies may cause your investment and the income from it to go down or up.
- Shares should generally be regarded as medium to long-term investments.
- Any tax treatment detailed may change and any implied tax benefits will vary between investors and may change in the future.
- Where income is insufficient to pay charges the residual is taken from capital which will reduce the amount of capital invested and thereby may constrain future capital growth and income.
- An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisers to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances. We therefore suggest you contact an independent financial adviser if you are in any doubt about the suitability of an investment in any of the Sub-Funds, or if you are not confident that you fully understand the risks involved.
- Losses may be made due to movements in equity, bond, commodity, currency and other market prices and to changes in the volatility of any of these.
- It is possible that at the time of liquidation of the Fund or a Sub-Fund, certain investments held by the Fund or a particular Sub-Fund may be worth less than the initial cost of such investments, resulting in a loss to the

Shareholders. In addition, any expenses that have not yet become fully amortised will be deducted against the Fund's or the particular Sub-Fund's capital at the time of liquidation.

- Past performance is not indicative of future results. A Sub-Fund that has performed well in the past may perform poorly in the future and a Sub-Fund that has performed poorly in the past may perform well in the future.

#### **4.2.2 Specific Risks**

Specific Risk Factors relevant to the Sub-Funds of the Fund are explained in part B and applied in part C of Appendix 2 to each Sub-Fund. However, Shareholders should read, be aware of and consider all of the Risk Factors set out in Appendix 2.

The Risk Factors detailed in Appendix 2 are those identified at the time of the issue of this Offering Document. Risks may arise in the future which could not have been anticipated. Risk factors may apply to each Sub-Fund to varying degrees, and this exposure will also vary over time. This Offering Document will be updated at regular intervals to reflect any changes to the Risk Factors set out in Appendix 2.

#### **4.3 Benchmark contingency plans**

Where relevant, the indices and benchmarks used by the Fund and the Sub-Funds are, as at the date of this Offering Document, provided by benchmark administrators authorised under the Regulation (EU) 2016/1011 of the European Parliament and Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation"). As applicable, these benchmark administrators appear on the ESMA register of administrators and benchmarks. The AIFM will, where relevant, maintain a benchmark contingency plan to set out the actions which the AIFM would take in the event that a benchmark used by a Sub-Fund materially changes or ceases to be provided (the "Benchmark Contingency Plan"). Actions taken by the AIFM under its Benchmark Contingency Plan may result in changes to the investment objectives or investment policies of a Sub-Fund and any such changes will be notified to investors and implemented in accordance with the requirements of the CSSF and the terms of this Offering Document.

## 5 The Shares

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Subject to the restrictions described below, Shares of each Class of each Sub-Fund are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to that Class. The rules governing such allocation are set forth below. The Shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights, and each one is entitled to one vote at all general meetings of Shareholders and at all meetings of the Sub-Fund in which Shares are held. Shares redeemed by the Fund become null and void. The share capital of the Fund must be at all times at least equal to the minimum required by the 2007 Law, which is currently €1,250,000.

The Board of Directors may restrict or prevent the ownership of Shares in a Sub-Fund by any person, firm or corporation, if the ownership is such that it may be against the interests of the Fund, or of the majority of its Shareholders, or of any Sub-Fund or Class therein. Where it appears to the Board of Directors that a person who is precluded from holding Shares is a beneficial owner of Shares, either alone or in conjunction with any other person, the Fund may proceed to the compulsory redemption of all Shares so owned.

Shareholders are required to notify the Registrar and Transfer Agent immediately in the event that they are, or become US residents, US Persons or hold Shares for the account or benefit of US Persons, or otherwise hold Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the Shareholders, or otherwise be detrimental to the interests of the Fund. If the Board of Directors becomes aware that a Shareholder is (a) a US resident, or a US Person or is holding Shares for the account of a US Person, or (b) holding Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the Shareholders or otherwise be detrimental to the interests of the Fund, the Board of Directors may redeem the Shares in accordance with the provisions of the Articles of Incorporation.

Shares are issued in registered form, meaning that the Shareholder's name is recorded in the Fund's register of Shares. A written confirmation of this ownership will be sent to each Shareholder by post, facsimile or through other electronic means of communication (subject to the acceptance by the Shareholder of any electronic delivery terms imposed by the Fund and/or the Registrar and Transfer Agent) as agreed with the Shareholder. If and to the extent permitted, and under the conditions provided for by law, the Board of Directors may at its discretion decide to issue in addition to shares in registered form, shares in dematerialised form and to convert registered shares into dematerialised shares in the conditions provided for in the Articles of incorporation.

Each Share, regardless of Class, is entitled to one vote in all matters brought before a general meeting of Shareholders. A Fund may issue fractional Shares as little as 1/1000 (i.e., to three decimal places) of a Share. Fractional Shares do not have voting rights but are entitled to their full pro-rata portion of dividends, reinvestments, and liquidation proceeds.

The Fund or its administrative agents may accept duly completed orders after the relevant Trade Order Cut-Off Time for the intended Dealing Day for a particular Sub-Fund and effect those transactions as if those orders were received by that Trade Order Cut-Off Time for that Dealing Day if the Fund receives all necessary assurances, to the sole satisfaction of the Board of Directors, from the intermediary placing the orders that the orders represent transactions placed with or through that intermediary by investors prior to that Trade Order Cut-Off Time.

Further information in relation to the subscription, conversion and redemption of Shares is set out below.

The Board of Directors in its sole discretion reserves the right to close, deactivate or restrict a Sub-Fund (and/or Share Class of that Sub-Fund) to new subscriptions or conversions in (but not to redemptions or conversions out, except in the circumstances set out above) if, in the opinion of the Board of Directors, this is necessary to protect the interests of existing Shareholders. One such circumstance would be where the Sub-Fund has reached a size such that capacity of the market and/or the capacity of the Investment Manager has been reached, and where to permit further inflows would be detrimental to the performance of the Sub-Fund. Where any Sub-Fund is materially capacity-constrained in the opinion of the Board of Directors, the Sub-Fund (and/or Share Class of that Sub-Fund) may be closed, deactivated or restricted to new subscriptions or conversions in without notice to Shareholders.

### *Swing Pricing Mechanism*

The actual cost of acquiring or disposing of assets and investments in a Sub-Fund may deviate from the mid-market prices normally used in calculating the Sub-Fund's Net Asset Value per Share, due to dealing charges, taxes and spreads between acquisition and disposal prices of assets dealt in that Sub-Fund on that Valuation Day. These costs may have an adverse effect on the Net Asset Value per Share, known as "dilution". In order to mitigate the effect of dilution and to protect Shareholders' interests the Board of Directors may at their discretion estimate and allocate these costs to anyone dealing in Shares on a relevant Valuation Day by adjusting the Net Asset Value per Share in a Sub-Fund to take into account the possible effects of dilution.

The Net Asset Value per Share of a Sub-Fund may be adjusted on any Valuation Day where in the opinion of the Board of Directors it is in the interests of Shareholders. An adjustment may be applied on a 'partial' (i.e. ad hoc) or 'full' (i.e.

daily) basis. A partial (i.e. ad hoc) adjustment will be applied on any Valuation Day when the aggregate total of subscriptions, conversions (for Shares of another Sub-Fund) and/or redemptions of Shares of all Classes of a Sub-Fund result in net subscriptions (inflows) or redemptions (outflows) which exceeds a pre-determined threshold, as determined and reviewed by the AIFM from time to time for that Sub-Fund. A full (i.e. daily) adjustment will be applied only in certain circumstances (e.g. where a Sub-Fund is experiencing consistent net subscriptions and/or redemptions over a period of time, or, in the period leading up to a merger or liquidation of a Sub-Fund). In this case the full (i.e. daily) adjustment will be applied regardless of the size of the net subscriptions or redemptions of the Shares of a Sub-Fund. The Net Asset Value per Share will be adjusted upwards for subscriptions and adjusted downwards for redemptions. In certain circumstances, the Board of Directors may decide, at its sole discretion, that it is not appropriate to make an adjustment to the Net Asset Value per Share of a Sub-Fund.

As at the date of this Offering Document the Board of Directors has determined that the adjustment, based on normal dealing and other costs for the particular assets in which a Sub-Fund invests or disinvests, will not exceed 2% of the unadjusted Net Asset Value per Share of the Sub-Fund in normal market conditions. However, whilst the adjustment is normally not expected to exceed 2%, the Board of Directors may decide to increase this adjustment limit in exceptional circumstances (e.g. higher market volatility) to protect Shareholders' interests. As any such adjustment will be dependent on the aggregate net transactions in Shares in a Sub-Fund, it is not possible to accurately predict whether it will occur at any future point in time and consequently how frequently it will need to be made. Additionally, as the markets and jurisdictions in which the Sub-Funds invest may have different charging structures on the purchase and sale of assets, the resulting adjustment may differ between Sub-Funds and may be different for subscriptions than for redemptions.

The Board of Directors has delegated the day to day operational decisions to adjust the Net Asset Value per Share to the AIFM. The AIFM makes, and periodically reviews, the operational decisions to adjust the Net Asset Value per Share, including the application of a partial or full adjustment, the thresholds which would trigger an adjustment on a partial basis and the extent of the adjustment in each case, in accordance with its swing pricing mechanism policy.

Currently, the Board of Directors has determined that all Sub-Funds may be subject to the adjustment mechanisms described in this part.

## **5.1 Eligible Investors**

Shares may only be acquired or held by investors who (i) are Well-Informed Investors, as further described below, and (ii) satisfy all additional eligibility requirements for a specific Sub-Fund or Share Class, if any, as specified for the Sub-Fund or Share Class in Appendix 1 (an "Eligible Investor").

The Board of Directors has decided that any investor not qualifying as an Eligible Investor will be considered as a Prohibited Person, in addition to those persons described in section 5.1.3 (Prohibited Persons) below. The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons in accordance with the procedure set out in this Offering Document (see section 5.1.3 Prohibited Persons below).

### **Well-Informed Investors**

Only Well-Informed Investors (as defined by article 2(1) of the 2007 Law) can be Eligible Investors. According to article 2(1) of the 2007 Law, Well-Informed Investors are:

- 1) Institutional Investors;
- 2) Professional Investors; or
- 3) any other investors having confirmed in writing that they are a well-informed investor and either:
  - having a minimum investment in the Fund of at least an amount to be equivalent to one hundred twenty-five thousand Euro (EUR 125,000), or
  - having been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of MiFID II or by a management company within the meaning of the UCITS Directive certifying its expertise, its experience and its knowledge in adequately appraising an investment in the specialized investment fund.

According to article 2(2) of the 2007 Law, the conditions set forth in such article are not applicable to the members of the Board of Directors and other persons who intervene in the management of the Fund.

### **5.1.2 Other investor eligibility requirements**

Each Sub-Fund and/or each Share Class may have additional requirements as to the eligibility of its investors, which may differ between Sub-Funds and/or Share Classes. Certain Sub-Funds or Share Classes may be reserved to



specified categories of investors such as Institutional Investors or investors who are residents of or domiciled in specific jurisdictions. Eligibility requirements for each Sub-Fund or Shares Class are set out in Appendix 1.

### **5.1.3 Prohibited Persons**

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

The Board of Directors has decided that US Persons will subject to certain exceptions be considered as Prohibited Persons. By signing an application form, an applicant will certify, represent, warrant and agree that the applicant is not a US Person or that the Shares applied for are not being acquired directly or indirectly by, on behalf or for the account or benefit of, a US Person. An applicant will further certify, represent, warrant and agree that the applicant will notify the Fund in the event that either the applicant becomes a US Person or holds the Shares on behalf of, or for the account or benefit of, a US Person. If an applicant's status changes and it becomes a US Person, it must notify the relevant party as mentioned above within thirty (30) days.

The Board of Directors has also decided that any person not qualifying as an Eligible Investor (including, for the avoidance of doubt, any person not qualifying as a Well-Informed Investor and/or is precluded from purchasing the Shares pursuant to applicable local laws and regulations) will be considered as a Prohibited Person.

Furthermore, the Board of Directors has decided that any person who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, directly or indirectly, as described in section 5.8 (Late Trading and Market Timing) below, will be considered as a Prohibited Person.

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

The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons or investors who are found to be in breach of, or have failed to provide, the abovementioned representations, warranties or information in a timely manner. In such cases, the Fund will notify the investor of the reasons which justify the compulsory redemption of Shares, the number of Shares to be redeemed and the indicative redemption day on which the compulsory redemption will occur. The redemption price shall be determined in accordance with section 5.5 (Redemption of Shares) below.

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

The Board of Directors may suspend the voting rights of any Shareholder in breach of its obligations as described by the Articles of Incorporation or any relevant contractual arrangement entered into by such Shareholder.

A Shareholder may individually decide not to exercise, temporarily or permanently, all or part of its voting rights. The waiving Shareholder is bound by such waiver and the waiver is mandatory for the Fund upon notification of the latter.

In case the voting rights of one or several Shareholders are suspended or the exercise of the voting rights has been waived by one or several Shareholders in accordance with the Articles of Incorporation, such Shareholders may attend any general meeting of the Fund but the Shares they hold are not taken into account for the determination of the conditions of quorum and majority to be complied with at the general meetings of the Fund.

## **5.2 Class Description, Minimum Subscription and Shareholding**

### **Classes of Shares**

The Board of Directors may decide to create different Classes of Shares within each Sub-Fund whose assets will be invested in accordance with the specific investment policy of the relevant Sub-Fund:

- Each Sub-Fund may contain I, J and S Share Classes, which may differ in the minimum subscription amount, minimum holding amount, eligibility requirements, and the fees and expenses applicable to them as listed for each Sub-Fund.
- A Share may be either an Income Share or an Accumulation Share. An Income Share is denoted by the word “Inc” in the Share Class name. An Accumulation Share is denoted by the word “Acc” in the Share Class name. An Income Share entitles the Shareholder to distributions of all or part of the income of the Sub-Fund in which such Share is held. An Accumulation Share does not entitle the Shareholder to income payments. Any income accruing to an Accumulation Share will instead be accrued daily in the Net Asset Value of such Share.
- For any Inc-2 and Inc-3 Share Classes, the expenses in relation to that Share Class will be charged to its capital account, notwithstanding the underlying distribution policy of the relevant Sub-Fund. This will have the effect of increasing the Share Class’ distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth. The Administrator will determine the Net Asset Value per Share for any Share Class by reference to the Valuation Time.
- Each Class of Shares, where available, may be offered in the Reference Currency of the relevant Sub-Fund, or may have a different Currency Denomination which may include US Dollar, Singapore Dollar, Hong Kong Dollar, Australian Dollar, Canadian Dollar, Sterling, Euro, Swiss Franc, Swedish Krona, Norwegian Krone, Japanese Yen, Brazilian Real, offshore Renminbi, South African Rand or New Zealand Dollar.
- Each Class of Shares may be either hedged (see below for further details) or unhedged.
- Each Class of Shares, where available, may also have different dividend policies as described in section 7 of the Offering Document.

The Board of Directors may, in its absolute discretion, decide to close a Class of Shares (i) if on any given Dealing Day, redemption requests amount to the total number of Shares in issue in such Class of Shares; (ii) if the net assets of such Class of Shares fall below a level considered by the Board of Directors to be too low for that Class of Shares to continue to be managed efficiently; (iii) if an unfavourable economic or political change would justify such closure as decided by the Board of Directors; or (iv) in the event of a product rationalisation decided by the Board of Directors. For the purpose of determining the redemption price, the calculation of the net asset value per share shall take into consideration all liabilities that will be incurred in terminating and liquidating the relevant Class(es) of Shares.

In the same circumstances outlined above for the closure of a Class of Shares, the Board of Directors may also decide to re-allocate the assets and liabilities of that Class to those of one or several other Classes within the Fund and to re-designate the Shares of the Class(es) concerned as Shares of such other Share Class or Share Classes (following a split or consolidation, if necessary, and the payment to Shareholders of the amount corresponding to any fractional entitlement). The Shareholder of the Class of Shares concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable laws and regulations.

The Board of Directors reserves the right to restrict subscriptions into any hedged Share Class if it determines that such subscriptions might cause potential detriment to any other Shareholders in the Fund and/or the relevant Sub-Fund. An example of such circumstances may include where the assets attributable to the hedged Share Class represent a significant proportion of the relevant Sub-Fund, and to accept any further subscriptions might pose a liquidity risk to other Shareholders if that Share Class were to experience significant net redemptions over a short period of time.

The availability of any Share Class detailed above may differ from Sub-Fund to Sub-Fund. A complete list of currently available Share Classes may be requested from the AIFM.

#### Reference Currency Hedged Share Classes

For any Reference Currency Hedged Share Class (“RCHSC”), the Investment Manager (or its delegate) will use hedging transactions to reduce the impact of exchange rate movements between currency denomination of the RCHSC (the “RCHSC Currency”) and the Reference Currency of the relevant Sub-Fund. The Investment Manager (or its delegate) will apply a systematic, rule-based and non-discretionary approach to achieve this objective. The hedging transactions used by the Investment Manager (or its delegate) for this purpose will be those permitted under section 10 of this Offering Document.

The hedging transactions will be entered into regardless of whether the Reference Currency is declining or increasing in value relative to the RCHSC Currency. Consequently, while such hedging will largely protect Shareholders in the relevant Reference Currency Hedged Share Class against a decrease in the value of the Reference Currency relative to the RCHSC Currency it will also mean that Shareholders of the RCHSC will not benefit from an increase in the value of the Reference Currency relative to the RCHSC Currency.

Due to the impossibility of forecasting future market values the currency hedging will not be perfect and the returns of a RCHSC, measured in the RCHSC Currency, will not be exactly the same as the returns of an equivalent share class denominated in and measured in the Reference Currency.

The fees and costs of hedging a RCHSC will accrue only to the Shareholders of that RCHSC. The Investment Manager (or its delegate) will aim to fully hedge the Net Asset Value (capital and income) of the relevant RCHSC, although this may not always be achievable for various reasons. Consequently, the RCHSCs may not be completely protected from any adverse fluctuations between the Currency Denomination and the Reference Currency.

Shareholders should be aware that the RCHSCs aim to reduce exposure to exchange rate fluctuations at a Share Class level. However, Shareholders in a RCHSC will still be exposed to the market risks that relate to the underlying investments in the relevant Sub-Fund and in particular to any exchange rate risks that arise from the investment policy of that Sub-Fund which are not fully hedged and to the other risks as set out in Appendix 2 for each Sub-Fund.

### Portfolio Currency Hedged Share Classes

For any Portfolio Currency Hedged Share Class (a "PCHSC"), the Investment Manager (or its delegate) will use hedging transactions to reduce the impact of exchange rate movements between the currency denomination of the PCHSC and the primary currency exposures in the relevant Sub-Fund's portfolio.

The hedging strategy employed will not completely eliminate the currency exposures of the PCHSCs and, due to the impossibility of forecasting future market values, the hedging will not be perfect. No assurance can be given that the hedging objective will be achieved. Shareholders in a PCHSC may still be exposed to an element of currency exchange rate risk.

The Investment Manager (or its delegate) will apply a systematic, rule-based and non-discretionary approach in implementing its hedging strategy for PCHSCs. The hedging transactions used will be those permitted under section 10 of this Offering Document.

The hedging transactions for any PCHSC may be implemented using one of the following methods:

<b>Method</b>	<b>Description</b>
Actual portfolio currency hedging	Hedging transactions will be used with the aim of reducing the impact of exchange rate movements between the currency denomination of the PCHSC and currency exposures present in the relevant Sub-Fund's portfolio (in terms of the currency denominations of the relevant portfolio's securities).
Comparison index currency hedging	Hedging transactions will be used with the aim of reducing the impact of exchange rate movements between the currency denomination of the PCHSC and currency exposures present in the relevant Sub-Fund's comparison index. This method may be used by those Sub-Funds which are managed with reference to a comparison index. Typically, these Sub-Funds will target a tracking error of 2-10% relative to the relevant comparison index.

The hedging transactions will be entered into regardless of whether the relevant portfolio's currency exposures are increasing or decreasing in value relative to the currency denomination of the PCHSC. Consequently, while such hedging is intended to protect Shareholders in the relevant PCHSC against a decrease in the value of the relevant currency exposures relative to the currency denomination of the PCHSC, it will also mean that Shareholders will not benefit from any increase in the value of the relevant currency exposures relative to the currency of the PCHSC.

For reasons of cost or operational efficiency, the hedging transactions will not be undertaken using a "line-by-line" approach. Instead, the Investment Manager (or its delegate) will use a "by currency bloc" approach, with the intention of hedging the primary currency exposures in a Sub-Fund's portfolio. Highly-correlated proxy currencies may be used to hedge certain currency exposures where the cost of hedging or operational efficiencies justify this approach. The use of such proxy currencies will result in currency exposures that are not fully hedged. Furthermore, where a suitable proxy currency cannot be determined, the currency exposure may remain unhedged. The aggregate value of any unhedged exposures at a particular point in time could be material.

By virtue of the hedging techniques used the performance of any PCHSC will diverge from the performance of the equivalent Share Class that does not make use of these hedging strategies.

The fees and costs of hedging a PCHSC will accrue only to the Shareholders of that PCHSC.

PCHSCs may be issued for any Sub-Fund. A complete list of currently available Share Classes may be requested from the AIFM.

### Eligibility

Class I, J and S Shares may only be purchased by Eligible Investors.

In some jurisdictions, the Classes of Shares available and authorised for sale in relation to the various Sub-Funds may differ.

The Board of Directors retains the right to offer only certain Classes of Shares for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice.

### Minimum Subscription and Shareholding

Unless specified otherwise in Appendix 1 the following minimum initial and subsequent subscription amounts apply:

	Share Class		
	I	J	S
<b>Minimum initial subscription amount* and minimum shareholding</b>	US\$20,000,000 or the approximate equivalent in another approved currency	US\$50,000,000 or the approximate equivalent in another approved currency	US\$100,000,000 or the approximate equivalent in another approved currency
<b>Minimum subsequent subscription amount*</b>	US\$250,000 or the approximate equivalent in another approved currency	US\$250,000 or the approximate equivalent in another approved currency	As per investment management agreement

\*Where the minimum initial and subsequent subscription amounts for a Sub-Fund are different to those stated above, these will be specified in Appendix 1.

The Board of Directors may, in its absolute discretion, accept a subscription which is below the normal minimum investment level for any Class of Shares.

The J and S Shares are only available to key distributors and investors who have a written agreement in place with the AIFM or any of its agents authorising them to purchase such Shares. As ownership of the J and S Shares is restricted in this way, the Board of Directors, may, in its absolute discretion either reject or accept subscriptions for J and S Shares.

Redemptions may be for any amount, provided that the value of the shareholding is not reduced below the normal minimum shareholding applicable to the relevant Class. If the value of a shareholding falls below that level, the Board of Directors reserves the right to compulsorily redeem the shareholding after giving notice to the Shareholder.

The Board of Directors may, at its discretion, convert a Shareholder's Shares into Shares of another Class if, as a result of redemption, the value of a Shareholder's Shares falls below the minimum shareholding level. The Board of Directors will not convert Shares into Shares of another Class because of a decrease in value of a Shareholder's investment below the prescribed minimum shareholding level as a result of the performance of the Sub-Fund.

The Board of Directors may, at any time, decide to compulsorily redeem all Shares from Shareholders whose shareholding is less than the prescribed minimum amount specified above, who consequently fail to satisfy applicable eligibility requirements set out above. In such case, the Shareholder concerned will receive one month's prior notice so as to be able to increase its holding above such amount or otherwise satisfy the eligibility requirements. If the relevant Shareholder fails to respond to such notice to the reasonable satisfaction of the Board of Directors, the Board of Directors may, at any time thereafter, compulsorily redeem such shareholding and pay the proceeds to the relevant Shareholder. For any shareholding which (i) has a value of US\$50 (or its currency equivalent) or less; and (ii) does not have assigned to it valid banking details, the Board of Directors may give one month's prior notice to the relevant Shareholder so as to be able to increase its shareholding to satisfy the relevant eligibility requirements and/or provide valid banking details. If the relevant Shareholder fails to respond to such notice to the reasonable satisfaction of the Board of Directors, the Board of Directors may, at any time thereafter, compulsorily redeem such shareholding and pay the proceeds to a registered charity chosen by the Board of Directors in its sole discretion.

### 5.3 Subscription for Shares

Applications for Subscriptions for Shares can be made on any Dealing Day prior to the relevant Trade Order Cut-Off Time for the intended Dealing Day for the applicable Sub-Fund.

Unless otherwise provided in Appendix 1, subscriptions shall be settled on the same Dealing Day the subscription is processed, subject to the discretion of the Board of Directors to extend this period if needed.

Written applications for Shares should be addressed to the AIFM at the address given in the directory at the front of this Offering Document. The application must include all applicable registration and anti-money laundering identification documentation. If all such documentation is not provided, account opening and dealing will be delayed until the documentation is received.

Where an application for a Subscription for Shares is faxed, to ensure such Subscription for Shares has been properly received, investors/account holders or their agents/persons authorised to deal on the account, sending the fax on their behalf (each a "Sender"), are requested to follow up by telephone prior to the relevant Trade Order Cut-Off Time, to confirm the Subscription for Shares has been properly received. Fax Subscriptions for Shares may not be valid unless telephone confirmation is received. Where the Sender does not obtain telephone confirmation prior to the Trade Order Cut-Off Time for the intended Dealing Day, the application not being processed is at the risk of the investor and the Fund (or its agents) shall not be liable for any resulting loss or missed opportunity suffered by the investor in the event the subscription is not processed on the intended Dealing Day.

Unless otherwise provided, applications received after the Trade Order Cut-Off Time will be treated as deemed received by the Trade Order Cut-Off Time for the next Dealing Day.

By submitting a Subscription for Shares, the investor makes an offer to subscribe for Shares which, once it is accepted by the Fund, may not be revoked by the investor and a legally binding contract is created between the investor and the Fund. In exceptional circumstances, the Board of Directors may permit a revocation of an application to subscribe for Shares after such application has been accepted by the Fund, provided that (i) the application has not already been processed; and (ii) the Board of Directors believe that permitting such revocation would not be detrimental to existing Shareholders in the Fund. The terms of holding Shares are set forth in this Offering Document. The Subscription for Shares is governed by Luxembourg law, and any disputes arising from a Subscription for Shares will be brought before the courts of the Grand-Duchy of Luxembourg which have exclusive jurisdiction over such disputes. Upon the issue of Shares, the investor becomes a Shareholder of the Fund, a Luxembourg specialized investment fund subject to the supervision of the CSSF. There are no legal instruments in Luxembourg required for the recognition and enforcement of judgments rendered by Luxembourg courts in Luxembourg.

The initial offering period (if any) of each newly created or activated Class or Sub-Fund will be determined by the Board of Directors and details will be available from the AIFM. The initial price per Share during such period for each newly created or activated Class or Sub-Fund is US\$20 or the approximate equivalent in an approved currency as appropriate to the Currency Denomination of the Class or Sub-Fund or as determined by the Board of Directors and will be available from the AIFM.

The Board of Directors may fix minimum subscription amounts for each Class, which, if applicable, are detailed under section 5.2 above.

Shares of each Class shall be issued at the Net Asset Value per Share of such Class. An Initial Charge as disclosed in Appendix 1 may be applied to the subscription amount or it may be waived in whole or in part at the discretion of the Board of Directors and paid to the AIFM or any of its agents. The Initial Charge paid to the AIFM or any of its agents (if any) is remitted to sub-distributors, intermediaries, dealers and investors and no part of it is retained by the AIFM, or any other company within the Ninety One Group, for its own account.

Payment for the Class must be received by the AIFM on behalf of the Fund in the Currency Denomination of the relevant Class by the Trade Order Cut-Off Time of the relevant Dealing Day from a bank account in the investor's own name.

Investors must deliver to the Fund's bank account the aggregate subscription amount (net of all bank transfer costs/charges, if any) by telegraphic transfer of immediately available cash in the relevant currency to the designated account on the settlement date (e.g. the Trade Order Cut-Off Time on the relevant Dealing Day). If the requisite subscription amount is not received in time the subscription order may be cancelled and the subscription amount returned to the investor without interest. The investor will be liable for the costs of late or non-payment of the aggregate subscription amounts in which case the Board of Directors will have the power to redeem all or part of the investor's holding of Shares in the relevant Sub-Fund in order to meet such costs.

The Board of Directors may at its discretion, accept any application for subscription of Shares which is proposed to be made by way of contribution in kind. The nature and type of assets to be accepted in any such case shall be determined by the Board of Directors and must correspond to the investment policy and restrictions of the Sub-Fund into which the subscription is being made. A report relating to the contributed assets, and in particular their value, must be delivered to the Fund by the approved independent auditor of the Fund. All costs associated with such contribution in kind shall

be borne by the investor making the contribution, or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all Shareholders of the relevant Sub-Fund.

Confirmations of completed subscriptions will be sent via fax or post or other means of electronic communication (subject to the acceptance by the Shareholder of any electronic delivery terms imposed by the Fund, the AIFM and/or the Registrar and Transfer Agent) as agreed with the Shareholder. Upon receipt of the confirmation of ownership or other confirmation of a transaction issued by the Fund or the Registrar and Transfer Agent, the Shareholder shall be responsible for checking that the transactions detailed in the confirmation correctly reflect the instructions sent to the Fund. If a discrepancy is identified this must be notified to the AIFM or the Registrar and Transfer Agent without delay, and in the case of redemptions, not later than the date of payment of the redemption proceeds to the Shareholder (such date being the "Confirmation Date"). The Fund (or its agents) shall not be liable for any loss incurred by the Shareholder as a result of the failure by the Shareholder to carry out this check prior to the Confirmation Date and in no circumstances shall the Fund or its agents be responsible for any loss incurred by the Shareholder which accrues after the Confirmation Date.

The Board of Directors reserves the right to accept or refuse any application to subscribe for Shares in whole or in part and for any reason. The Board of Directors may also limit the distribution of Shares of a given Class or Sub-Fund to specific countries. The issue of Shares of a given Class shall be suspended whenever the determination of the Net Asset Value per Share of such Class is suspended by the Board of Directors (see section 6.7 below).

The Fund, the AIFM and the Registrar and Transfer Agent will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to anti-money laundering, including in particular the AML/CFT Rules, and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking.

The Board of Directors also reserves the right to refuse to make any redemption or distribution payment to a Shareholder if the Fund, the AIFM or the Registrar and Transfer Agent suspect or are advised that the payment of redemption or distribution proceeds to such Shareholder might result in a breach of the AML/CFT Rules or any other applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund, the AIFM, or the Registrar and Transfer Agent with any such laws or regulations in any applicable jurisdiction.

The Registrar and Transfer Agent has to ensure that the identity of subscribers who are individuals (demonstrated for example by a certified copy of their passport or identification card) or of subscribers who are not individuals (demonstrated by a certified copy of their articles of incorporation or equivalent documentation) or the status of financial intermediaries (demonstrated for example by a recent original extract of the trade register and, where applicable or if requested, a certified copy of the business authorisation delivered by the competent local authorities) are disclosed to the Fund. The right is reserved to request additional identification documentation if deemed necessary by the Registrar and Transfer Agent or the Board of Directors and, in addition, confirmation may be requested to verify the ownership of any bank account from which or to which monies are being paid. Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons. In the event of delay or failure on the part of a subscriber in producing any information required for verification purposes, the Board of Directors may refuse to accept the subscriber's request for Subscription for Shares in the relevant Sub-Fund, in which case any monies received will be returned without interest to the account from which they were originally debited. Further information is set out in section 5.10 'Prevention of money laundering and terrorist financing'.

The Fund has entered into an agreement with the AIFM to effect several functions of assistance. The AIFM has appointed the Global Distributor to distribute the Shares of the Sub-Funds. The Global Distributor may enter into agreements with distributors pursuant to which the distributors agree to act as or appoint nominees for investors subscribing for Shares through their facilities (distribution and nominee agreements). In such capacity the distributor may effect subscriptions, conversions and redemptions of Shares in the nominee name on behalf of individual investors and request the registration of such operations on the register of Shareholders of the Fund in such nominee name. In such circumstances, the nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of Shares.

## **5.4 Conversion of Shares**

Subject to (i) any suspension of the determination of the Net Asset Values concerned, (ii) the above mentioned restriction on conversions in at the Board of Directors' discretion to protect the interests of existing Shareholders and (iii) a restriction on conversions between Sub-Funds which do not have corresponding Dealing Days, (iv) a restriction on conversions between Classes of Shares which do not have a corresponding Currency Denomination; and (v) a restriction on conversions out of Classes of Shares of the Emerging Markets Transition Debt Fund into the Shares of another Sub-Fund, Shareholders have the right to convert all or part of their Shares of any Class of a Sub-Fund into Shares of the same Class in another Sub-Fund or into Shares of another existing Class of that or another Sub-Fund by applying for conversion in the same manner as for the issue of Shares. However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to the Class into which the conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the minimum initial subscription amount specified in section 5.2 above or in Appendix 1, where appropriate, the Board of Directors may decide not to accept the request for conversion of the Shares. In addition, if, as a result of a conversion, the value of a Shareholder's investment in the original Class would

become less than the relevant minimum initial subscription amount, the Shareholder may be deemed (if the Board of Directors so decides) to have requested the conversion of all of its Shares.

Any permissible conversions will be treated in the same manner as a redemption and subsequent subscription of Shares. Shareholders should note that a conversion of Shares of one Class of a Sub-Fund for Shares of another Sub-Fund might be considered to constitute a disposal for taxation purposes, including in particular in the UK.

Conversions of Shares between Sub-Funds which do not have corresponding Dealing Days (including Dealings Days on which conversions are deferred for a Sub-Fund as described below) and/or Classes which do not have a corresponding Currency Denomination are not permitted. Conversions out of EMTD for Shares of another Sub-Fund are also not permitted. Shareholders who wish to convert their Shares from a Sub-Fund which does not permit conversions out or between Sub-Funds which do not have corresponding Dealing Days and/or Classes of a differing Currency Denomination must first redeem their Shares in the Sub-Fund/Class in which they are invested in accordance with section 5.5 and subscribe for Shares in the relevant Sub-Fund/Class in which they wish to invest in accordance with section 5.3.

To the extent permitted by the Articles of Incorporation, the Board of Directors may (i) set restrictions, terms and conditions as to the right to and frequency of conversions between certain Sub-Funds and Share Classes and (ii) subject conversions to the payment of such charges and commissions as the Directors shall determine.

The number of Shares issued upon conversion will be based upon the respective Net Asset Values of the two Classes concerned on the Dealing Day on which the conversion request is accepted.

Permissible conversion requests must be received in good order prior to relevant Trade Order Cut-Off Time for both the existing and new Sub-Fund (or Class) into which the conversion is taking place. In particular, to align the subscription and redemption legs of a permitted conversion, requests to convert between Sub-Funds or Classes with different Trade Order Cut-Off times must be received by the earlier of the two Trade Order Cut-Off Times for the common Dealing Day, otherwise both the redemption and subscription legs of the conversion will be held over to the next common Dealing Day. Written applications for the conversion of Shares should be addressed to the AIFM at the address given in the directory at the front of this Offering Document.

Where a conversion request is faxed, to ensure such request has been properly received, Shareholders/account holders or their agents/persons authorised to deal on the account, sending the fax on their behalf (each a "Sender"), are requested to follow up by telephone prior to the relevant Trade Order Cut-Off Time of the intended Dealing Day to confirm the request has been properly received. Fax conversion requests may not be valid unless telephone confirmation is received. Where the Sender does not obtain telephone confirmation prior to the Trade Order Cut-Off Time of the intended Dealing Day, the request not being processed is at the risk of the Shareholder and the Fund (or its agents) shall not be liable for any resulting loss or missed opportunity suffered by the Shareholder in the event the conversion is not processed on the intended Dealing Day.

Unless otherwise provided, applications received after the Trade Order Cut-Off Time for a Dealing Day will be treated as deemed received by the Trade Order Cut-Off Time for the next Dealing Day.

The number of Shares issued upon conversion will be based upon the respective Net Asset Value per Share of the relevant Share Class on the Valuation Day on which the conversion is processed and will be calculated as follows:

$$A = \frac{B \times C \times D}{E}$$

- |   |   |
|---|---|
| A | is the number of Shares to be allocated in the new Share Class  |
| B | is the number of Shares to be converted in the original Share Class   |
| C | is the Net Asset Value per Share on the applicable Valuation Day of the Shares to be converted in the initial Share Class |
| D | is the exchange rate applicable on the effective transaction day for the currencies of the two Share Classes              |
| E | is the Net Asset Value per Share on the applicable Valuation Day of the Shares to be allocated in the new Share Class     |

Once a request for conversion has been accepted by the Fund, it may not be revoked by the relevant Shareholder (other than in the case where cancellation rights apply) and a legally binding contract is established between the Fund and the relevant Shareholder. In exceptional circumstances, the Board of Directors may permit a revocation of a request for conversion after such request has been accepted by the Fund, provided that (i) the request has not already been processed; and (ii) the Directors believe that permitting such revocation would not be detrimental to existing Shareholders in the Fund.

After the conversion, the Registrar and Transfer Agent will inform the Shareholders by written confirmation as to the number of new Shares obtained as a result of the conversion as well as the Net Asset Value. Such written confirmation

will be sent by post, facsimile or through other electronic means of communication (subject to the acceptance by the Shareholder of any electronic delivery terms imposed by the Fund, the AIFM and/or the Registrar and Transfer Agent) as agreed with the Shareholder.

On conversion from a Share Class that carries no Initial Charge to a Share Class that carries an Initial Charge, the Initial Charge may be payable. On conversion from a Share Class that carries an Initial Charge to a Share Class that carries a higher Initial Charge, the difference between the Initial Charges may be payable. The Initial Charges in respect of each Share Class are detailed in Appendix 1.

Conversion requests and/or the settlement of such requests may be deferred as set out below in section 5.5.

Conversions of Shares of a given Sub-Fund shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Board of Directors (see section 6.7 below).

## **5.5 Redemption of Shares**

### **Applicable to the Emerging Markets Transition Debt Fund**

Any Shareholder may apply for the redemption of its Shares by submitting a valid written redemption application in good order to the AIFM to be received no later than the Trade Order Cut-Off Time (as indicated in Appendix 1) for the intended Quarterly Redemption Dealing Day (as indicated in Appendix 1). However, individual and aggregate redemption requests dealt on any one Quarterly Redemption Dealing Day will be limited to 5% of the Sub-Fund's Net Asset Value as at the previous Quarterly Redemption Dealing Day. For example, redemption requests dealt on the Quarterly Redemption Dealing Day in October will be limited to 5% of the Sub-Fund's Net Asset Value as at the last Quarterly Redemption Dealing Day of July the same year. Conversions between Classes of Shares within the Sub-Fund on a Quarterly Redemption Dealing Day shall be excluded from this limit.

If aggregate redemption requests exceed this 5% limit on any Quarterly Redemption Dealing Day, these will be dealt pro rata to the individual redemption requests. Note that before applying the pro rata, individual redemption requests exceeding 5% of the Net Asset Value of the Sub-Fund as at the last Quarterly Redemption Dealing Day firstly will be reduced to 5% in order to ensure the fair treatment between the redeeming Shareholders. For clarity any redemption amount requested but not dealt, will not be carried forward to any successive Dealing Day(s).

The Board of Directors may also waive or increase the 5% limit for redemptions on a given Quarterly Redemption Dealing Day if it determines that there is sufficient available liquidity. The Board of Directors may also reduce the limit for redemption requests if in its discretion it deems such action to be in the best interest of investors. The Board of Directors has discretion to declare additional Dealing Days for redemptions on any Business Day.

Due to the limitation on redemptions, a Shareholder may not have its full redemption request dealt on a given Quarterly Redemption Dealing Day which will be reflected in the redemption proceeds paid. Investors will be informed of the redemption amount dealt by a written confirmation.

Conversions out of Classes of Shares of the Sub-Fund are prohibited. For the avoidance of doubt, conversions in to and between Classes of Shares of the Sub-Fund may be requested subject to section 5.2 above.

### **Applicable to the Global Credit Solution Fund, Multi-Asset Credit Fund and Multi-Asset Credit Defensive Fund**

Any Shareholder may apply for the redemption of its Shares in part or in whole on any Dealing Day. Valid written redemption applications should be received in good order by the AIFM no later than the relevant Trade Order Cut-Off Time for a particular Sub-Fund (indicated in Appendix 1) for the intended Dealing Day.

If the Fund receives individual and/or aggregate redemption and/or conversion requests, for a withdrawal of 10% or more of the Net Asset Value of a Sub-Fund on a Dealing Day, the Board of Directors may decide that part or all of such redemption and/or conversion requests will be deferred proportionally to successive Dealing Days, until the unfulfilled portion of such redemption and/or conversion requests are discharged in full.

During this process, redemption and/or conversion requests which have not been dealt with because of a deferral will be given priority for the next Dealing Day following such deferral and, if necessary, subsequent Dealing Days. Payment of redemption proceeds following a deferral will be made in the manner as described above.

### **Applicable to all Sub-Funds**

The redemption price per Share shall be the Net Asset Value per Share of the relevant Sub-Fund (which may be adjusted to take into account the possible effect of dilution) on the relevant Dealing Day. Unless otherwise provided, redemptions shall usually be settled within the number of Business Days as set out in the relevant Sub-Fund section of Appendix 1 subject to discretion of the Board of Directors to shorten or extend this period if needed.

Where a redemption request is faxed, to ensure such redemption request has been properly received, Shareholders/account holders or their agents/persons authorised to deal on the account, sending the fax on their behalf



(each a “Sender”), are requested to follow up by telephone prior to the relevant Trade Order Cut-Off Time for the intended Dealing Day to confirm the request has been properly received. Fax redemption requests may not be valid unless telephone confirmation is received. Where the Sender does not obtain telephone confirmation prior to the Trade Order Cut-Off Time for the intended Dealing Day, the redemption request not being processed is at the risk of the Shareholder and the Fund (or its agents) shall not be liable for any resulting loss or missed opportunity suffered by the Shareholder in the event the redemption is not processed on the intended Dealing Day.

Unless otherwise provided, applications received after the Trade Order Cut-Off Time will be treated as deemed applications received by the Trade Order Cut-Off Time for the next Dealing Day.

Once a valid application for redemption has been received by the AIFM, who is acting on behalf of the Fund, it may not be revoked by the relevant Shareholder (other than in the case where cancellation rights apply) and a legally binding contract is established between the Fund and the relevant Shareholder (which is subject to the redemption terms for the applicable Sub-Fund). In exceptional circumstances, the Board of Directors may permit a revocation of a valid application to redeem Shares after such application has been received by the Fund, provided that (i) the application has not already been processed; and (ii) the Directors believe that permitting such revocation would not be detrimental to existing Shareholders in the Fund.

Redemptions will be confirmed by a written confirmation sent by post, facsimile or through other electronic means of communication (subject to the acceptance by the Shareholder of any electronic delivery terms imposed by the Fund and/or the Registrar and Transfer Agent) as agreed with the Shareholder.

Redemption payments will be made in the Currency Denomination of the relevant Class and the Registrar and Transfer Agent will issue payment instructions to its correspondent bank for payment usually no later than the number of Business Days after the Dealing Day on which the relevant redemption request was processed as set out in the relevant Sub-Fund section of Appendix 1, unless the Board of Directors has exercised its discretion to shorten or extend the settlement period.

The Board of Directors may, at its discretion and with approval of the affected Shareholder, pay all or a portion of the redemption proceeds in investments owned by the relevant Sub-Fund. The nature and type of investments to be transferred in any such case shall be determined by the Board of Directors on a fair and equitable basis and without material prejudice to the interests of the remaining Shareholders and the valuation used shall be confirmed by a special report of an approved independent auditor. Any costs of such transfers shall be borne by the Shareholders benefiting from the redemption in kind or by any other party as agreed by the Fund and in any other way which the Board of Directors considers fair to all Shareholders of the Sub-Fund, and the Shareholder additionally will bear the risks associated with the transfer of the investments.

The terms referenced above in relation to the deferral and/or the settlement of redemption requests will not apply to redemption proceeds paid to Shareholders in the form of investments owned by the relevant Sub-Fund.

The Fund, the AIFM and the Registrar and Transfer Agent will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to anti-money laundering, as they may be amended or revised from time to time, and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking. The Board of Directors also reserves the right to refuse to make any redemption payment to a Shareholder if the Fund, the AIFM or the Registrar and Transfer Agent suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund, the AIFM or the Registrar and Transfer Agent with any such laws or regulations in any applicable jurisdiction.

Redemption of Shares of a given Sub-Fund shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund is suspended by the Board of Directors (see “General Information – Temporary Suspension of Issues, Redemptions and Conversions”) or in other exceptional cases where the circumstances and the best interests of the Shareholders so require.

From time to time it may be necessary for the Fund to borrow on a temporary basis to pay redemptions. For restrictions applicable to the Fund’s ability to borrow, see “Investment Restrictions” below.

## **5.6 Transfer of Shares**

The transfer of registered Shares may normally be effected by delivery to the AIFM of an instrument of transfer in an appropriate form in accordance with applicable Luxembourg laws, and shall include all anti-money laundering identification documentation. On receipt of the transfer request, the Registrar and Transfer Agent may, after reviewing the endorsement(s), require that the signature(s) be guaranteed by an approved bank, stockbroker or public notary. Any transfer of Shares shall become effective towards the Fund and third parties by recording of the transfer in the Fund’s Share register.

Shares may only be transferred between Eligible Investors. Any receiver of Shares who does not have an existing shareholding within the Fund must complete an application form and provide identification documentation and additional information including banking details, source of funds and source of wealth.

Shareholders are advised to contact the AIFM prior to requesting a transfer to ensure that they have all the correct documentation for the transaction.

## **5.7 Listing of Shares**

The Directors may, from time to time, determine to list the Shares of any Sub-Fund or Class on the Luxembourg Stock Exchange or any other stock exchange approved for these purposes by the CSSF. In the event that Shares of any Sub-Fund or Class are listed on any stock exchange, this Offering Document will be updated and information in respect of such listing will be disclosed in this Offering Document. More specific details may be obtained from the Registrar and Transfer Agent.

For so long as the Shares of any Sub-Fund are listed on the Luxembourg Stock Exchange, the Fund shall comply with the requirements of the Luxembourg Stock Exchange relating to those Shares.

The Listing Agent in relation to any future listing of the Shares on the Luxembourg Stock Exchange will be State Street Bank International GmbH, Luxembourg Branch.

## **5.8 Late Trading and Market Timing**

The Fund, the AIFM and the Registrar and Transfer Agent respectively will seek to ensure that the practices of late trading and market timing will be eliminated in relation to the distribution of Shares of the Fund. The Trade Order Cut-Off Time will be observed subject to the circumstances set out in the introductory paragraph of section 5. Therefore, investors do not know the Net Asset Value per Share at the time of their request for subscription, redemption or conversion.

The Fund does not permit market-timing or other excessive trading practices. Such trading practices may disrupt portfolio management strategies and/or harm Sub-Fund performance. To minimise the potential harm to any Sub-Fund, the Board of Directors, the AIFM or the Registrar and Transfer Agent on their behalf have the right to reject any subscription or conversion order or to levy a fee on redemptions of up to 2% of the value of the order for the benefit of the relevant Sub-Fund from any Shareholder they feel is engaging in such trading practices or has a history of such trading or if a Shareholder's trading, in the opinion of the Board of Directors and in its sole discretion, has been or may be disruptive or harmful to the Fund or any of the Sub-Funds. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control. The Board of Directors also has the power to compulsorily redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. Neither the Board of Directors nor the Fund will be held liable for any loss resulting from rejected orders, the imposition of redemption fees or mandatory redemptions.

Investors should be aware that there are practical constraints both in determining the policy which is appropriate in the interests of long-term Shareholders, and in applying and enforcing such policy. For example, the Fund cannot always identify or reasonably detect excess and/or short term trading that may be facilitated by financial intermediaries or made difficult to identify by the use of omnibus accounts by those intermediaries that transmit subscription, conversion and redemption orders to the Fund. Also Shareholders such as fund of funds, asset allocation funds, structured products and unit-linked products will change the proportion of their assets invested in the Sub-Funds in accordance with their own investment mandate or investment strategies. The Fund will seek to balance the interests of such Shareholders in a way which is consistent with the interests of long-term Shareholders but no assurance can be given that the Fund will succeed in doing so in all circumstances.

## **5.9 Data Protection**

The AIFM, acting as data controller collects, stores and processes by electronic or other means the personal data supplied by Shareholders (or prospective Shareholders as the case may be), and/or their beneficial owners, and/or representatives, in accordance with (i) the provisions of the applicable Luxembourg data protection law, (ii) the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and (iii) the privacy notice available at the following address: [www.ninetyone.com/privacynotice](http://www.ninetyone.com/privacynotice), that Shareholders should read carefully.

## **5.10 Prevention of money laundering and terrorist financing**

The Fund, AIFM and Registrar and Transfer Agent must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including in particular with the AML/CFT Rules. The AML/CFT Rules require the Fund, on a risk sensitive basis, to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the business relationship on an ongoing basis. The identity of a subscriber should be verified on the basis of documents, data or information obtained from a reliable and independent source.

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

The Fund is required to establish anti-money laundering controls and will require from subscribers for Shares all documentation deemed necessary to establish and verify the identity and profile of a subscriber, the nature and the intended purposes of the business relationship and the origin of subscription proceeds. The Fund or its delegate has the right to request additional information until the Fund or its delegate is reasonably satisfied it understands the identity and economic purpose of the subscriber in order to comply with the AML/CFT Rules and, in addition, confirmation may be requested to verify the ownership of any bank account from which or to which monies are being paid. Furthermore, any investor is required to notify the Fund or its delegate prior to the occurrence of any change in the identity of any beneficial owner of Shares. The Fund may require from existing investors, at any time, additional information together with all supporting documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg, including the AML/CFT Rules.

Where subscriptions of Shares are made indirectly through third parties, the Fund and its delegates may be permitted to rely on the customer identification and verification measures performed by these third parties under the conditions described in Art. 3-3 of the 2004 Law. These conditions require in particular that the third parties apply customer due diligence and record-keeping requirements that are consistent with those laid down in the 2004 Law and in the Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and are supervised by a competent supervisory authority in a manner consistent with these rules. Such third-parties shall be required to provide (i) the Registrar and Transfer Agent with information about the identity of the underlying investor, the persons acting on its behalf and the beneficial owners, (ii) relevant information on the source of funds, and (iii) at the request of the Board of Directors and/or the AIFM, provide copies of the customer due diligence documents as further specified in the relevant application subscription forms without delay, which can be used to verify the identity of the investor (and, if applicable, all beneficial owners). The ongoing monitoring of the business relationship with the underlying investors that have subscribed for Shares indirectly through the third party may be performed by the AIFM and/or the Registrar and Transfer Agent.

Agreements may be entered into with distributors pursuant to which the distributors agree to act as or appoint nominees for investors subscribing for Shares through their facilities (distribution and nominee agreements). In such capacity the distributor may effect subscriptions, conversions and redemptions of Shares in the nominee name on behalf of individual investors and request the registration of such operations on the register of Shareholders of the Fund in such nominee name. In such circumstances, the nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of Shares. The AIFM will perform enhanced due diligence measures with respect to distributors pursuant to article 3 of the CSSF Regulation No. 12-02, as amended by CSSF Regulation No. 20-05 and as agreed with the AIFM.

Failure to provide information or documentation deemed necessary for the Fund or its delegate to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg, including the AML/CFT Rules, may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application. No liability for any interest, costs or compensation will be accepted. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and AML/CFT documents of the Shareholder have been completed.

The AIFM performs a specific due diligence and regular monitoring and applies precautionary measures on both the liability and asset side of the balance sheet (i.e. including in the context of investments/divestments by the Sub-Funds), in accordance with Articles 3 (7) and 4 (1) of the 2004 Law.

Pursuant to articles 3(7) and 4(1) of the 2004 Law, the Fund is also required to apply precautionary measures regarding the assets of the Sub-Funds. The AIFM assesses, using a risk based approach, the extent to which the offering of the Shares and services presents potential vulnerabilities to placement, layering or integration of criminal proceeds into the financial system.

Pursuant to the Law of 19 December 2020 on the implementation of restrictive measures in financial matters, the application of international financial sanctions must be enforced by any Luxembourg natural or legal person, as well as any other natural or legal person operating in or from the Luxembourg territory. As a result, prior to the Sub-Funds investing in assets, the AIFM shall, as a minimum, screen the name of such assets or of the issuer against the target financial sanctions lists.

## 6 General Information

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### 6.1 Organisation

The Fund is established for an unlimited period of time and is organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV. It is an umbrella fund having various Sub-Funds. The Articles of Incorporation of the Fund were originally published on the *RESA* on 27 April 2018. The Articles of Incorporation were amended with effect from 2 June 2020 and published on the *RESA* on 30 June 2020. The Fund is registered with the *Registre de Commerce et des Sociétés, Luxembourg*, under number B 223.842.

The minimum capital of the Fund is as provided by the 2007 Law, which is currently €1,250,000, represented by fully paid-up Shares of the Sub-Funds of no par value.

### 6.2 Meetings and Announcements

The annual general meeting of Shareholders shall be held within six (6) months of the end of each financial year in the Grand Duchy of Luxembourg at the registered office of the Fund or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting.

General meetings of Shareholders of the Fund, any Sub-Fund or any Share Class within a Sub-Fund may be held at such time and place as indicated in the convening notice in order to decide on any matters which relate to the Fund or exclusively to a Sub-Fund or Share Class. Notices of all general meetings may be made through announcements filed with the Luxembourg Trade and Companies Register and be published at least fifteen (15) days before the meeting in the *Recueil électronique des sociétés et associations (RESA)* and in a Luxembourg newspaper and sent to all registered shareholders by ordinary mail (*lettre missive*); alternatively, convening notices may be sent to registered shareholders by registered mail at least eight (8) calendar days prior to the meeting or if the Shareholders have individually accepted to receive the convening notices by another means of communication ensuring access to the information, by such means of communication. Such notices will set forth the agenda and specify the date, time and place of the meeting and the conditions of admission thereto and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majorities at the meeting. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the 1915 Law and in the Articles of Incorporation. If a general meeting is not quorate, a second general meeting will be convened by such notices as are required.

Each whole Share confers the right to one vote.

### 6.3 Reports and Accounts

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP and will contain any material changes to the information listed in article 21 of the 2013 Law during the financial year to which the financial statement refers.

An annual report prepared in accordance with the AIFMD shall be published within six months following the end of the Fund's financial year being 31 December. The annual report shall be made available at the registered offices of the AIFM or the Fund during ordinary office hours. Shareholders may also request a paper copy of the annual reports free of charge from the AIFM.

The annual report will contain:

- (a) audited financial statements of the Fund expressed in US Dollar as well as individual information on each Sub-Fund expressed in the Reference Currency of each Sub-Fund. For the avoidance of doubt, the unit of a Reference Currency is the smallest unit of that currency (e.g. if the Reference Currency is EUR, the unit is the cent). Fractions of Shares, calculated to three decimal places, may be allocated as required. The audited financial statements include a balance sheet, profit and loss account and the auditor's report;
- (b) a detailed report of the Fund's activity and the management of its assets;
- (c) any material changes to the information required to be disclosed under the 2013 Law during the accounting year to which the annual report refers;
- (d) information regarding the remuneration paid by the Investment Manager to its employees; and
- (e) information required to be disclosed pursuant to Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012; and
- (f) the notes accompanying the audited financial statements of the Fund.

The following information will be disclosed to Shareholders periodically:

- (a) the percentage of the assets of the Fund which are subject to special treatment because of their non-liquid nature (if such assets are held by the Fund) as well as an overview of existing special treatments;
- (b) any new arrangements for managing the liquidity of the Fund; and
- (c) the current risk profile of the Fund and the risk management systems used by the Investment Manager to manage those risks; and
- (d) any changes to:
  - (i) the maximum level of leverage that the AIFM may employ on behalf of the Fund;
  - (ii) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; or
  - (iii) the total amount of leverage employed by the Fund.

Where available, the historical performance of each Sub-Fund can be obtained on request to the AIFM.

#### **6.4 Allocation of Assets and Liabilities among the Sub-Funds**

For the purpose of allocating the assets and liabilities between the Sub-Funds and between the Classes of Shares, the Board of Directors has established a pool of assets for each Sub-Fund and Class of Shares in the following manner:

- a) The proceeds from the issue of Shares of a Sub-Fund or Class of Shares, all assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets attributable to or deriving from such investments, as well as all increase or decrease in the value thereof, will be allocated to that Sub-Fund or Class of Shares and recorded in its books. The assets allocated to each Class of Shares of the same Sub-Fund will be invested together in accordance with the investment objective, policy and strategy of that Sub-Fund, subject to the specific features and terms of issue of each Class of Shares of that Sub-Fund.
- b) All liabilities of the Fund attributable to the assets allocated to a Sub-Fund or Class of Shares or incurred in connection with the creation, operation or liquidation of a Sub-Fund or Class of Shares will be charged to that Sub-Fund or Class of Shares and, together with any increase or decrease in the value thereof, will be allocated to that Sub-Fund or Class of Shares and recorded in its books. In particular and without limitation, the costs and any benefit of a specific feature of a class of shares will be allocated solely to the Class of Shares to which the specific feature relates.
- c) Any assets or liabilities not attributable to a particular Sub-Fund or Class of Shares may be allocated by the Board of Directors in good faith and in a manner which is fair to Shareholders generally and will normally be allocated to all Sub-Funds or Classes of Shares *pro rata* to their Net Asset Value. Subject to the above, the Board of Directors may at any time vary the allocation of assets and liabilities previously allocated to a Sub-Fund or Class of Shares.

Under the Articles of Incorporation, the Board of Directors may decide to create within each Sub-Fund one or more Classes whose assets will be commonly invested pursuant to the specific investment policy of the Sub-Fund concerned but where a specific sales or redemption charge structure, fee structure, minimum subscription amount or dividend policy and currency may be applied to each Class. A separate Net Asset Value, which will differ as a consequence of these variable factors, will be calculated for each Class. If one or more Classes have been created within the same Sub-Fund, the allocation rules set out above shall apply, as appropriate, to such Classes. The Board of Directors reserves the right to apply additional criteria as appropriate.

#### **6.5 Determination of the Net Asset Value per Share**

The AIFM is responsible for ensuring that proper and independent valuation of the assets of the Fund, in accordance with article 17 of the 2013 Law, and the calculation and publication of the Net Asset Value can be performed.

The Net Asset Value per Share of each Share Class is determined by the Administrator, under the responsibility of the AIFM, in its Currency Denomination on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding and rounding the resultant sum to at least two decimal places to the extent possible for all the Sub-Funds. Fractions of Shares, calculated to three decimal places, may be allocated as required. The method for the valuation of the assets and liabilities, the allocation to the Sub-Funds and Share Classes, and the calculation of the Net Asset Value is set out in the AIFM's valuation policy, the Articles of Incorporation, and is also described in this section 6.5 of the Offering Document.

The net assets of each Class are made up of the value of all the assets attributable to such Class less the total liabilities attributable to such Class calculated at such time as the Board of Directors in consultation with the AIFM shall have set for such purpose.

If there has been a material change in quoted prices in markets where a substantial portion of the assets of any Share Class and Sub-Fund are traded or quoted, the Board of Directors in consultation with the AIFM may, in order to safeguard the interest of Shareholders and of the Fund itself, cancel the first Net Asset Value per Share and calculate a new one. In such a case, the Net Asset Value used for processing subscription, redemption and conversion applications for that Valuation Day will be based on the second calculation.

The Net Asset Value of the Fund will at all times be equal to the sum of the Net Asset Values of all Sub-Funds expressed in the Reference Currency of the Fund. The Net Asset Value of the Fund must at all times be at least equal to the minimum share capital required by the 2007 Law which is currently EUR 1,250,000 or its equivalent in another currency, except during the twelve (12) months after the approval of the Fund by the CSSF.

The value of the assets of the Fund shall be determined in accordance with the Articles of Incorporation and the AIFM's valuation policy as well as with the provisions outlined below at the Valuation Time:

- 1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends, interest and any other amount receivable accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the AIFM and/or Board of Directors may consider appropriate in such case to reflect the true value thereof.
- 2) Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or Regulated Market will be valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available market price or quotation prior to the time of valuation on the exchange or Regulated Market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or Regulated Market, the Board of Directors in consultation with the AIFM will determine on which exchange or Regulated Market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or Regulated Market will be used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or Regulated Market, will be valued at their probable realisation value estimated with care and in good faith by the AIFM and/or Board of Directors using any valuation method approved by the AIFM and/or Board of Directors.
- 3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.
- 4) Financial derivative instruments which are quoted, listed or traded on an exchange or Regulated Market will be valued at the last available closing or settlement price or quotation prior to the time of valuation on the exchange or Regulated Market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or Regulated Market, the AIFM and/or Board of Directors will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or Regulated Market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and good faith by the AIFM and/or Board of Directors using any valuation method approved by the AIFM and/or Board of Directors.
- 5) Financial derivative instruments which are traded 'over-the-counter' (OTC) will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the AIFM and/or Board of Directors which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.
- 6) Notwithstanding paragraph 2) above, shares or units in target investment funds will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the AIFM and/or Board of Directors is satisfied of the reliability of such unofficial net asset value. The net asset value calculated on the basis of unofficial net asset value of the target investment fund may differ from the net asset value which would have been calculated, on the same valuation day, on the basis of the official net asset value of the target investment fund. Alternatively, shares or units in target investment funds which are quoted, listed or traded on an exchange or Regulated Market may be valued in accordance with the provisions of paragraph 2) above.
- 7) Loans for which reliable market quotes are readily available are valued at the mean of such bid and ask quotes obtained by an independent pricing service approved by the AIFM. If such quotes are not available, the prices will be based upon pricing models developed, maintained and operated by the independent pricing service or will be valued by the AIFM by considering a number of factors including, without limitation, consideration of

market indicators, transactions in instruments which the AIFM believes may be comparable (including, for example, comparable credit quality, interest rate, interest rate redetermination period and maturity), the creditworthiness of the borrower, the current interest rate, the period until the next interest rate redetermination and the maturity of such loan interests. The procedures of the independent pricing service and its valuations are reviewed by the AIFM under the general supervision of the board of directors of the AIFM. The board of directors of the AIFM has determined in good faith that the use of an independent pricing service is a fair method of determining the valuation of the loans. In all other circumstances and in the sole discretion of the AIFM, loans may be valued on the basis of the reasonably foreseeable sales price determined prudently and in good faith pursuant to procedures established by the AIFM, including but not limited to valuing loans valued on an amortised cost basis. When there is a change in the valuation of a loan where no quoted market price is available, the change in valuation can never result in a valuation in excess of the initial purchase price. However, where previous write-downs were processed, and there is an improvement in outlook, the write-downs may be reversed. Loans valued on an amortised cost basis are reviewed regularly for impairment. Indicators for impairment include but are not limited to a change in credit ratings; covenant breaches; deteriorating financial performance; potential liquidation; negative media; and/or indication of possible fraudulent activity. A change in valuation will only be considered by the AIFM when impairment indicators result in a significant change in credit risk. Changes in valuation must be supported by reference to, for example: the suspension of interest accruals; change in credit spreads in response to observed market trades; the level where a listed equivalent is trading; credit rating for related/relevant issues prior to and post the change in credit risk, and calculating the change in credit spread based on this; discounted cash flow analysis; estimate of liquidation proceeds to be received; and/or an estimate of required write-off or conversion to equity in a restructure.

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

The AIFM and/or Board of Directors may apply, in good faith and in accordance with generally accepted valuation principles and procedures and on a consistent basis, other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realisation value of any asset if applying the above rules appears inappropriate or impracticable. The AIFM and/or Board of Directors may adjust the value of any asset if the AIFM and/or Board of Directors determines that such adjustment is required to reflect the fair value thereof.

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

In the absence of fraud, bad faith, gross negligence or manifest error, any decision to determine the Net Asset Value taken by the AIFM and/or Board of Directors or by any agent appointed by the AIFM and/or Board of Directors for such purpose, shall be final and binding on the Fund and all shareholders.

The value of assets in a Sub-Fund denominated in a currency other than the Reference Currency of that Sub-Fund shall be determined by taking into account the rate of exchange prevailing at or around the time of determination of the Net Asset Value.

Events may occur between the determination of an investment's last available price and the determination of a Sub-Fund's Net Asset Value per share at the Valuation Time that may, in the opinion of the AIFM and/or Board of Directors, mean that the last available price does not truly reflect the true market value of the investment. In such circumstances, the Administrator shall apply a fair value adjustment factor to the price of such investments in accordance with the procedures adopted from time to time by the AIFM and/or Board of Directors in its discretion.

The Net Asset Value per Share of each Class is available on request from the AIFM, the Registrar and Transfer Agent as well as the Administrator and Domiciliary Agent.

## **6.6 Publication of the Net Asset Value per Share**

The AIFM will arrange for the Net Asset Value per Share of each Class within each Sub-Fund to be made available on every Valuation Day as may be required by laws and regulations at the registered office of the Fund or of the AIFM.

## **6.7 Temporary Suspension of Issues, Redemptions and Conversions**

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

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

- b) when the information or calculation sources normally used to determine the value of the assets of the Fund or a Sub-Fund are unavailable;
- c) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of the Fund or a Sub-Fund, or which is required to calculate the net asset value per share;
- d) when exchange, capital transfer or other restrictions prevent the execution of transactions of the Fund or a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
- e) when exchange, capital transfer or other restrictions prevent the repatriation of assets of the Fund or a Sub-Fund for the purpose of making payments on the redemption of shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;
- f) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevents the Fund from being able to manage the assets of the Fund or a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
- g) when there is a suspension of the Net Asset Value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which the Fund or a Sub-Fund is invested;
- h) following the suspension of the Net Asset Value calculation and/or the issue, redemption and conversion at the level of a master fund in which the Fund or a Sub-Fund invests as a feeder fund;
- i) when, for any other reason, the prices or values of the assets of the Fund or a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Fund or a Sub-Fund in the usual way and/or without materially prejudicing the interests of shareholders;
- j) in the event of a notice to Shareholders convening an extraordinary general meeting of shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Class of Shares, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Class of Shares;
- k) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;
- l) during any period when the dealing of the shares of the Fund or Sub-Fund or class of shares on any relevant stock exchange where such shares are listed is suspended or restricted or closed; and
- m) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or Class of Shares, in compliance with the principle of fair treatment of Shareholders in their best interests.

The Fund may suspend the issue and redemption of shares of any particular Sub-Fund, as well as the conversion from and to shares of each Class of Shares, following the suspension of the issue, redemption and/or conversion at the level of a master fund in which the Sub-Fund invests in its quality as feeder fund, to the extent applicable.

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

The suspension of the calculation of the Net Asset Value and/or, where applicable, of the issue, redemption and/or conversion of shares, shall be published and/or communicated to shareholders as required by applicable laws and regulations.

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

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

## **6.8 Liquidation of the Fund**

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

The compulsory dissolution of the Fund may be ordered by Luxembourg competent courts in circumstances provided by the 2007 Law and the 1915 Law.

As soon as a decision to dissolve the Fund is taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited. The liquidation will be carried out in accordance with the provisions of the 2007 Law and the 1915 Law.



Liquidation proceeds which have not been claimed by Shareholders at the time of the closure of the liquidation shall be deposited in escrow at the “*Caisse de Consignation*” in Luxembourg. Proceeds not claimed within the statutory period shall be forfeited in accordance with applicable laws and regulations.

If any such payment amount would be US\$50 (or its currency equivalent) or less per Shareholder, the Board of Directors reserve the right not to distribute it and instead pay the proceeds to a registered charity chosen by the Board of Directors in its sole discretion.

## 6.9 Liquidation of Sub-Funds

In the event that, for any reason, the Board of Directors determines that (i) the net asset value of any Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be managed and/or administered in an efficient manner, or (ii) changes in the legal, economic or political environment would justify such termination, or (iii) a product rationalisation or any other reason would justify such termination, the Board of Directors may decide to redeem all shares of the relevant Sub-Fund or Share Class at the net asset value per share (taking into account actual realisation prices of investments, realisation expenses and liquidation costs) for the valuation day in respect of which such decision shall be effective, and to terminate and liquidate such Sub-Fund or Share Class.

The Shareholders will be informed of the decision of the Board of Directors to terminate a Sub-Fund or Share Class by way of a notice and/or in any other way as required or permitted by applicable laws and regulations. The notice will indicate the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs, the general meeting of Shareholders of a Sub-Fund or Share Class may also decide on such termination and liquidation and have the Fund compulsorily redeem all Shares of the relevant Sub-Fund or Share Class at the Net Asset Value per Share for the Valuation Day in respect of which such decision shall be effective. Such general meeting will decide by resolution taken with a quorum of one half of the share capital of the relevant Sub-Fund or Share Class, as appropriate, with a majority of at least two thirds of the votes validly cast at the meeting.

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

Redemption proceeds which have not been claimed by the Shareholders upon the compulsory redemption will be deposited, in accordance with applicable laws and regulations, in escrow at the “*Caisse de Consignation*” on behalf of the persons entitled thereto. Proceeds not claimed within the statutory period will be forfeited in accordance with laws and regulations.

All redeemed Shares may be cancelled.

The termination and liquidation of a Sub-Fund or Share Class shall have no influence on the existence of any other Sub-Fund or Share Class.

The decision to terminate and liquidate the last Sub-Fund existing in the Fund will result in the dissolution and liquidation of the Fund.

## 6.10 Merger, absorption and reorganisation

### 6.10.1 Merger of the Fund, Sub-Funds or Share Classes

The Board of Directors may decide to merge, subject to CSSF approval, in accordance with applicable laws and regulations, the Fund, a Sub-Fund or Share Class (the “**Merging Entity**”) with (i) another Sub-Fund or Share Class of the Fund, or (ii) another Luxembourg SIF or sub-fund or share class thereof, or (iii) another Luxembourg UCI organised under the 2010 Law or sub-fund or share class thereof, or (iv) another foreign UCI or sub-fund or share class thereof (the “**Receiving Entity**”) in the event that, for any reason, the Board of Directors determines that:

- (i) the Net Asset Value of the merging Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be managed and/or administered in an efficient manner,
- (ii) changes in the legal or political environment would justify such merger,
- (iii) changes of an economic nature would justify such merger, or
- (iv) a product rationalisation would justify such merger,

by transferring the assets and liabilities from the Merging Entity to the Receiving Entity, or by allocating the assets of the Merging Entity to the assets of the Receiving Entity, or by any other method of merger, amalgamation or

reorganisation, as may be applicable, and, following a split or consolidation, if necessary, and the payment to investors of the amount corresponding to any fractional entitlement, by re-designating the shares of the Merging Entity as shares of the Receiving Entity, or by any other method of reorganisation or exchange of shares, as may be applicable.

Investors of the Merging Entity will be informed of the merger by way of a notice sent prior to the merger in accordance with applicable laws and regulations. The notice will indicate the reasons for and the procedures of the merger, as well as information on the Receiving Entity. The notice will also indicate that investors of the Merging Entity have the right to request the redemption of their shares free of charge (but taking into account actual realisation prices of investments, realisation expenses and liquidation costs) at least one month prior to the effective date of the merger. Exceptions may apply if the Receiving Entity is a Share Class of the Fund.

Such a merger does not require the prior consent of the shareholders except where the Fund is the Merging Entity which, thus, ceases to exist as a result of the merger; in such case, the general meeting of shareholders of the Fund must decide on the merger and its effective date. However, in case the Board of Directors has decided to merge a Sub-Fund or Share Class into another Luxembourg SIF or other UCI of the contractual type (*fonds commun de placement*) or sub-fund or share class thereof, or into another foreign UCI or sub-fund or share class thereof, special approval and/or majority requirements may apply in compliance with applicable legal and regulatory requirements.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs, investors of the Merging Entity may decide on such merger by resolution taken by the general meeting of shareholders of the Sub-Fund or Share Class concerned. The convening notice to the general meeting of shareholders of the Sub-Fund or Share Class will indicate the reasons for and the procedures of the proposed merger, as well as information on the receiving Entity.

#### **6.10.2 Absorption of another fund or sub-fund or share class**

The Board of Directors may decide to proceed, in accordance with applicable laws and regulations, with the absorption, including by way of merger or by acceptance of a contribution in kind, by the Fund or one or several Sub-Funds or Share Classes of (i) another Luxembourg SIF or sub-fund or share class thereof, or (ii) another Luxembourg UCI organised under the 2010 Law or sub-fund or share class thereof, or (iii) another foreign UCI or sub-fund or share class thereof (the “**Absorbed Entity**”).

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

#### **6.10.3 Reorganisation of Sub-Funds or Share Classes**

Under the same conditions and procedure as for a merger of Sub-Funds or Share Classes into another Sub-Fund or Share Class of the Fund, the Board of Directors may decide to reorganise a Sub-Fund or Share Class by means of a division into two or more Sub-Funds or Share Classes.

### **6.11 Material Contracts**

The following material contracts have been entered into by the Fund:

- a) An alternative investment fund management services agreement between the Fund and the AIFM pursuant to which the AIFM has been appointed as the alternative investment fund manager for the Fund. This agreement was entered into for an unlimited period and is terminable by either party upon 3 months' written notice.
- b) An agreement between the Fund, the AIFM and State Street Bank International GmbH, Luxembourg Branch (the legal successor of State Street Bank Luxembourg S.C.A. following this entity's merger into State Street Bank International GmbH on 4 November 2019) pursuant to which the latter was appointed Depositary of the Fund. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 days' written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary.
- c) An agreement between the Fund, the AIFM and State Street Bank International GmbH, Luxembourg Branch (the legal successor of State Street Bank Luxembourg S.C.A. following this entity's merger into State Street Bank International GmbH on 4 November 2019) pursuant to which the Fund has appointed the latter as Domiciliary Agent of the Fund. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 calendar days' written notice.

The following contracts have been entered into by the AIFM which relate to the activities of the Fund:

- a) An alternative investment fund management services agreement between the Fund and the AIFM pursuant to which the AIFM has been appointed as the alternative investment fund manager for the Fund. This agreement was entered into for an unlimited period and is terminable by either party upon 3 months' written notice.
- b) An investment management agreement between the AIFM and Investment Manager pursuant to which the latter acts as investment manager of the Fund. This agreement was entered into for an unlimited period and is terminable by either party upon 3 months' written notice.
- c) An agreement between the Fund, the AIFM and State Street Bank International GmbH, Luxembourg Branch (the legal successor of State Street Bank Luxembourg S.C.A. following this entity's merger into State Street Bank International GmbH on 4 November 2019) pursuant to which the latter was appointed Depositary of the assets of the Fund. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 days' written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary.
- d) An agreement between the AIFM, the Fund and State Street Bank International GmbH, Luxembourg Branch (the legal successor of State Street Bank Luxembourg S.C.A. following this entity's merger into State Street Bank International GmbH on 4 November 2019) pursuant to which the AIFM appointed the latter as Administrator of the Fund. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 calendar days' written notice.
- e) An agreement between the AIFM and RBC Investor Services Bank S.A. pursuant to which the latter was appointed Registrar and Transfer Agent of the Fund. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 days' written notice.
- f) A global distribution agreement between the AIFM and the Global Distributor pursuant to which the latter was appointed to distribute the Shares of the Sub-Funds. The agreement was entered into for an unlimited period and may be terminated by either party upon 90 days' written notice.

Copies of the material contracts entered into by the Fund may be available for inspection by Shareholders free of charge during normal office hours at the registered office of the Fund or the registered office of the AIFM in Luxembourg.

## **6.12 Documents**

### **6.12.1 Offering Document, Articles of Incorporation and Periodical Reports**

Copies of the Offering Document and the Articles of Incorporation of the Fund and the latest periodical reports may be obtained free of charge during normal office hours at the registered office of the Fund or the AIFM in Luxembourg. The periodical reports form an integral part of this Offering Document.

The Board of Directors, in close consultation with the AIFM, may from time to time make amendments to the Fund, a Sub-Fund(s) and/or a Share Class(es), including, without limit, for the purpose of implementing new laws and regulations, changes to existing laws and/or regulations, changes to a Sub-Fund's investment objective and policy, and/or changes to the fees charged to a Sub-Fund or Share Class. Where required, approval from the CSSF will be obtained prior to any such amendment taking effect. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the change(s) and, where required, will be given at least one month's prior notice of any proposed change(s). Revised copies of the Offering Document will be available on request to the AIFM on or around the effective date of the change.

### **6.12.2 Statements**

Statements detailing all Share transactions or in respect of periodic dividends on Shares will be sent by post, fax or through other electronic means of communication (subject to the acceptance by the Shareholder of any electronic delivery terms imposed by the Fund and/or the Registrar and Transfer Agent) as agreed with the Shareholder.

### **6.12.3 Complaints Handling**

If you have a complaint to make about the operation of the Fund please submit it in writing to the AIFM at 2-4, Avenue Marie-Thérèse, L-2132 Luxembourg, Grand Duchy of Luxembourg (marked for the attention of Head of Compliance). The details of the AIFM's complaints handling procedures may be obtained free of charge during normal office hours at the registered office of the Fund or the AIFM in Luxembourg.

## 7 Dividend Policy

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### 7.1 Income Shares

Income Shares in the Fund are denoted by the word “Inc”, “Inc-2” or “Inc-3” in the Share Class name.

In determining the distribution policy for any Class of Income Share (whether Inc, Inc-2 or Inc-3), the Board of Directors may determine, as permitted under Luxembourg Law, the extent to which expenses of that Class may be deducted from its income and/or capital account. In particular, the Board of Directors may determine that the distribution policy of any Class of Income Share is to distribute the whole of the income attributable to that Class to Shareholders after the deduction of the AIFM Fee, the Management Fee (as defined in section 9.2), the Administration Servicing Fee, the Depositary Fee and all other expenses attributable to that Class of Income Share, or is to distribute the whole of the income attributable to that Class and potentially a portion of capital to Shareholders before deduction of the AIFM Fee, the Management Fee, the Administration Servicing Fee, the Depositary Fee and all other expenses attributable to that Class of Income Share.

The Board of Directors may also determine if and to what extent distributions may include distributions from both net realised and net unrealised capital gains. Where Classes pay distributions that include net realised capital gains or net unrealised capital gains, or, in the case of Share Classes which distribute income gross of expenses, dividends may include initially subscribed capital. Shareholders should note that dividends distributed in this manner may be taxable as income, depending on the local tax legislation, and should seek their own professional tax advice in this regard.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc Share Class, the distribution policy is to distribute net income. Accordingly, the expenses related to such a Share Class will be deducted from its income account. Where the income generated is insufficient to cover the expenses, the residual expenses shall be deducted from the relevant Share Class' capital account.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc-2 Share Class, the distribution policy is to distribute gross income. Accordingly, the expenses related to such a Share Class will be deducted from its capital account. This will have the effect of increasing that Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

As at the date of this Offering Document, the Board of Directors has determined that for an Inc-3 Share Class, the distribution policy is to distribute the long term expected level of gross income. The distribution will be calculated at the discretion of the Board of Directors on the basis of the expected gross income over a given period (such period to be at the Board of Director's discretion) with a view to providing a consistent monthly distribution to Shareholders during such period. The distribution rate for each Inc-3 Share Class will typically be reviewed on a quarterly basis, but at least semi-annually, but may be adjusted more frequently to reflect changes in the portfolio's expected yield. The expenses related to such a Share Class will be deducted from its capital account and may include net realised and net unrealised capital gains. This will have the effect of increasing that Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

The Board of Directors may determine, as permitted under Luxembourg law, the extent to which a dividend for any Class of Income Share may include distributions of income and/or capital. The distribution policy for any Class of Income Share may change from time to time as determined by the Board of Directors. Appendix 1 of this Offering Document sets out the distribution policy as at the date of this Offering Document. Investors should contact the AIFM for the distribution policy currently applied to any Class of Income Share.

Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2007 Law which is currently EUR 1,250,000 or its equivalent in another currency.

Unless otherwise instructed by the Shareholder and subject to the minimum dividend restriction below, dividends will automatically be reinvested into further Income Shares in the Class of Income Shares in the Sub-Fund from which the income was received. The Initial Charge is waived on dividend reinvestments. Dividends to be reinvested will be paid to the AIFM or any of its agents who will reinvest the money on behalf of the Shareholders in additional Shares of the same Class. Such additional Income Shares will be allocated to Shareholders on the reinvestment day.

Dividends will be paid to Shareholders in the Currency Denomination of the relevant Share Class, however Shareholders may elect to be paid their dividends in US Dollars or another approved currency, with the currency conversion arranged by the AIFM with the Fund's banker. The foreign exchange transactions applied to such currency conversions will be at the prevailing rates offered by the bank to its customers generally (an “as is” service) on the day of the conversion. The foreign exchange transaction will be at the cost and risk of the relevant Shareholder.

Any dividend that remains unclaimed after six months from the date of declaration may be reinvested at the next available Dealing Day, for the benefit of the relevant Shareholder, into further Income Shares in the Sub-Fund from which the dividend was distributed. No unclaimed dividend will bear interest against the Fund or the relevant Sub-Fund.

Any dividend which amounts to US\$50 (or its currency equivalent) or less (the "Minimum Dividend") will automatically be reinvested into further Income Shares in the Class of Income Shares from which the income was received. Shareholders who reinvest their dividends but wish to convert their total holding from one Sub-Fund to Income Shares or Accumulation Shares of another Sub-Fund will receive their dividend entitlements from the first Sub-Fund in the form of cash and not in the form of a reinvestment in the second Sub-Fund.

Shareholders who reinvest their dividends and who redeem or transfer their total holding in a particular Sub-Fund after the ex-dividend date of the Sub-Fund will receive dividend entitlements in the form of cash and not in the form of a reinvestment in the Sub-Fund.

### ***Annual Distributions***

Distributions for each Class of Income Shares with annual distributions are normally made by way of annual dividends to Shareholders recorded on the Shareholder register as at the last Business Day of December and are usually payable in January, but in any event by no later than 31 March.

### ***Semi-Annual Distributions***

Distributions for each Class of Income Shares with semi-annual distributions are normally made by way of semi-annual dividends, to Shareholders recorded on the Shareholder register as at the last Business Day of December and June and are usually payable in January and July, but in any event by no later than 31 March and 30 September.

### ***Quarterly Distributions***

In addition to the above, distributions for each Class of Income Shares with quarterly distributions are normally made by way of quarterly dividends to Shareholders recorded on the Shareholder register as at the last Business Day of March, June, September and December and payable in April, July, October and January, but in any event not later than 30 June, 30 September, 31 December and 31 March in each year.

### ***Monthly Distributions***

Distributions for each Class of Income Shares with monthly distribution are normally made to Shareholders recorded on the Shareholder register as at the last Business Day of each month and payable by the end of the following month, but in any event no later than three months after the relevant declaration date.

## **7.2 Smoothing Policy**

Under the Fund's smoothing policy, the Board of Directors may even out a Sub-Fund's interim distribution payments by distributing capital, and/or carrying forward income that is otherwise distributable with a view to smoothing the amounts paid to Shareholders over the course of a financial year. The final distribution payment of the financial year will normally comprise of all remaining income for that year, which may be more or less than the smoothed interim distributions paid during that year.

For an Inc-3 Share Class, the distribution policy is to distribute the long term expected level of gross income. The distribution will be calculated at the discretion of the Board of Directors on the basis of the expected gross income over a given period (such period to be at the Board of Director's discretion) with a view to providing a consistent monthly distribution to Shareholders during such period. The period in which income is smoothed may be longer than a year, and aggregate distributions within a given year may exceed aggregate gross income and include realised and unrealised capital. Conversely the aggregate distributions over a given year may be less than the aggregate income generated within a given year, and excess income may be carried over to the following year.

## **7.3 Equalisation**

The Net Asset Value per Share of each Class of Income Shares includes a payment for equalisation representing undistributed income accrued since the last ex-dividend date. All Sub-Funds have a period-end date of 31 December being the financial year end.

Any Income Share will have additional period-end dates equivalent to that Income Share's distribution frequency for the purpose of equalisation only, e.g. an Income Share with monthly distributions will have additional period-end dates at the end of each calendar month for the purpose of equalisation only.

For Inc-2 and Inc-3 Share Classes, equalisation rates may be distorted as negative equalisation rates will not be produced when distributions are made from realised or unrealised capital gains.

## **7.4 Accumulation Shares**

Accumulation Shares in the Fund are denoted by the word "Acc" in the Share Class name.

Shareholders holding Accumulation Shares will not receive income payments from the Sub-Fund. Instead, any income will be accrued daily in the Net Asset Value per Share of the relevant Class.

As at the date of this Offering Document, the Board of Directors has determined that for any Accumulation Share, the expenses related to such a Share Class will be deducted from its income account. Where the income generated is insufficient to cover the expenses, the residual expenses shall be deducted from the relevant Share Class' capital account.

## 8 Management and Administration

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### 8.1 The Board of Directors

The Board of Directors is responsible for the Fund's management and control including the determination of investment policies. The Board of Directors is also responsible for the overall supervision of the management and administration of the Fund, including the selection and supervision of the AIFM and the general monitoring of the performance and operations of the Fund. The Board of Directors shall have the broadest powers to act in any circumstances on behalf of the Fund, subject to powers expressly assigned by law to the general meetings of Shareholders.

The Board of Directors is:

*K. McFarland* is the Finance Director and an Executive Director of Ninety One. She joined the company in 1993 as its Chief Financial Officer to manage the operational and financial growth of the business. Kim has been a non-executive director of the Investment Association (UK) since September 2015. Prior to joining Ninety One, Kim worked as financial and operations manager at two South African life insurance companies. Kim graduated from University of the Witwatersrand with degrees in Commerce and Accounting and subsequently qualified as a Chartered Accountant with Price Waterhouse in 1987. She also holds an MBA degree from the University of Cape Town. Kim serves on the Board of Governors of the Graduate School of Business at the University of Cape Town and was previously named Business Woman of the Year in South Africa.

*G. Cameron* is the Managing Director of Ninety One Guernsey Limited and is responsible for Ninety One's offshore operations. He is the chairman of Ninety One's Valuations Committee and the Counterparty Risk Committee. He joined Ninety One in 1996 moving from South Africa to Guernsey in 2000. In 1988 he joined KPMG South Africa where he was an Audit Manager. He was transferred in 1991 to the KPMG Miami Office in U.S.A. where he held the position of Manager of Financial Services. In 1994, he joined Deloitte and Touche Financial Institutions team as a Senior Consultant. Grant completed his tertiary education at the University of Witwatersrand. He graduated with a degree in Business Commerce in 1987 and a Bachelor of Accountancy in 1989. Grant is a member of the South African Institute of Chartered Accountants and the Financial Planners Association of South Africa.

*M. Francis* is an English qualified lawyer and Head of Legal and Head of Operations: Client Mandates at Ninety One UK Limited. In his role he is responsible for the firm's legal affairs including fund structuring, maintenance and distribution as well as commercial, institutional and investment agreement negotiation, client take on and trade compliance. Prior to joining the firm in 2010, Matthew was a lawyer in the financial services group at a leading global law firm. Matthew graduated from the University of Essex with a Bachelor of Laws degree in 2003, completed the Legal Practice Course at the University of Law in 2004 and has been admitted as a lawyer in England and Wales since 2007. He completed an executive development programme at the University of Chicago Booth School of Business in 2015.

*G. Cremen* (independent) is an independent director and adviser to investment companies. Greg has worked in the financial services industry for more than 40 years in Australia and Europe. He has held senior management positions with international asset management companies including The Prudential Assurance Company, Legal & General, Fidelity International and AXA Asset Managers. More recently, he has advised asset management companies on the creation of investment companies domiciled in Luxembourg, Ireland and the States of Jersey. Greg was educated in Australia.

### 8.2 AIFM

The Fund qualifies as an AIF within the meaning of the 2013 Law and is subject to the supervision of the CSSF. The Fund has appointed the AIFM as its external alternative investment fund manager (within the meaning of article 4(1) a) of the 2013 Law) in accordance with the provisions of the 2007 Law and the 2013 Law pursuant to the alternative investment fund management agreement effective as of the Launch Date (the "Alternative Investment Fund Management Agreement").

Ninety One Luxembourg S.A. is a public limited liability company ("*société anonyme*") which was incorporated under Luxembourg law on 8 July 2011. The AIFM is a wholly owned subsidiary of Ninety One International Limited.

The articles of incorporation of the AIFM were published in the Mémorial of 8 August 2011 and filed with the Chancery of the District Court of Luxembourg (*Grefte du Tribunal d'Arrondissement*). They were amended most recently on 16 March 2020 and have been published on the *RESA* on 6 April 2020 and filed with the Chancery of the District Court of Luxembourg.

The AIFM is authorised and regulated by the CSSF to act as AIFM for the Fund, in accordance with the provisions of the 2013 Law.

The Conducting Persons are responsible for the AIFM's daily business and operations. Daniel Couldridge, Anna Liberska, Claude Foca, Mark Thompsett and Johan Schreuder, being employees of the AIFM which is a member of the Ninety One Group, have each waived any fee for acting as a Conducting Person.

The board of directors of the AIFM is composed of Adam Fletcher, Johan Schreuder, Grant Cameron, David McGillveray and Sandy Pennisi.

The relationship between the Fund and the AIFM is subject to the terms of the Alternative Investment Fund Management Services Agreement. Under the terms of the Alternative Investment Fund Management Services Agreement, the AIFM is responsible for the portfolio and risk management and administration of the Fund as well as the marketing of the Shares, subject to the overall supervision of the Board of Directors. This includes in particular the monitoring of the investment policy, investment strategies and performance, as well as risk management, liquidity management, management of conflicts of interest, supervision of delegates, financial control, internal audit, complaints handling, recordkeeping and reporting, valuation services and such other support as agreed from time to time between the Board of Directors and the AIFM in accordance with the terms of the 2013 Law, subject to the investment objectives, policies and restrictions set out in this Offering Document and the Articles of Incorporation. The AIFM has authority to act on behalf of the Fund within its function.

Pursuant to the Alternative Investment Fund Management Agreement, the AIFM is in charge of the portfolio and risk management of the Fund. The AIFM also provides certain liquidity management, compliance management services and has certain responsibilities under the 2013 Law for the proper valuation of the assets of each Sub-Fund and for the calculation of the Net Asset Value and the publication of the same. For this purpose, the AIFM has adopted valuation policies and procedures to ensure that the valuation of the Fund's assets is performed impartially and with all due skill, care and diligence. In accordance with applicable law, the AIFM will ensure that the valuation task is functionally independent from the portfolio management, and the remuneration policy and other measures ensure that conflicts of interest are mitigated.

The Board of Directors has the ultimate responsibility for the management of the Fund's assets on a day to day basis and in accordance with the Sub-Funds' respective investment objective, policies and restrictions.

The investment management of the Fund is performed under the control and the responsibility of the AIFM.

The AIFM, in the execution of its duties and the exercise of its powers, shall be responsible for the compliance of the Sub-Funds with their investment policies and restrictions.

In fulfilling its responsibilities set for by the 2013 Law and the Alternative Investment Fund Management Services Agreement, and for the purpose of a more efficient conduct of its business, the AIFM is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Fund and the CSSF. The delegation shall not prevent the AIFM from acting, or the Fund from being managed, in the best interests of the investors. The AIFM's liability shall not be affected by the fact that it has delegated its functions and duties to third parties. The AIFM has delegated the following functions to third parties: investment management, transfer agency, administration, listing (if applicable), marketing and distribution.

The AIFM performs the risk management function for the benefit of the Fund and has appointed Ninety One UK Limited to provide risk management support services.

The AIFM has delegated its permanent internal audit function to Ninety One UK Limited.

The AIFM may also act as alternative investment fund manager for other funds, in addition to the Fund. As at the date of this Offering Document, the AIFM acts as alternative investment fund manager for the Fund and two other alternative investment funds. The AIFM also acts as a UCITS management company to one UCITS. The AIFM may also manage portfolios of investments, including those owned by pension funds, in accordance with mandates given by investors on a discretionary, client-by-client basis.

The remuneration policy of the AIFM sets out the policies and practices that are consistent with and promote sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or articles of incorporation of the Fund. The remuneration policy is in line with the business strategy, objectives, values (including in respect of sustainability aspects) and interests of the AIFM and the Fund and its Shareholders, and includes measures to avoid conflicts of interest. It includes a description as to how remuneration and benefits are calculated and identifies those individuals responsible for awarding remuneration and benefits. With regard to the internal organisation of the AIFM, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the AIF funds managed by the AIFM in order to ensure that the assessment process is based on longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period. The remuneration policy includes fixed and variable components of salaries and discretionary pension benefits that are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component. The remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers in each case whose professional activities have a material impact on the risk profile of the AIFM. The details of the up-to-date remuneration policy, including but not limited to, a description of how



remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where such a committee exists, will be made available free of charge upon request from the registered office of the AIFM.

In conducting its activities, the AIFM shall act honestly and fairly, with due skill, care and diligence, in the best interests of the Fund, its investors, and the integrity of the market.

In the context of its activities, the AIFM must at all times:

- have and employ effectively the resources and procedures that are necessary for the proper performance of its business activities;
- take all reasonable steps to avoid conflicts of interest and, when they cannot be avoided, to identify, manage and monitor and, where applicable, disclose those conflicts of interest in order to prevent them from adversely affecting the interests of the Fund and its Shareholders and to ensure that the Fund is treated fairly;
- comply with all regulatory requirements applicable to the conduct of its business activities so as to promote the best interests of the Fund or its Shareholders and the integrity of the market;
- treat all Shareholders fairly.

The AIFM has adopted a conflicts of interest policy and shall ensure that any delegates appointed by it also have a conflicts of interest policy in place. If the AIFM is notified by any delegate of any conflict of interest which has arisen, the AIFM will in turn notify the Board of Directors thereof.

The AIFM has adopted a best execution policy in order to obtain the best result possible when passing orders of financial instruments and other assets for which best execution is relevant. Shareholders may obtain from the AIFM upon request the relevant information on that best execution policy.

The AIFM has adopted a voting rights strategy in respect of the Fund's assets. A summary description of the policy as well as the details of the actions taken under such policy are available to the Shareholders upon request to the AIFM.

The AIFM shall ensure that its decision-making procedures and its own organizational structure ensure the fair treatment of Shareholders. In addition, the AIFM shall ensure on an ongoing basis that all Shareholders shall be treated fairly and equitably, and no right shall be granted to any Shareholder that is inconsistent with this principle. Shareholders may however be treated differently in areas where this does not conflict with the above principle (e.g. with respect to requests for customized reporting and fee arrangements). Any preferential treatment accorded by the Board of Directors, or the AIFM with respect to the Fund, to a Shareholder will not result in an overall material disadvantage to other Shareholders.

In order to cover its professional liability risk resulting from the activities it may carry out, the AIFM holds sufficient additional own funds which are appropriate to cover potential liability risks arising from professional negligence.

The Alternative Investment Fund Management Services Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) months prior written notice. The Alternative Investment Fund Management Services Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations which is not cured within a specified period of time.

The Alternative Investment Fund Management Services Agreement contains provisions exempting the AIFM from liability and indemnifying the AIFM in certain circumstances. However, the liability of the AIFM towards the Fund will not be affected by any delegation of functions by the AIFM.

### **8.3 Investment Manager**

The investment management of the Fund is effected under the control and the responsibility of the AIFM.

In order to implement the policy of each Sub-Fund, the AIFM decided to delegate, under its permanent supervision and responsibility, the management of the assets of the Fund's Sub-Funds to Ninety One UK Limited. The Investment Manager is a firm which provides investment and advisory management services for a range of funds, institutional and private clients.

The registered office of the Investment Manager is 55 Gresham Street, London EC2V 7EL, United Kingdom. Ninety One UK Limited was incorporated in England and Wales on 10 July 1986.

In accordance with the Investment Management Agreement, the Investment Manager has discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the AIFM, to purchase and sell securities and otherwise to manage the relevant Sub-Fund's portfolios but shall at all times act in the interest of the Fund and its investors. Within this function, the Investment Manager has authority to act on behalf of the Fund.

The AIFM monitors the Investment Manager's activities, in particular compliance with the investment restrictions and the risk profile of each Sub-Fund. This monitoring is carried out by the business unit of the AIFM responsible for controlling the portfolio management. The AIFM has at all times a complete right of inspection and control over the Investment Manager's activities regarding the Fund and may provide instructions to the Investment Manager regarding investment decisions.

The Investment Management Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than three (3) months' notice of termination expiring on the last Business Day of any month. The Investment Management Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations which is not cured within a specified period of time. The Investment Management Agreement may be terminated by the AIFM at any time on notice if this is deemed by the AIFM to be in the interest of the Fund and/or its investors.

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

## **8.4 The Sub-Investment Managers**

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

As at the date of this Offering Document, the Investment Manager has appointed Ninety One Hong Kong Limited, Ninety One North America, Inc., Ninety One SA Proprietary Limited and Ninety One Singapore Pte. Limited to act as the sub-investment manager for the Sub-Funds (of all or a portion of their assets, as applicable) indicated in Appendix 1 under the terms of a sub-investment management agreement with each. It is possible that this list of sub-investment managers may change over time. Shareholders may check with the AIFM that the list of sub-investment managers appointed to manage assets of a Sub-Fund as set out herein remains current. The Offering Document will be updated at the next available opportunity in the event of any change of sub-investment manager.

## **8.5 Depositary**

### **8.5.1 General**

The Fund has appointed State Street Bank International GmbH, acting through its Luxembourg Branch as its depositary within the meaning of the 2007 Law and the 2013 Law pursuant to the depositary agreement. State Street Bank International GmbH is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorized by the CSSF in Luxembourg to act as depositary and is specialized in depositary, fund administration and related services. State Street Bank International GmbH, Luxembourg Branch is registered in the Luxembourg Commercial and Companies' Register (RCS) under number B 148 186. State Street Bank International GmbH is a member of the State Street group of companies having as their ultimate parent State Street Corporation, a US publicly listed company.

### **8.5.2 The Depositary's functions**

The relationship between the Fund and the Depositary is subject to the terms of the depositary agreement. Under the terms of the depositary agreement, the Depositary is entrusted with the safe-keeping of the Fund's assets. All financial instruments that can be held in custody are registered in the Depositary's books within segregated accounts, opened in the name of the Fund, in respect of each relevant Sub-Fund. For assets other than financial instruments held in custody and cash, the Depositary must verify the ownership of such assets by the Fund in respect of each Sub-Fund and maintains a record of these assets. Furthermore, the Depositary shall ensure that the Fund's cash flows are properly monitored.

The Depositary has also been entrusted with the following main functions under the depositary agreement:

- a) ensuring that the sale, issue, redemption, repurchase and cancellation of Shares effected by or on behalf of the Fund are carried out in accordance with the law and the Articles of Incorporation;
- b) ensuring that the Net Asset Value and Net Asset Value per Share is calculated in accordance with applicable laws and the Articles of Incorporation;
- c) carrying out the instructions of the AIFM unless they conflict with applicable law and the Articles of Incorporation;
- d) ensuring that in transactions involving the assets of the Fund, the consideration is remitted to it within the usual time limits;
- e) ensuring that the income of the Fund is applied in accordance with its Articles of Incorporation and applicable law;
- f) ensuring that the Fund's cash flows are properly monitored.

The Depositary shall assume its duties and responsibilities in accordance with the provisions of the 2007 Law and the 2013 Law.

### **8.5.3 Depositary's liability**

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

The Depositary shall be liable to the Fund and the investors for the loss of a financial instrument held in custody by the Depositary or by a third party to whom the Depositary has delegated custody of such financial instrument. The Depositary's liability is governed by Luxembourg law.

In the event of a loss of a financial instrument held in custody, the Depositary shall return financial instruments of identical type or the corresponding amount to the Fund without undue delay.

The Depositary shall not be liable if it can prove that the loss of a financial instrument held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary will be liable to the Fund and the Shareholders for all other losses suffered by them arising as a result of its own fraud, negligence or intentional failure to properly fulfil its obligations pursuant to the 2013 Law or the Depositary Agreement. The Depositary's liability shall not be affected by any delegation referred to in article 21(11) of the AIFMD.

The Depositary shall not be liable for consequential or indirect or special damages or losses, arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations.

### **8.5.4 Delegation**

The Depositary has full power to delegate the whole or any part of its safe-keeping functions subject to the conditions laid out in the AIFMD, the AIFMD Level 2 Regulation and the 2013 Law, and in particular that such third parties are subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and there are no local entities that satisfy these delegation requirements, or where the AIFM insists on maintaining an investment in a particular jurisdiction despite warnings by the Depositary as to the increased risk this presents, the Fund shall be expressly authorised to discharge in writing the Depositary from its liability with respect to the custody of such financial instruments, and provided that the conditions of article 19 (14) of the 2013 Law are met.

The Depositary's liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement within the context of article 21(11) of the AIFMD.

Notwithstanding the paragraph above, in case of a loss of financial instruments held in custody by a third party pursuant to paragraph 21(11) of the AIFMD, the Depositary may discharge itself of liability if it can prove that:

- a. all requirements for the delegation of its custody tasks set out in the second subparagraph of article 21(11) of the AIFMD are met;
- b. a written contract between the Depositary and the third party expressly transfers the liability of the Depositary to that third party and makes it possible for the Fund or the AIFM acting on behalf of the Fund to make a claim against the third party in respect of the loss of financial instruments or for the Depositary to make such a claim on their behalf; and

- c. the Depositary Agreement between the Fund, the AIFM and the Depositary expressly allows a discharge of the Depositary's liability and establishes the objective reason to contract such a discharge. Such objective reason shall be (i) limited to precise and concrete circumstances characterising a given activity and (ii) consistent with the Depositary's policies and decisions.

The objective reason to delegate shall be established each time the Depositary intends to discharge itself of liability.

The Depositary has delegated those safekeeping duties set out in Articles 21(8)(a) of AIFMD to State Street Bank and Trust Company, an indirect parent company of the Depositary, with its registered office at One Lincoln Street, Boston, Massachusetts 02111, USA, as its global custodian to safe keep the assets of the Fund. State Street Bank and Trust Company as global custodian has appointed local sub-custodians within the State Street global custody network. The Depositary may change the global custodian or appoint other global custodians, subject to the requirements of the AIFMD.

Further information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the following website <http://www.statestreet.com/about/office-locations/luxembourg/subcustodians.html>.

The AIFM shall inform the Shareholders of any changes with respect to the Depositary's liability without delay, by writing to Shareholders.

#### **8.5.5 Termination**

The Fund and the Depositary may terminate the Depositary Agreement on ninety (90) days' prior written notice provided that no such notice shall take effect until the appointment of a successor to the Depositary. The Depositary Agreement may also be terminated on shorter notice in certain circumstances. The Depositary shall take all necessary steps to ensure the good preservation of the interests of the Shareholders of the Fund and allow the transfer of all assets of the Fund to the succeeding depositary.

#### **8.5.6 Indemnity**

To the extent permitted under applicable law, the Fund undertakes to hold harmless and indemnify the Depositary against all liabilities directly suffered or incurred by the Depositary by reason of the proper performance of the Depositary's duties under the terms of the Depositary Agreement save where any such liabilities arise as a result of the Depositary's breach of the Depositary Agreement or the negligence, fraud, bad faith, wilful default or recklessness of the Depositary or its agent and/or delegate or the loss of financial instruments held in custody or in the event such indemnification would be contrary to the mandatory provisions in the AIFM Laws and Regulations or in relation to an agent or delegate that is an affiliate, to the extent the Depositary is liable to the Fund in relation to such agent or delegate under the Depositary Agreement.

#### **8.5.7 Conflicts of interest**

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

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

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

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

- (v) may be granted creditors' rights by the Fund which it may exercise.

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

Where cash belonging to any of the Sub-Funds is deposited with an affiliate being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee. The Fund, the AIFM and the Investment Manager may also be a client or counterparty of the Depositary or its affiliates.

Potential conflicts that may arise in the Depositary's use of sub-custodians include four broad categories:

- (1) conflicts from the sub-custodian selection and asset allocation among multiple sub-custodians influenced by (a) cost factors, including lowest fees charged, fee rebates or similar incentives and (b) broad two-way commercial relationships in which the Depositary may act based on the economic value of the broader relationship, in addition to objective evaluation criteria;
- (2) sub-custodians, both affiliated and non-affiliated, act for other clients and in their own proprietary interest, which might conflict with clients' interests;
- (3) sub-custodians, both affiliated and non-affiliated, have only indirect relationships with clients and look to the Depositary as its counterparty, which might create incentive for the Depositary to act in its self-interest, or other clients' interests to the detriment of clients; and
- (4) sub-custodians may have market-based creditors' rights against client assets that they have an interest in enforcing if not paid for securities transactions.

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

The Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks. The system of internal controls, the different reporting lines, the allocation of tasks and the management reporting allow potential conflicts of interest and the depositary issues to be properly identified, managed and monitored. Additionally, in the context of the Depositary's use of sub-custodians, the Depositary imposes contractual restrictions to address some of the potential conflicts and maintains due diligence and oversight of sub-custodians to ensure a high level of client service by those agents. The Depositary further provides frequent reporting on clients' activity and holdings, with the underlying functions subject to internal and external control audits. Finally, the Depositary internally separates the performance of its custodial tasks from its proprietary activity and follows a Standard of Conduct that requires employees to act ethically, fairly and transparently with clients.

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

## **8.6 Administrator and Domiciliary Agent**

The AIFM has appointed State Street Bank International GmbH, acting through its Luxembourg Branch as the Fund's administrative agent and the Fund has appointed the same entity as its domiciliary agent (the "Administrator") pursuant to an administration agency and domiciliary agency agreement. The Administrator, acting through its Luxembourg Branch, is authorised by the CSSF in Luxembourg to act as administration agent of alternative investment funds.

The relationship between the AIFM and the Administrator and the Fund and the Administrator respectively is subject to the terms of the administration agency and domiciliary agency agreement. Under the terms of the administration agency and domiciliary agency agreement, the Administrator is responsible for and will perform the general administrative duties related to the administration of the Fund required by Luxembourg law as well as calculating the Net Asset Value and the Net Asset Value per Share and maintaining the accounting records of the Fund.

The Administrator is not responsible for any investment decisions of the Fund or the effect of such investment decisions on the performance of the Fund. For the avoidance of doubt, the Administrator has not been appointed by the AIFM as the "external valuer" (within the meaning of the AIFMD) for the assets of the Fund.

The administration agency and domiciliary agency agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) days' prior written notice. The administration agency and domiciliary agency agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a breach of a material clause of the administration agency and domiciliary agency agreement. The administration agency and domiciliary agency agreement may be terminated by the AIFM with immediate effect if this

is deemed by the AIFM to be in the interest of the shareholders of the Fund. The administration agency and domiciliary agency agreement contains provisions indemnifying the Administrator in certain circumstances. The administration agency and domiciliary agency agreement permits the Administrator to delegate any of its duties subject to the written prior consent of the Fund (in respect of the domiciliary agency services) and the AIFM (in respect of the administrative agency services), and where necessary with the clearance of the CSSF, however the liability of the Administrator towards the AIFM or the Fund for any acts or omissions of its delegate will not be affected by any such delegation.

## **8.7 Registrar and Transfer Agent**

The AIFM has appointed RBC Investor Services Bank S.A. as the Fund's Registrar and Transfer Agent. RBC Investor Services Bank S.A. was incorporated in 1994 under the name "First European Transfer Agent". It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial services sector and specialises in custody, fund administration and related services.

RBC Investor Services Bank S.A. is fully owned by Royal Bank Holding Inc., a 100% subsidiary of Royal Bank of Canada, Toronto, Canada.

The Registrar and Transfer Agent maintains the official Share register which records the owners of the Shares, and shall notably process the issue and redemption of Shares.

The Registrar and Transfer Agent is authorised to delegate the performance of duties as set out in the Registrar and Transfer Agency Agreement to related entities or other third parties ("Subcontractors"). The use of any Subcontractor shall not release the Registrar and Transfer Agent from its responsibilities and/or obligations under the Registrar and Transfer Agency Agreement. The Registrar and Transfer Agent shall remain liable for all acts and omissions of any of its Subcontractors in accordance with the terms of the Registrar and Transfer Agency Agreement.

The Registrar and Transfer Agency Agreement may be terminated by the AIFM or the Registrar and Transfer Agent on giving ninety (90) calendar days' prior written notice or on shorter notice in certain circumstances. The Registrar and Transfer Agency Agreement may be terminated by the AIFM with immediate effect if this is deemed by the AIFM to be in the interest of the investors.

## **8.8 Listing Agent**

The Listing Agent in relation to any future listing of the Shares on the Luxembourg Stock Exchange will be State Street Bank International GmbH, Luxembourg Branch. For further information see section 8.6 above.

## **8.9 Global Distributor**

The AIFM has appointed Ninety One Guernsey Limited as the Fund's Global Distributor. Ninety One Guernsey Limited was incorporated with limited liability in Guernsey on 7 February 1980. Its registered office is 1F, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey, GY1 2HT.

Under the terms of the Global Distribution Agreement, the Global Distributor was appointed as global distributor of the Fund and to effect several functions of assistance, including:

- appointing sub-distributors and making related payments;
- undertaking registrations with the relevant authorities of the countries where the Fund is distributed;
- appointing paying agents and country representatives;
- providing marketing services;
- passing on complaints received from the sub-distributors, if any, to the AIFM.

## **8.10 Auditor**

The Fund has appointed PricewaterhouseCoopers, *Société coopérative*, as its independent auditor (*réviseur d'entreprises agréé*) within the meaning of the 2007 Law. The Auditor is elected by the general meeting of Shareholders. The Auditor will inspect the accounting information contained in the annual report and fulfil other duties prescribed by the 2007 Law.

## **8.11 Conflicts of interest**

The Board of Directors, the AIFM, the Investment Manager, the Sub-Investment Managers, the Global Distributor and other companies within the Ninety One Group may, from time to time, act as director, alternative investment fund manager, management company, investment manager or adviser or distributor to other funds or sub-funds or other client mandates which are competitors to the Fund because they follow similar investment objectives to those of the Sub-Funds. It is therefore possible that any of them may in the course of their business have potential conflicts of interest with the Fund or a particular Sub-Fund or that a conflict exists between other funds managed by the AIFM. Each will, at all times, have regard in such event to its obligations to the Fund and, in particular, to its obligations to act in the best interests of the Shareholders when undertaking any activities where conflicts of interest may arise and will endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager and Sub-

Investment Managers will act in a manner which they in good faith consider fair and equitable in allocating investment opportunities to the Fund.

The AIFM, the Investment Manager, the Sub-Investment Managers, the Global Distributor, the Administrator and the Depositary and their respective affiliates, may each from time to time deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. Dealings will be deemed to have been effected on normal commercial terms negotiated at arm's length if (i) a certified valuation of any such transaction by a person approved by the Depositary (or the Board of Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) as independent and competent is obtained; or (ii) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or (iii) where (i) and (ii) are not practical, the transaction is executed on terms which the Depositary (or the Board of Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary), is satisfied are normal commercial terms negotiated at arm's length and in the best interests of Shareholders at the date of the transaction.

As further described in the Articles of Incorporation, any director of the Fund who has, directly or indirectly, an interest in a transaction submitted to the approval of the Board of Directors which conflicts with the Fund's interest, must inform the Board of Directors. The director may not take part in the discussions on and may not vote on the transaction.

The AIFM has adopted and implemented a conflicts of interest policy which is designed to identify, prevent, manage, monitor and disclose conflicts of interest in order to prevent them from adversely affecting the interests of the Fund and its Shareholders. The AIFM shall endeavour to ensure that any conflicts of interest are resolved fairly and in the best interests of Shareholders in accordance with the AIFM's conflicts of interest policy. The AIFM acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Fund or its Shareholders will be prevented. Should any such situations arise the AIFM will disclose these to Shareholders in an appropriate format and will specify in such disclosure the general nature or causes of such conflicts of interest. Periodically (at least once a year), the AIFM shall analyse the occurrences of conflicts of interest that have arisen, as well as potential conflicts of interests, and review the systems and controls that are in place for preventing and mitigating the conflicts of interests in order to ensure that they continue to be effective and relevant for dealing with conflict of interest situations.

## 9 Management and Fund Charges

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### 9.1 AIFM Fee

The AIFM is entitled to receive out of the assets of each Sub-Fund a fee of up to 0.05% per annum of the Net Asset Value of the relevant Sub-Fund (the "AIFM Fee"). The AIFM Fee will be accrued on each Valuation Day at the Valuation Time and is payable monthly in arrears. The AIFM Fee is calculated by reference to the net assets of the relevant Sub-Fund on each Valuation Day during each month.

### 9.2 Management Fees

The AIFM is entitled to receive a management fee out of the assets of each Sub-Fund (the "Management Fee") calculated as a percentage of the Net Asset Value of each Sub-Fund or Class under its management. The fees payable to the Investment Manager or Sub-Investment Managers are, unless disclosed otherwise, paid out of the Management Fee received by the AIFM.

The Management Fee is accrued on each Valuation Day at the Valuation Time and is payable monthly in arrears at the rate specified in Appendix 1 for each Sub-Fund.

No Management Fee is payable by the Class S Shares of the Sub-Funds.

The current level of Management Fees for all the Sub-Funds is set out in the relevant sections of Appendix 1. Occasionally, the AIFM and the Investment Manager may agree to apply a Management Fee that is lower than the level set out in the relevant sections of Appendix 1.

### 9.3 Administration Servicing Fee

The Fund incurs an administration servicing fee (the "Administration Servicing Fee") of up to 0.05% per annum of the Net Asset Value of the relevant Share Class, accrued on each Valuation Day at the Valuation Time and payable monthly in arrears. The Administration Servicing Fee is paid to the AIFM and used to pay the Administrator and Domiciliary Agent, Registrar and Transfer Agent, and any agents of the AIFM (other than the Investment Manager and Global Distributor) for the services provided in relation to their different functions and the assistance of different secretarial tasks. After the AIFM pays the Administration Servicing Fee to any of the foregoing agents of the AIFM, any remaining balance of the Administration Servicing Fee is retained by the AIFM.

### 9.4 Distribution Fee

A distribution fee calculated as percentage of the Net Asset Value of each Sub-Fund or Class, accrued on each Valuation Day at the Valuation Time and payable monthly in arrears, is payable to the AIFM. From the distribution fee, the AIFM pays the Global Distributor. The AIFM and Global Distributor may at their discretion agree to remit or rebate part of or all of the distribution fee to various sub-distributors, intermediaries, dealers, financiers, banking institutions or investors. The current level of distribution fee is set out within the relevant Sub-Fund's section of Appendix 1.

### 9.5 Depositary Fee

The Depositary is entitled to receive out of the assets of each Sub-Fund a fee of up to 0.05% per annum of the Net Asset Value of the relevant Sub-Fund. This fee will be accrued on each Valuation Day at the Valuation Time and is payable monthly in arrears. In addition, the Depositary is entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements and for charges of any sub-custodian or agent (as applicable). The fees of the Depositary are calculated by reference to the net assets of the relevant Sub-Fund on each Valuation Day during each month.

### 9.6 Initial Charge

An Initial Charge as disclosed in Appendix 1 may be applied to an investor's subscription amount, or it may be waived in whole or in part at the discretion of the Board of Directors. The current level of the Initial Charge for all Sub-Funds and relevant Share Classes is set out in the relevant sections of Appendix 1. The Initial Charge is calculated as a percentage of the amount subscribed by an investor. The Initial Charge shall be paid to the AIFM or any of its agents, who will remit all of the Initial Charge to sub-distributors, intermediaries, dealers and investors. No part of the Initial Charge is retained by the AIFM, or any other company within the Ninety One Group, for its own account.

### 9.7 Redemption Charge

There are no redemption charges applicable to the Share Classes.

### 9.8 Operating and Administrative Expenses

The Fund bears all its ordinary operating expenses ("Operating and Administrative Expenses") including but not limited to formation expenses such as organisation, re-organisation, restructuring and registration costs of the Fund and its



Sub-Funds and those of any underlying vehicle specifically formed for a Sub-Fund to make investments in pursuit to its investment objective and policy; the Luxembourg asset-based *taxe d'abonnement*, up to the maximum rate referred to under "Taxation" below ("*taxe d'abonnement*"); fees and reasonable out-of-pocket expenses incurred by the Board of Directors; any costs incurred in taking out and maintaining any insurance policy in relation to the Fund and/or its Directors; legal and auditing fees and expenses; costs and expenses (including negative rates of interest which have the same effect as a charge) incurred by the Fund in relation to its bank accounts receiving and paying monies to or from Shareholders, the Depositary, sub-distributors, dealers, intermediaries and its banker; costs associated with fair value pricing; loan administration; initial and ongoing listing fees; initial and ongoing costs associated with registrations or similar filing requirements in countries other than Luxembourg including inter alia registration fees filing fees charged by competent authorities, payment to local facilities agents and tax representatives; fees and costs associated with brokers, consultants and other professional service providers (including service providers who provide tax calculations or other services in relation to tax, and finders, sourcing partners and professional advisors and organisations utilised in sourcing and originating private debt investments), translation expenses; and the costs and expenses of preparing, printing, and distributing (including distribution in a secure virtual data room) the Fund's Offering Document and financial reports; and other documents made available to its Shareholders. Operating and Administrative Expenses do not include Transaction Fees and Extraordinary Expenses (as defined below).

Directors who are not directors, officers or employees of the Ninety One Group will be entitled to receive remuneration from the Fund as disclosed in the annual financial statements of the Fund.

Expenses relating to the creation and launch of new Sub-Funds may be capitalised and amortised over a period not exceeding five years.

## **9.9 Hedging, Transaction Fees and Origination Expenses**

Each Sub-Fund bears the costs and expenses of buying and selling portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction-related expenses, including, but without limitation, collateral management ("Transaction Fees").

A Sub-Fund bears the costs and expenses associated with expenses with the origination, acquisition, holding, syndication, servicing and disposal of any private debt and loan investments (which, for the avoidance of doubt, includes prospective investments), including due diligence costs (including consultants costs) and any aborted transaction costs and break fees.

However, all fees and costs (as well as any gains or losses) associated with hedging carried out for the specific purpose of a hedged Share Class shall be borne by the Share Class in question.

Transaction Fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable.

## **9.10 Monetary and Non-Monetary Benefits**

The Ninety One Third Party Benefits Statement is available at [www.ninetyone.com](http://www.ninetyone.com). Further information regarding the arrangements relating to any fees, commissions or non-monetary benefits paid or provided in relation to the investment management and administration activities of the Fund, if any, will be provided to Shareholders upon request to the AIFM.

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Sub-Funds, the Investment Manager will not accept and retain any fees, commissions or monetary benefits, or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party. The Investment Manager will return to each relevant Sub-Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that Sub-Fund. However, the Investment Manager may accept without disclosure minor non-monetary benefits that are capable of enhancing the quality of service provided to the Fund and its Sub-Funds and of a scale and nature such that they could not be judged to impair their duty to act honestly, fairly and professionally in the best interests of the Fund.

Any third party research and research related services provided to the Investment Manager will be paid for by the Investment Manager from its own resources and will not be charged to the Sub-Funds.

The Investment Manager will ensure the receipt of any fee, commission, monetary or non-monetary benefits by a Sub-Investment Manager from any third party or person acting on behalf of a third party in relation to the execution of orders for a Sub-Fund shall not prevent the Investment Manager from complying with its obligations under applicable law and regulation.

## **9.11 Rebate Arrangements**

Subject to applicable law and regulations, the AIFM or the Global Distributor, may at its discretion, on a negotiated basis, enter into private arrangements with various sub-distributors, intermediaries, dealers and professional investors pursuant

to which the AIFM or the Global Distributor may make payments to or for the benefit of such persons which represent a rebate of all or part of the fees paid by the Fund to the AIFM as described in this section 9.

In addition, subject to applicable law and regulations, the AIFM or the Global Distributor may at its discretion, on a negotiated basis, enter into private arrangements with various sub-distributors, intermediaries, dealers and professional investors pursuant to which the AIFM or the Global Distributor is entitled to make payments to such persons of part or all of such fees.

Consequently, the effective net fees payable by a Shareholder who is a beneficiary under the arrangements described above may be lower than the fees payable by a Shareholder who does not benefit from such arrangements. Such arrangements reflect terms privately agreed between parties other than the Fund, and for the avoidance of doubt, the Fund cannot, and is under no duty to, enforce equality of treatment between Shareholders by other entities, including those service providers of the Fund that it has appointed.

#### **9.12 Extraordinary Expenses**

The Fund bears any extraordinary expenses including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge imposed on the Fund or its assets that would not be considered as ordinary expenses ("Extraordinary Expenses").

Extraordinary Expenses are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Funds to which they are attributable.

## 10 Investment Restrictions and Techniques and Instruments

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### 10.1 Investment strategy

In light of the objective of the Fund, which is the collective investment of capital in assets in order to spread investment risks and to ensure the benefit of the results of the management of these assets for the Fund's investors, the Board of Directors has determined the investment objective and investment policy of each of the Sub-Funds as described in Appendix 1 to this Offering Document. The Board of Directors may impose further investment restrictions or guidelines in respect of any Sub-Fund from time to time. There can be no assurance that the investment objective of any Sub-Fund will be attained.

Pursuit of the investment objective and investment policy of any Sub-Fund must be in compliance with the limits and restrictions set out in section 10.2 (Investment Restrictions) below and the section "Investment Policy" in Appendix 1. In case of discrepancies, the rules and limits of Appendix 1 shall prevail.

### 10.2 Investment Restrictions

In compliance with the provisions of the 2007 Law and CSSF Circular 07/309, as may be amended and/or supplemented from time to time, the investment strategy of each Sub-Fund will be based on the following principles of risk diversification:

- (a) In order to achieve a minimum spread of the investment risks, each Sub-Fund will not invest more than 30% of its net assets (or subscription commitments, if any) in the securities of the same type issued by the same issuer.  
This restriction does not however apply to (i) investments in securities issued or guaranteed by an OECD Member State or its regional or local authorities or by EU, regional or global supranational institutions and bodies, or (ii) investments in target UCIs that are subject to risk-spreading requirements at least comparable to those applicable to specialised investment funds.  
For the purpose of the application of this restriction, every sub-fund of a target umbrella UCI is to be considered as a separate issuer provided that the principle of segregation of liabilities among the various sub-funds vis-à-vis third parties is ensured.
- (b) Short sales may not, in principle, result in any Sub-Fund holding a short position in securities of the same type issued by the same issuer representing more than 30% of its net assets.
- (c) When using financial derivative instruments, a Sub-Fund must ensure, via appropriate diversification of the underlying assets, a similar level of risk-spreading. Similarly, the counterparty risk in an over-the-counter (OTC) transaction must, where applicable, be limited having regard to the quality and qualification of the counterparty.

The restrictions set out above may only be applicable after a ramp-up period of twelve (12) months following the launch date of a Sub-Fund, where set out accordingly in Appendix 1.

- (d) Each Sub-Fund may invest in shares of another Sub-Fund of the Fund (the "Target Sub-Fund") provided that:
  - i) the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and
  - ii) the voting rights, attached to the relevant shares, will be suspended for as long as they are held by the Sub-Fund concerned and without prejudice to an appropriate treatment in accounting and the periodical reports; and
  - iii) in any event, for as long as these shares are held by the relevant Sub-Fund, their value shall not be taken into consideration for the calculation of the net assets of the Sub-Fund for the purposes of verifying the minimum threshold of the net assets as set in the 2007 Law.

Additional restrictions, if any, applicable to a particular Sub-Fund, are set out in Appendix 1.

The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Fund are offered or sold.

### 10.3 Borrowing policy

Each Sub-Fund may borrow within the limits further described in Appendix 1. Unless otherwise stated in Appendix 1, borrowings may be utilised for investment purposes as well as bridge financing and to fund expense disbursements when liquid funds are not readily available. A Sub-Fund may also borrow on a temporary basis for settlement timing differences and to manage liquidity in order to be able to meet redemptions requested by Shareholders. Such borrowing may be on a secured basis, in which case the assets of a Sub-Fund may be charged as security for any such borrowings, or on an unsecured basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

## 10.4 Financial Derivative Instruments

Each Sub-Fund may invest in financial derivative instruments for hedging, efficient portfolio management and/or investment purposes, as further described for each Sub-Fund in Appendix 1.

The financial derivative instruments can include, in particular, options, forwards, and futures contracts on financial instruments and options thereon as well as over-the-counter ("OTC") swap transactions on all types of financial instruments. The financial derivative instruments have to be dealt on an organised market or in the case of OTC transactions, with first rate professionals which specialise in these types of transactions.

The Sub-Funds will only enter into OTC derivatives transactions with counterparties who are reputable financial institutions that specialise in these types of transactions and are subject to prudential supervision and belonging to categories approved by the CSSF. Counterparties will typically have a public credit rating which is investment grade (defined as S&P's Long Term Foreign Issuer of BBB- or above, Moody's Long Term Rating of Baa3 or above and Fitch Long Term Issuer Default Rating of BBB- or above). While there are no predetermined legal status or geographic criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties will have no discretion over the composition or management of the relevant Sub-Fund's portfolio or over the underlying of the financial derivative instruments. The identity of the counterparties will be disclosed in the annual report.

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

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under financial derivatives, the Sub-Fund may receive cash or other assets as collateral.

Any returns or losses generated by total return swaps and other financial derivative transactions with similar characteristics will be for the account of the relevant Sub-Fund, subject to the terms agreed with the relevant counterparty or broker which may require the Sub-Fund to make payments to the counterparty or broker at a set rate that may be fixed or variable. The counterparties or brokers with whom the Sub-Funds may trade total return swaps and other financial derivatives transactions with similar characteristics may be affiliated with the Depositary, AIFM and/or the Investment Manager to the extent permitted under applicable laws and regulations. Neither the AIFM nor the Investment Manager will take any fees or costs out of the revenues generated by total return swaps or other financial derivative transactions with similar characteristics additional to the fees, charges, costs and expenses described in section 9 "Management and Fund Charges". Information on direct and indirect operational costs incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs are paid and any affiliation they may have with the Depositary, the AIFM or the Investment Manager, if applicable, will be made available in the annual report.

Subject to a Sub-Fund's Investment Policy and subject to this section 10 "Investment Restrictions and Techniques and Instruments", total return swaps or other financial derivative instruments with similar characteristics (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, Regulation (EU) 2015/2365) may be used by a Sub-Fund to gain exposure on a total return basis to any asset that the Sub-Fund is otherwise permitted to gain exposure to, including transferable securities, approved money-market instruments, loans, collective investment scheme units, derivatives, financial indices, foreign exchange rates and currencies in order to achieve its investment objective. A general description for the use of total return swaps may be found under a Sub-Fund's section in Appendix 1 "The Specifics of the Sub-Funds of the Fund".

A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation, which may for example be a share, bond or index, to the other party (total return receiver). The total return receiver must in turn pay the total return payer any reduction in the value of the reference obligation and possibly certain other cash flows. Total economic performance includes income from interest and fees, gains or losses from market movement, and credit losses. A Sub-Fund may use a total return swap to gain exposure to an asset (or other reference obligation), which it does not wish to buy and hold itself, or otherwise to make a profit or avoid a loss. Total return swaps entered into by a Sub-Fund may be in the form of funded and/or unfunded swaps. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference obligation.

Where a Sub-Fund uses total return swaps, the maximum and the expected proportion of assets that could be subject to these instruments will be expressed as a percentage of the sum of the gross notional exposures of the total return swaps entered into by the Sub-Fund divided by its net asset value and set out in the relevant section of Appendix 1 "The Specifics of the Sub-Funds of the Fund".

For the Sub-Funds which are permitted by their investment policy to use total return swaps but do not actually use them, the expected proportion of assets under management that could be subject to the instruments is 0%. In the event a Sub-Fund which at the date of this Offering Document does not use total return swaps, but does in the future engage in their use, the relevant sections of Appendix 1 "The Specifics of the Sub-Funds of the Fund" will be updated accordingly and in particular the maximum and expected proportion of assets under management subject to these transactions will be disclosed at the next available opportunity.

The Depositary will verify the ownership of the OTC derivatives of the Sub-Funds and the Depositary will maintain an updated record of such OTC derivatives in accordance with the terms of the Depositary Agreement.

## **10.5 Investment Techniques and Instruments**

### **A. General**

Any Sub-Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments for the purpose of efficient portfolio management as set forth in detail in section 4 of the Offering Document and in Appendix 1.

When these techniques concern the use of financial derivative instruments, the relevant instruments shall conform to the provisions stipulated in section 10.4. In addition, the provisions stipulated in section 10.6 have to be complied with.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment policy and objectives as laid down in section 4 of the Offering Document and in Appendix 1.

Furthermore, the AIFM (for the benefit of the Fund) may, for efficient portfolio management purposes, enter into securities lending, repurchase and reverse repurchase transactions, in accordance with the CSSF circulars in force from time to time, and provided that the following rules are complied with:

- Collateral received for the benefit of the Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:
  - ✓ any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
  - ✓ it should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
  - ✓ it should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
  - ✓ it should be sufficiently diversified in terms of country, markets and issuers;
  - ✓ it should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- Under no circumstances shall the securities lending, repurchase and reverse repurchase transactions cause a Sub-Fund to diverge from its investment objective(s) nor shall they entail the assumption of any substantial supplementary risk.

The Sub-Funds will only enter into securities lending transactions and repurchase and reverse repurchase transactions with counterparties who are reputable financial institutions that specialise in these types of transactions and are subject to prudential supervision. Currently the Sub-Funds do not engage in securities lending transactions and repurchase and reverse repurchase transactions. In the event the Sub-Funds wish to engage in these transactions in the future, the Offering Document will be amended accordingly before they do so and in particular the legal status, country of origin and minimum credit rating criteria, if any, used to select the counterparties will be disclosed.

### **B. Securities Lending<sup>1</sup>**

A securities lending transaction is a contract whereby the lender transfers the ownership of an asset to a third party (the borrower), who pays a fee to the lender for the use of the loaned asset and agrees to return the securities at the end of the transaction. Even though the parties are called lender and borrower, actual ownership of the assets is transferred. A Sub-Fund may act as lender or borrower under a securities lending transaction. The types of assets that can be subject to a securities lending transaction are securities (both bonds and shares).

Any Sub-Fund may enter into securities lending transactions provided that they comply with the following rules:

- (i) A Sub-Fund may only lend securities to a counterparty either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution

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<sup>1</sup> The Sub-Funds do not currently engage in securities lending transactions and this Offering Document will be amended before they may do so.

subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialising in this type of transaction.

- (ii) The counterparty to any securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.
- (iii) As part of any securities lending transaction, a Sub-Fund must in principle receive, previously or simultaneously to the transfer of the securities lent, collateral which is issued or guaranteed by an entity that is independent from the counterparty. The value of the collateral received under the securities lending transaction must, at the conclusion of and continuously during the contract, be equal to at least 100% of the total value of the securities lent.

This collateral (other than cash) must be given in the form of highly liquid assets which are of high quality and traded on a regulated market or multilateral trading facility with transparent pricing. For the Fund, this non-cash collateral will normally consist of (i) bonds issued or guaranteed by a Member State, a member state of the OECD or by their local public authorities or by supranational institutions and undertakings of a community, regional or worldwide nature; and/or (ii) bonds issued or guaranteed by high quality issuers offering an adequate liquidity; and/or (iii) shares listed or dealt on a Regulated Market of a Member State of the European Union or on a stock exchange of a member state of the OECD provided that they are included in a main index.

The collateral received must be valued on a daily basis. Assets that exhibit high price volatility shall not be accepted unless suitably conservative haircuts are put in place.

The collateral received shall be sufficiently diversified in terms of country, market and issuers and shall not entail on an aggregate basis an exposure to a given issuer of more than 30% of the Sub-Fund's Net Asset Value.

The collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.

- (iv) A Sub-Fund may only enter into securities lending transactions provided that:
  - the volume of those transactions is kept at an appropriate level;
  - such transactions do not exceed 50% of the Net Asset Value of that Sub-Fund;
  - such transactions are in the best interests of Shareholders;
  - it is entitled at all times to request the return of the securities lent, or to terminate any securities lending transaction; and
  - such transactions do not jeopardise the management of the relevant Sub-Fund's assets in accordance with its investment policy.

As at the date of this Offering Document, the Sub-Funds do not enter in to any securities lending transactions, therefore the expected proportion of a Sub-Fund's assets under management that could be subject to securities lending transactions is 0%. If, however, a Sub-Fund was to enter into securities lending transactions, as permitted by its investment policy, these transactions may not exceed the maximum permitted percentage of its assets under management as set out in (iv) above.

Securities held by the Sub-Fund that are lent will be held in custody by the Depositary (or a sub-custodian on behalf of the Depositary) in a registered account opened in the Depositary's books for safekeeping in accordance with the terms of the Depositary Agreement.

Any returns or losses generated by securities lending transactions will be for the account of the relevant Sub-Fund, subject to the terms agreed with the relevant lending agent, counterparty or broker which may provide for deductions for taxes and any fees, costs and expenses of the counterparty or broker, any custodian or third parties securities lending agent, which parties may be affiliated with the Depositary, AIFM and/or the Investment Manager to the extent permitted under applicable laws and regulations. The amount of these fees, costs and expenses may be fixed or variable. Neither the AIFM nor the Investment Manager will take any fees or costs out of the revenues generated by securities lending transactions additional to the fees, charges, costs and expenses described in section 9 "Management and Fund Charges". Information on direct and indirect operational costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary, the AIFM or the Investment Manager, if applicable, will be made available in the annual report.

### C. Repurchase and Reverse Repurchase Transactions<sup>2</sup>

Unless prohibited by the investment policy of a specific Sub-Fund as described in Appendix 1, a Sub-Fund may, within the limit set out in the relevant CSSF circulars, enter into repurchase transactions consisting of the purchase or sale of securities with a clause reserving for the counterparty or the Sub-Fund the right to repurchase the securities from the other party at a price and term specified under the transaction contract.

A Sub-Fund may further enter into repurchase or reverse repurchase transactions, consisting of a forward transaction at the maturity of which the Sub-Fund or the counterparty has the obligation to repurchase the asset sold and the other party has the obligation to return the asset bought.

Under a repurchase contract, one party sells securities (such as shares or bonds) to another party at one price at the start of the trade and at the same time agrees to repurchase (buy back) the asset from the original buyer at a different price at a future date or on demand. The term 'reverse repurchase contract' describes the same contract from the perspective of the buyer.

A Sub-Fund can act as buyer or seller under a repurchase contract and a reverse repurchase contract or a series of continuing repurchase and reverse repurchase contracts. The types of assets that can be subject to such contracts are securities (both bonds and shares).

A Sub-Fund's involvement in repurchase or reverse repurchase transactions is, however, subject to the following rules:

- (i) The counterparty to these transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.
- (ii) During the life of a purchase transaction which is combined with a right of repurchase, the Sub-Fund cannot sell the securities which are the subject of the transaction, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired.
- (iii) During the life of any reverse repurchase transaction, the Sub-Fund may not sell or pledge/give as security the securities purchased under the transaction.
- (iv) The Sub-Fund must ensure that the level of its exposure to any repurchase transaction is such that it is able, at all times, to meet its redemption obligations to Shareholders.
- (v) The Sub-Fund may only enter into a repurchase transaction and/or a reverse repurchase transaction provided that it shall be able, at any time, to recall any securities subject to the transaction, the full amount of cash or to terminate the transaction in accordance with the relevant CSSF circulars.
- (vi) The Sub-Fund must ensure that upon maturity of these transactions it holds sufficient assets to be able to settle, if applicable, the amount agreed for the restitution of the securities.
- (vii) Securities purchased under a repurchase transaction or a reverse repurchase transaction must be compliant with the relevant CSSF circulars and the Sub-Fund's investment policy and must, together with the other securities that the Sub-Fund holds in its portfolio, respect the Sub-Fund's applicable investment restrictions.
- (viii) The risk exposure to a counterparty generated through these transactions must be combined when calculating the following limit: the risk exposure to a counterparty in an OTC derivatives transaction may not exceed 30% of the Sub-Fund's net assets.

As at the date of this Offering Document, the Sub-Funds do not enter into repurchase and reverse repurchase transactions, therefore the expected proportion of a Sub-Funds' assets under management that could be subject to these transactions is 0%. If, however, a Sub-Fund was to enter into repurchase and reverse repurchase transactions, as permitted by its investment policy, these transactions may not exceed 50% of the Net Asset Value of that Sub-Fund.

Any repurchase agreement or reverse repurchase agreement will generally be collateralised, at any time during the lifetime of the agreement, at a minimum of 100% of its notional amount.

A repurchase agent (which may be a related party of the Depositary, AIFM and/or Investment Manager to the extent permitted by applicable law and regulations) may be compensated for services provided to the Fund under the repurchase or reverse repurchase transactions by receiving up to 25% of the net income generated, including the net income generated by the investment of cash collateral received from borrowers. This fee is a direct operational cost of the Fund's repurchase and reverse repurchase transaction programme. The Fund will retain up to 75% of the net income from the programme and this will be credited to the relevant Sub-Fund on a receipts basis. Neither the AIFM nor the Investment Manager will take any fees or costs out of the revenues generated by the Fund's repurchase and

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<sup>2</sup> The Sub-Funds do not currently engage in repurchase transactions and reverse repurchase transactions and this Offering Document will be amended before they may do so.

reverse repurchase transaction programme additional to the fees, charges, costs and expenses described in section 9 "Management and Fund Charges". Information on direct and indirect operational costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary, AIFM or the Investment Manager, if applicable, will be made available in the annual report.

Securities held by the AIFM (for the benefit of the Fund) under a repurchase or reverse repurchase transaction will be held in custody by the Depositary (or a sub-custodian on behalf of the Depositary) in a registered account opened in the Depositary's books for safekeeping in accordance with the terms of the Depositary Agreement.

## 10.6 Collateral Management

As part of its OTC derivatives, securities lending, and repurchase and reverse repurchase transactions, a Sub-Fund may receive collateral with a view to reduce its counterparty risk. Any collateral received by a Sub-Fund in connection with such transactions must comply with the criteria described in section 10.5 (A).

In accordance with its internal policy relating to the management of collateral, the AIFM will determine:

- the required level of collateral; and
- the level of valuation haircut applicable to non-cash assets received as collateral, taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets).

A "haircut" is a nominal reduction applied to the market value of non-cash assets to provide a buffer against possible future falls in those assets' market value.

As at the date of this Offering Document, the Investment Manager typically accepts the following collateral types and applies the following haircuts in relation thereto:

Collateral type	Typical haircut
Cash	0%
Government Bonds	1% to 10%

The Investment Manager reserves the right to depart from the above haircut levels where it would be appropriate to do so, taking into account the assets' characteristics (such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets). Furthermore, the Investment Manager reserves the right to accept collateral types other than those disclosed above.

Non-cash collateral may consist of (i) bonds issued or guaranteed by a Member State, a member state of the OECD or by their local public authorities or by supranational institutions and undertakings of a community, regional or worldwide nature; and/or (ii) bonds issued or guaranteed by high quality issuers offering an adequate liquidity; and/or (iii) shares listed or dealt on a Regulated Market of a Member State of the European Union or on a stock exchange of a member state of the OECD provided that they are included in a main index. At the date of this Offering Document, the collateral only comprises cash and government bonds.

Collateral will be valued on each Valuation Day, using the latest market prices and taking into account appropriate discounts determined for each asset class based on the haircut policy as set out above. The non-cash collateral will be marked to market and may be subject to variation margin requirements. No review of the applicable haircut levels as set out above is undertaken in the context of the valuation of collateral.

Where there is a title transfer, collateral received will be held by the Depositary (or a sub-custodian on behalf of the Depositary) in accordance with the terms of the Depositary Agreement. For other types of collateral arrangements, the collateral can be held by a third party custodian that is subject to prudential supervision by its regulator and is unrelated to the provider of the collateral.

Notwithstanding the creditworthiness of the issuer of the assets received as collateral or the assets acquired by a Sub-Fund through the re-investment of cash collateral, a Sub-Fund may be subject to a risk of loss in the case of a default of the relevant issuer or the relevant counterparty to transactions in which cash collateral has been re-invested.

### OTC financial derivative transactions

Where provided for as a term of an OTC derivative contract or as prescribed by applicable law, the counterparties with which a Sub-Fund enters into such contracts, or a clearing member through which a Sub-Fund submits its OTC derivative trades to clearing, provide and/or receive collateral to/from the Sub-Fund.

Collateral received by a Sub-Fund is normally made up of US Dollar cash, Sterling cash and/or G7 treasuries, valued in accordance with the valuation rules set out in this Offering Document, and where the collateral posted to a Sub-Fund is G7 treasuries, it is held by the Depositary (or its delegate or agent). The relevant Sub-Fund has full legal ownership



of the collateral received. In the event that the counterparty to an OTC derivative trade which is not submitted to clearing was to default or become insolvent, this collateral would be used to enable that Sub-Fund to offset the OTC derivative exposure to that counterparty. Whilst this collateral may not cover the full value of the OTC derivative exposure to the counterparty, where it is provided as a term of the derivative contract and once the minimum monetary threshold exposure is reached, it aims to cover at least 95% of the value of the OTC derivative exposure to the counterparty.

A Sub-Fund may provide cash and non-cash collateral to an OTC derivative counterparty and/or a clearing member. The types of assets which may be provided by a Sub-Fund as collateral to a counterparty and any haircuts that may be applied by a counterparty to those types of assets in respect of an OTC derivative trade not submitted to clearing will be as agreed in the terms of the OTC derivative contract, and in accordance with applicable law, or in respect of OTC derivative trades submitted to clearing will be in accordance with the rules of the relevant clearing house. Depending on the terms agreed in the OTC derivative contract, a Sub-Fund may provide collateral to a counterparty by an outright transfer of title of assets to the counterparty or by the creation of a security interest over the Sub-Fund's assets to the benefit of the counterparty. Collateral provided to a clearing member in respect of an OTC derivative trade submitted to clearing will always be made by outright title transfer. Where collateral is provided by an outright transfer of title, the counterparty or clearing member (as applicable) will have full legal ownership of this collateral. Where a security interest is created over a Sub-Fund's assets, the secured assets will be held by the Depositary (or its agent) to the benefit of the counterparty. However, the relevant Sub-Fund will retain legal ownership of the secured assets. In the event that the relevant Sub-Fund was to default or become insolvent in respect of an OTC derivative trade not submitted to clearing, the collateral would be used/the security interest enforced to enable the counterparty to offset the OTC derivatives exposure to the relevant Sub-Fund.

An OTC derivative trade submitted for clearing is subject to minimum initial and variation margin requirements set by the relevant clearing house, as well as margin requirements mandated by applicable law and regulation. Additionally, when trading cleared OTC derivatives, a Sub-Fund will not face a clearing house directly but rather will do so through a clearing member. Clearing members typically demand the unilateral ability to increase a Sub-Fund's margin requirements for cleared OTC derivatives trades beyond any regulatory and/or clearing house minimums which may not be passed through to the relevant clearing house. With respect to cleared OTC derivatives, a Sub-Fund may be subject to the risk that a clearing member fails to meet its obligations to the clearing house, which could arise indirectly from the failure by another customer of the clearing member to meet its obligations to the clearing member. Where a clearing member fails, the positions and related collateral could either be ported to another clearing member (in certain circumstances and upon the satisfaction of certain conditions) or terminated by the relevant clearing house, on a close out calculation being performed, and any amounts owed, paid to the Sub-Fund, subject to the type of account opened with the relevant clearing house (and not necessarily all of or the same assets posted as collateral).

### **Reinvestment of cash collateral**

Cash collateral may be reinvested within the limits and conditions of the relevant CSSF circulars. Non-cash collateral may not be reinvested. Non-cash collateral may neither be sold nor pledged.

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

- placed on deposit with a credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase transactions entered into with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on accrued basis; or
- invested in short term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above. Re-investment of cash collateral involves certain risks for the Sub-Fund, as described in Appendix 2.

A Sub-Fund may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the relevant Sub-Fund to the counterparty at the conclusion of the transaction. The relevant Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

## **10.7 Securities Financing Transactions**

The maximum and expected proportion of the Sub-Funds' assets which may be subject to securities lending and total return swaps, expressed as a percentage of the net asset value of the relevant Sub-Fund, is set out in Appendix 1 for each Sub-Fund, as applicable.

## **10.8 Risk Management Process**

The AIFM employs an appropriate risk management system consisting of mainly two elements: (i) an organisational element in which the permanent risk management function plays a central role, and (ii) a procedural element documented in the risk management policy, which sets out measures and procedures employed to measure and manage risks, the safeguards for independent performance of the risk management function, the techniques used to manage risks and the details of the allocation of responsibilities within the AIFM for risk management and operating procedures.

The central task of the risk management function of the AIFM is the implementation of effective risk management procedures in order to identify, measure, manage, and monitor on an ongoing basis all risks to which the or each Sub-Fund is or may be exposed.

In addition, the risk management function of the AIFM shall ensure that the risk profile of each Sub-Fund as disclosed in this Offering Document is consistent with the risk limits as defined by the AIFM in compliance with the risk profile as approved by the Board of Directors.

Furthermore, the risk management function shall update the board of directors of the AIFM on a regular basis about (i) the consistency between and compliance with the risk limits set and the risk profile of the Fund or of each Sub-Fund, and (ii) the adequacy and effectiveness of the risk management process, indicating in particular whether appropriate remedial measures have or will be taken in the event of actual or anticipated deficiencies. The risk management function is responsible for regularly outlining to senior management the current level of risk incurred by the Fund or each Sub-Fund and any actual or foreseeable breaches of any risks limits set so as to ensure that prompt and appropriate action can be taken.

The risk management function conducts on a regular basis (i) stress tests and scenario analyses to address risks arising from potential changes in market conditions that might adversely impact the Sub-Funds, and (ii) back-tests in order to review the validity of risk measurement arrangements.

The business unit of the AIFM responsible for the risk management function is functionally and hierarchically separated from the business units performing operating services, including the business unit responsible for the monitoring of the portfolio management.

## **10.9 Leverage**

Sub-Funds may employ leverage by the use of financial derivative instruments and borrowing. Leverage is monitored on a regular basis. The maximum level of leverage for each Sub-Fund is set out in Appendix 1 of this Offering Document and is calculated in accordance with the “gross” and “commitment methods” set out in the AIFMD Level 2 Regulation.

The AIFM may change the maximum level of leverage from time to time. The Sub-Funds may receive any collateral in connection with OTC financial derivative instruments and efficient portfolio management techniques and have the right to re-use such collateral. The nature of the rights granted for the re-use of collateral will be disclosed in the financial reports.

## **10.10 Liquidity**

### **10.10.1 Liquidity management**

The AIFM employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the Fund and to ensure that the liquidity profile of the investments of the Fund complies with its underlying obligations and that the Fund will be in a position to satisfy redemption request of Shareholders in accordance with the provisions of this Offering Document and the Articles of Incorporation. The liquidity management system ensures that the Fund maintains a level of liquidity appropriate to its underlying obligations based on an assessment of the relative liquidity of the Fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors.

The AIFM monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of the Fund, the relative size of investments and the redemption terms to which these investments are subject and actual and potential redemption requests of Shareholders both in normal and in exceptional circumstances. The AIFM implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have or may have a material impact on the liquidity profile of the portfolio of the Fund's assets to enable their effects on the overall liquidity profile to be appropriately measured and considered. The AIFM also puts into effect the tools and arrangements necessary to manage the liquidity of the Fund. The AIFM will ensure the coherence of the investment strategy, the liquidity profile and the redemption policy.

The AIFM proceeds, on a regular basis, with stress tests simulating normal and exceptional circumstances in order to evaluate and measure the liquidity risk of the Fund.

#### **10.10.2 Periodical information to investors regarding liquidity risk management**

The AIFM will periodically (and on at least an annual basis) make available to investors the following information, which shall be available by contacting the AIFM:

- (a) the current risk profile of each Sub-Fund and the risk management systems employed by the AIFM to manage those risks, including (i) measures to assess the sensitivity of the Fund portfolio to the most relevant risks to which the Fund is or could be exposed; (ii) risk limits set by the AIFM that have been or are likely to be exceeded and where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken; (iii) any change to the risk management systems employed by the AIFM and the anticipated impact of the change on the Fund and the Shareholders;
- (b) information on any changes to the AIFM's liquidity management systems and procedures for the Fund; and
- (c) the percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature.

## 11.1 General

The following summary is based on the law and practice applicable in the Grand Duchy of Luxembourg as at the date of this Offering Document and is subject to changes in law (or interpretation) later introduced, whether or not on a retroactive basis. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. Shareholders should inform themselves of, and when appropriate, consult their professional advisors with regards to the possible tax consequences of subscription for buying, holding, exchanging, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, domicile or incorporation.

It is expected that Shareholders will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Offering Document to summarise the taxation consequences for each investor subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with a Shareholder's personal circumstances. Investors should be aware that the residence concept used under the respective headings applies for Luxembourg tax assessment purposes only. Any reference in this section 11 to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Investors should also note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*). Corporate shareholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply in addition.

## 11.2 The Fund

### 11.2.1 Subscription tax

Under current law, the Fund is not subject to any Luxembourg income or net wealth tax. However, the Fund is, as a rule, subject in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.01% per annum, such tax being payable quarterly and calculated on the net asset value of the respective Class at the end of the relevant quarter. Such tax is payable quarterly and calculated on the net assets of such Class at the end of the relevant quarter of the civil year.

Are however exempt from subscription tax:

- (a) the value of the assets represented by shares or units held in other UCIs to the extent such shares or units have already been subject to the subscription tax provided for by Article 174 of the 2010 Law, Article 68 of the 2007 Law or Article 46 of the amended Luxembourg law of 23 July 2016 on reserved alternative investment funds;
- (b) specialised investment funds as well as individual compartments of specialised investment funds with multiple compartments: (i) whose exclusive objective is the collective investment in money market instruments and the placement of deposits with credit institutions; (ii) whose weighted residual portfolio maturity does not exceed ninety (90) days; and (iii) that have obtained the highest possible rating from a recognised rating agency;
- (c) specialised investment funds as well as individual compartments and classes of specialised investment funds whose securities or partnership interest are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up at the initiative of one or several employers for the benefit of their employees and (ii) companies of one or several employers investing the funds they hold, in order to provide their employees with retirement benefits;
- (d) specialised investment funds as well as individual compartments of specialised investment funds with multiple compartments whose investment policy provides that at least fifty percent (50%) of their assets shall be invested in one or several microfinance institutions.

### 11.2.2 Withholding tax

Dividend distributions made by the Fund and payments upon redemption of Shares are not subject to withholding tax in Luxembourg. There is also no withholding tax on the distribution of liquidation proceeds to the Shareholders.

### **11.2.3 Value Added Tax**

In Luxembourg, specialised investment funds have the status of taxable person for value added tax ("VAT") purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg so as to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

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

### **11.2.4 Other taxes**

No stamp duty or other tax is generally payable in Luxembourg on the issue of Shares for cash by the Fund except a one-off tax of €75 which was paid upon incorporation. Any amendments to the Articles of Incorporation are as a rule subject to a fixed registration duty of €75.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Fund. Although the Fund's realised capital gains, whether short term or long-term, are generally not taxable in countries of investment, certain countries do levy such taxes. The regular income of the Fund from some of its securities as well as interest earned on cash deposits in certain countries may be liable to withholding taxes at varying rates, which normally cannot be recovered. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be determined on a case-by-case basis.

## **11.3 Shareholders**

### *Luxembourg Tax Residency of the Shareholders*

A Shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of Shares or the execution, performance or enforcement of its rights thereunder.

### **11.3.1 Taxation of the Shareholders**

#### **Income Tax**

##### *Luxembourg Residents*

Luxembourg resident Shareholders are not liable to any Luxembourg income tax on reimbursement of the share capital contributed to the Fund.

##### *Luxembourg Resident Individuals*

Any dividends and other payments derived from the Shares received by Luxembourg resident individuals, who act in the course of managing either their private wealth or their professional or business activities are subject to income tax at the progressive ordinary rate.

Capital gains realised upon the sale, disposal or redemption of Shares by Luxembourg resident individual Shareholders acting in the course of the management of their private wealth are not subject to Luxembourg income tax, provided this sale, disposal or redemption takes place more than six months after the Shares were acquired and provided the Shares do not represent a substantial shareholding. A shareholding is considered as a substantial shareholding in limited cases, in particular if (i) the Shareholder has held, either alone or together with his/her spouse or partner and/or his/her minor children, either directly or indirectly, at any time within the five years preceding the realisation of the gain, more than 10% of the share capital of the Fund or (ii) the Shareholder acquired free of charge, within the five years preceding the transfer, a participation that constituted a substantial participation in the hands of the alienator (or alienators, in case of successive transfers free of charge within the same five year period). Capital gains realised on a substantial participation more than six months after the acquisition thereof are subject to income tax according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

##### *Luxembourg Resident Corporations*

Luxembourg resident corporate Shareholders (*sociétés de capitaux*) must include any profits derived, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes. The same inclusion applies to individual Shareholders acting in the course of the management of a professional or business undertaking, who are Luxembourg residents for tax purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

### *Luxembourg Residents Benefiting from a Special Tax Regime*

Luxembourg resident Shareholders which benefit from a special tax regime, such as (i) UCIs governed by the 2010 Law, (ii) specialised investment funds governed by the 2007 Law, and (iii) family wealth management companies governed by the amended law of 11 May 2007, or (iv) reserved alternative investment funds treated as a specialised investment fund for Luxembourg tax purposes and governed by the amended law of 23 July 2016, are income tax exempt entities in Luxembourg and are thus not subject to any Luxembourg income tax.

#### *- Luxembourg Non-residents*

Shareholders, who are non-residents of Luxembourg and which have neither a permanent establishment nor a permanent representative in Luxembourg to which the Shares are attributable are generally not subject to any Luxembourg income tax on income received and capital gains realized upon the sale, disposal or redemption of the Shares.

Corporate Shareholders which are non-residents of Luxembourg but which have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

**Investors should consult their professional advisors regarding the possible tax or other consequences of buying, holding, transferring or selling Shares under the laws of their countries of citizenship, residence or domicile.**

### **11.4 Net Wealth Tax**

Luxembourg resident Shareholders, and non-resident Shareholders having a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, unless the Shareholder is (i) an individual, (ii) a UCI governed by the 2010 Law, (iii) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (iv) a venture capital company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a specialised investment fund governed by the 2007 Law, or (vi) a family wealth management company governed by the law of 11 May 2007, (vii) a professional pension institution governed by the amended law of 13 July 2005, or (viii) a reserved alternative investment fund governed by the amended law of 23 July 2016.

However, (i) a securitisation company governed by the amended law of 22 March 2004, (ii) a tax-opaque venture capital company governed by the amended law of 15 June 2004, (iii) a professional pension institution governed by the amended law of 13 July 2005, and (iv) a tax-opaque reserved alternative investment fund treated as a venture capital vehicle for Luxembourg tax purposes and governed by the amended law of 23 July 2016 remain subject to the minimum net wealth tax in Luxembourg.

### **11.5 Other Taxes**

No estate or inheritance tax is levied on the transfer of Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his/her death..

Luxembourg gift tax may be levied on a gift or donation of Shares if embodied in a Luxembourg notarial deed or otherwise registered in Luxembourg.

### **11.6 Exchange of information regimes**

#### **11.6.1 Common Reporting Standards**

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

The Fund may be subject to the Common Reporting Standard ("CRS") as set out in the Luxembourg law dated 18 December 2015, as amended or supplemented from time to time (the "CRS Law") implementing Directive 2014/107/EU which provides for an automatic exchange of financial account information between Member States of the European Union as well as the OECD's multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016.

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

As such, the Fund is required to annually report to the Luxembourg tax authority (the “LTA”) personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors that are Reportable Persons and (ii) Controlling Persons of certain non-financial entities (“NFEs”) which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the “Information”), will include personal data related to the Reportable Persons.

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

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

The shareholders are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law. In particular, Reportable Persons are informed that certain information regarding their investment in the Fund will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the LTA. The Information may eventually be disclosed by the LTA, acting as data controller, to the competent authority of the Reportable Jurisdiction(s).

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

Any shareholder that fails to comply with the Fund’s Information or documentation requests may be held liable for any fines or penalties imposed on the Fund by the CRS Law and attributable to such shareholder’s failure to provide the Information to the Fund or subject to disclosure of the Information by the Fund to the LTA. Furthermore, the Fund may exercise its right to completely redeem the Shares of a Shareholder if such Shareholder fails to provide the Fund with the information the Fund requests to satisfy its obligations under the CRS Law and rules mentioned above. Shareholders should get information about, and where appropriate take advice on, the impact of the implementation of the DAC Directive and the Multilateral Agreement in Luxembourg and in their country of residence on their investment.

#### **11.6.2 US Foreign Account Tax Compliance Requirements (“FATCA”)**

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

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

Luxembourg has entered into a Model 1 Intergovernmental Agreement implemented by the Luxembourg law of 24 July 2015, as amended or supplemented from time to time (the “FATCA Law”), which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by Specified US Persons, if any, to the LTA.

Under the terms of the FATCA Law, the Fund is treated as a Luxembourg Reporting Financial Institution.

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

The FATCA Law requires the Fund to disclose the names, addresses and taxpayer identification number (if available) of its investors as well as information such as account balances, income and gross proceeds (non-

exhaustive list) to the Luxembourg tax authorities for the purposes set out in the FATCA Law. Such information will be relayed by the LTA to the US Internal Revenue Service.

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

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

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

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

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

All prospective investors and Shareholders are advised to consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Fund.

## **11.7 Additional information for UK Tax Resident Investors**

### **UK Reporting Fund Status**

#### *Income*

Certain Share Classes of the Fund have UK Reporting Fund Status. Details of reportable income for UK taxpayers can be obtained on request to the AIFM.

Individual Shareholders resident in the UK will generally and depending on their circumstances be liable to income tax on their reportable income which will be treated as dividends or interest depending on the investments within the relevant Sub-Fund. UK corporation tax-paying investors will generally be exempt from tax on income treated as dividends but, where a Sub-Fund's reportable income is treated as interest, have to treat their holding in it as a loan relationship, bringing it into account on a fair value basis. UK investors in Classes without UK Reporting Fund Status or who invested before 1 January 2011 and did not make a tax election for a deemed disposal on that date will be taxable on any income they receive (except where the loan relationships regime applies).

#### *Capital gains*

Gains realised on the disposal of Shares (less any income reported but not distributed) in Classes which have been Reporting Funds throughout the Shareholder's ownership will be chargeable to tax as capital gains (except where the loan relationships regime applies). UK investors in Classes without Reporting Fund Status, will be liable to income tax on their realised capital gains.



# **Appendix 1: The Specifics of the Sub-Funds of the Fund**

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## **Section 1: Global Credit Solution Fund**

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The information contained in this section should be read in conjunction with the full text of the Offering Document.

### **1. Duration of the Sub-Fund**

Unlimited

### **2. Reference Currency**

US Dollar

### **3. Sub-Investment Manager**

Ninety One Hong Kong Limited, Ninety One North America, Inc. and Ninety One SA Proprietary Limited

### **4. Classes of Shares**

S Share Classes may be issued within the Sub-Fund at any time by decision of the Board of Directors.

A complete list of currently available Share Classes may be requested from the AIFM. A copy of this list may be obtained from the registered office of the Fund or the AIFM upon request.

### **5. Investment Policy**

The Sub-Fund aims to provide income and capital growth over the long term primarily by investing in a diversified portfolio of fixed or floating rate credit instruments and related derivatives.

Credit instruments may include global investment grade, global high yield and emerging market debt, secured and unsecured debt, asset backed securities and other floating rate instruments and contingent convertible bonds issued by corporations and institutions. The Sub-Fund may also invest in bonds issued or guaranteed by governments, government agencies, supranational bodies or local authorities as well as cash.

The Sub-Fund's exposure to asset-backed securities will not represent more than 20% of its assets.

The Sub-Fund is not managed with reference to any index. Whilst investments will not be constrained by rating, currency, duration or country, the Investment Manager will take into consideration factors such as credit quality, duration, issuer type, liquidity, geographic and sectoral exposure as part of the portfolio construction process. Currency exposures will typically be hedged back to US Dollars.

The Sub-Fund may also invest in other transferable securities, money market instruments, cash and near cash, deposits and units in collective investment schemes.

The Sub-Fund may temporarily hold equities and related derivatives, when they are issued to the Sub-Fund as a result of a corporate action.

The Sub-Fund may use derivatives for hedging, efficient portfolio management and/or investment purposes. These derivative instruments may include, without being exhaustive, exchange traded and over-the-counter options, futures, forward contracts and swaps or any combination of these.

### **6. EU Taxonomy Regulation**

The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities as per the EU Taxonomy Regulation.

### **7. Borrowing**

The Sub-Fund may borrow up to 20% of its net assets. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

### **8. Securities financing transactions**

The Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities and commodities lending and securities and commodities borrowings, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions.

The Sub-Fund may however enter into total return swaps and derivatives with similar characteristics, for efficient portfolio management purposes and/or investment purposes, in accordance with the Sub-Fund's investment policy, for such percentage of assets as set out below:

Sub-Fund	Type of SFTR technique/Assets	Maximum	Expected
Global Credit Solution Fund	total return swaps	50%	0%-5%

The proportions or types of assets set out in the table above may vary from time to time. In such case, this section of the Offering Document will be updated accordingly.

## 9. Use of leverage

The Sub-Fund may employ synthetic leverage for investment purposes through the use of derivatives. The leverage of the Sub-Fund is controlled by the AIFM on a frequent basis and will not exceed 600% of the net asset value of the Sub-Fund based on the gross method and 300% of the net asset value of the Sub-Fund based on the commitment method, as set out in the AIFMD Level 2 Regulation.

## 10. Risk Warnings

Investors should read, be aware of and consider section 4.2 of the Offering Document and all of the General Risk Factors and the relevant Specific Risk Factors as highlighted in the table of Specific Risk Factors, all of which set out in Appendix 2.

## 11. Dealing Day

The dealing frequency for this Sub-Fund is monthly and a Dealing Day shall be on the last Business Day of the month. However, the Board of Directors has discretion to declare additional Dealing Days on any Business Day.

## 12. Trade Order Cut-Off Time and Valuation Day

As at the date of this Offering Document, the Trade Order Cut-Off Time, Valuation Day and Valuation Time for the Sub-Fund are as follows:

	Subscription		Redemption	
	Notice	Settlement	Notice	Settlement
<b>Trade Order Cut-Off Time</b>	Dealing Day (4:00 p.m. Luxembourg time)	T	Dealing Day-5 Business Days (4:00 p.m. Luxembourg time) (the notice period may be waived by the Board of Directors)	T+3 Business Days (which may be shortened or extended at the discretion of the Board of Directors)
<b>Valuation Day</b>	The Net Asset Value per Share of a Share Class is calculated on the last Business Day of the month. However, the Board of Directors has discretion to declare a special Valuation Day on any Business Day.			

## 13. Minimum Subscription and Shareholding

Minimum subscription and shareholding amounts are specified under section 5.2 of the main part of the Offering Document.

#### 14. Fees and Dividend Frequency

The Share Classes set out below may not be available at the date of this Offering Document. A complete list of the available Share Classes may also be requested from the AIFM.

Class	Dividend Frequency for income classes*	Initial Charge %†	Management Fee % per annum*	Distribution Fee % per annum*	Administration Servicing Fee % per annum*
I	Quarterly	0.00%	0.75%	0.00%	0.05%
J	Quarterly	0.00%	0.65%	0.00%	0.05%
S	Quarterly	0.00%	0.00%	0.00%	0.05%

\* For any Inc-2 Share Class and Inc-3 Share Class, the Board may decide in its sole discretion to apply a dividend frequency that is different to that stated above. Further information regarding the current dividend frequencies can be obtained from the AIFM.

† The Initial Charge is calculated as a percentage of the amount subscribed by an investor.

♦ The Management Fee, the Administration Servicing Fee and the Distribution Fee are each calculated as a percentage of the Net Asset Value of the relevant Share Class.

#### 15. Distribution Policy

As at the date of this Offering Document, the Board of Directors has determined that for any Inc Share Class, the distribution policy is to distribute net income. Accordingly, the expenses related to such a Share Class will be deducted from its income account.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc-2 Share Class and Inc-3 Share Class, the distribution policy is to distribute gross income. Accordingly, the expenses related to such a Share Class will be deducted from its capital account. This will have the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

## Section 2: Multi-Asset Credit Fund

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The information contained in this section should be read in conjunction with the full text of the Offering Document.

### 1. Duration of the Sub-Fund

Unlimited

### 2. Reference Currency

US Dollar

### 3. Sub-Investment Manager

Ninety One North America, Inc.

### 4. Classes of Shares

I, J and S Share Classes, which may differ in terms of type, rights and characteristics as further described in Section 5.2 of this Offering Document, may be issued within the Sub-Fund at any time by decision of the Board of Directors.

A complete list of currently available Share Classes may be requested from the AIFM. A copy of this list may be obtained from the registered office of the Fund or the AIFM upon request.

### 5. Investment Policy

The Sub-Fund will aim to provide Shareholders with long-term total returns primarily through investment in a diversified portfolio of corporate and asset backed fixed and floating rate debt securities and related derivatives. The Sub-Fund targets a return of Overnight SOFR +4% per annum over a rolling 5 year period.

The Sub-Fund's portfolio is to consist of but will not be limited to, bonds, contingent convertible bonds, notes, bank loans and structured credit (e.g. collateralised loan obligations, collateralised debt obligations and asset backed securities).

Investments will not be constrained by currency, duration or country and could include issues by governments, government agencies and supranational institutions. The Sub-Fund will also invest in other instruments creating or acknowledging the indebtedness of a company or public sector body and may use exchange traded and over the counter derivatives to achieve its objectives. In particular, credit default swaps, interest rate swaps, interest rate futures and currency forwards may be used to manage credit, interest rate and currency exposures. Currency exposures will typically be hedged back to US Dollars.

The Sub-Fund promotes environmental and/or social characteristics in line with Article 8 of the SFDR as described in the Sub-Fund's Sustainability Disclosures.

The Sub-Fund will not invest in certain sectors or investments. Details of these excluded areas can be found on the website [www.ninetyone.com](http://www.ninetyone.com) in a section entitled "Sustainability-related Disclosures" pursuant to Article 10 of the SFDR. Over time, the Investment Manager may, in its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website, as they are implemented.

The Sub-Fund may also temporarily hold other transferable securities, such as equities and related derivatives, when they are issued to the Sub-Fund as a result of a corporate action.

The Sub-Fund may also invest in other Transferable Securities, Money Market Instruments, cash and near cash, other derivatives, deposits or units in collective investment schemes.

The Sub-Fund may use derivatives for hedging, efficient portfolio management and/or investment purposes.

### 6. Sustainability Disclosures

**The information about the environmental and social characteristics of the Sub-Fund required to be disclosed in accordance with Article 8 of the SFDR and Article 6 of the EU Taxonomy Regulation is available in the Sustainability Disclosures for the Sub-Fund in Appendix 3 of this Offering Document.**

### 7. Borrowing

The Sub-Fund may borrow up to 20% of its net assets. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute “borrowings” for the purpose of this restriction.

## 8. Securities financing transactions

The Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities and commodities lending and securities and commodities borrowings, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions.

The Sub-Fund may however enter into total return swaps and derivatives with similar characteristics, for efficient portfolio management purposes and/or investment purposes, in accordance with the Sub-Fund’s investment policy, for such percentage of assets as set out below:

Sub-Fund	Type of SFTR technique/Assets	Maximum	Expected
Multi-Asset Credit Fund	total return swaps	40%	0%-5%

The proportions or types of assets set out in the table above may vary from time to time. In such case, this section of the Offering Document will be updated accordingly.

## 9. Use of leverage

The Sub-Fund may employ synthetic leverage for investment purposes through the use of derivatives. The leverage of the Sub-Fund is controlled by the AIFM on a frequent basis and will not exceed 600% of the net asset value of the Sub-Fund based on the gross method and 300% of the net asset value of the Sub-Fund based on the commitment method, as set out in the AIFMD Level 2 Regulation.

## 10. Risk Warnings

Investors should read, be aware of and consider section 4.2 of the Offering Document and all of the General Risk Factors and the relevant Specific Risk Factors as highlighted in the table of Specific Risk Factors, all of which set out in Appendix 2.

## 11. Dealing Day

The dealing frequency for this Sub-Fund is monthly and the Dealing Day shall be on the last Business Day of the month. However, the Board of Directors has discretion to declare additional Dealing Days on any Business Day.

## 12. Trade Order Cut-Off Time and Valuation Day

As at the date of this Offering Document, the Trade Order Cut-Off Time, Valuation Day and Valuation Time for the Sub-Fund are as follows:

	Subscription		Redemption	
	Notice	Settlement	Notice	Settlement
<b>Trade Order Cut-Off Time</b>	Dealing Day (4:00 p.m. Luxembourg time)	T	Dealing Day-20 Business Days (4:00 p.m. Luxembourg time) (the notice period may be waived by the Board of Directors)	T+5 Business Days (which may be shortened or extended at the discretion of the Board of Directors)
<b>Valuation Day</b>	The Net Asset Value per Share of a Share Class is calculated on the last Business Day of the month. However, the Board of Directors has discretion to declare a special Valuation Day on any Business Day.			

## 13. Minimum Subscription and Shareholding

The minimum subscription and shareholding amounts in relation to the other available Share Classes are specified under section 5.2 of the Offering Document.

## 14. Fees and Dividend Frequency

The Share Classes set out below may not be available at the date of this Offering Document. A complete list of the available Share Classes may also be requested from the AIFM.

Class	Dividend Frequency for income classes*	Initial Charge %†	Management Fee % per annum*	Distribution Fee % per annum*	Administration Servicing Fee % per annum*
I	Quarterly	0.00%	0.75%	0.00%	0.05%
J	Quarterly	0.00%	0.65%	0.00%	0.05%
S	Quarterly	0.00%	0.00%	0.00%	0.05%

\* For any Inc-2 Share Class and Inc-3 Share Class, the Board may decide in its sole discretion to apply a dividend frequency that is different to that stated above. Further information regarding the current dividend frequencies can be obtained from the AIFM.

† The Initial Charge is calculated as a percentage of the amount subscribed by an investor.

♦ The Management Fee, the Administration Servicing Fee and the Distribution Fee are each calculated as a percentage of the Net Asset Value of the relevant Share Class.

## 15. Distribution Policy

As at the date of this Offering Document, the Board of Directors has determined that for any Inc Share Class, the distribution policy is to distribute net income. Accordingly, the expenses related to such a Share Class will be deducted from its income account.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc-2 Share Class and Inc-3 Share Class, the distribution policy is to distribute gross income. Accordingly, the expenses related to such a Share Class will be deducted from its capital account. This will have the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

## Section 3: Multi-Asset Credit Defensive Fund

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The information contained in this section should be read in conjunction with the full text of the Offering Document.

### 1. Duration of the Sub-Fund

Unlimited

### 2. Reference Currency

Euro

### 3. Sub-Investment Manager

Ninety One North America, Inc.

### 4. Classes of Shares

I, J and S Share Classes, which may differ in terms of type, rights and characteristics as further described in Section 5.2 of this Offering Document, may be issued within the Sub-Fund at any time by decision of the Board of Directors.

A complete list of currently available Share Classes may be requested from the AIFM. A copy of this list may be obtained from the registered office of the Fund or the AIFM upon request.

### 5. Investment Policy

The Sub-Fund will aim to provide Shareholders with long-term total returns primarily through investment in a diversified portfolio of corporate and asset backed fixed and floating rate debt securities and permissible derivatives. The Sub-Fund targets a return of Euribor 3 Month +3% per annum over a rolling 5 year period.

The Sub-Fund's portfolio is to consist of (i) Debt Securities, (ii) non-securitized bank loans, (iii) Structured Credit, (iv) cash or Cash Equivalents as well as (v) derivatives. The Sub-Fund will not invest in other assets.

The Sub-Fund promotes environmental and/or social characteristics in line with Article 8 of the SFDR as described in the Sub-Fund's Sustainability Disclosures.

The Sub-Fund will not invest in certain sectors or investments. Details of these excluded areas can be found on the website [www.ninetyone.com](http://www.ninetyone.com) in a section entitled "Sustainability-related Disclosures" pursuant to Article 10 of the SFDR. Over time, the Investment Manager may, in its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website, as they are implemented.

Investments will not be constrained by currency, duration or country and could include issues by governments, government agencies and supranational institutions. Derivatives, such as exchange traded and over-the-counter options, futures, swaps (including credit default swaps, interest rate swaps) and currency forwards may only be used (i) to hedge credit, interest rate and currency exposures or (ii) for investment purposes if applied in relation to eligible assets for the Sub-Fund. Currency exposures will typically be hedged back to Euro.

The Sub-Fund will invest under the following investment parameters:

- investments in Debt Securities, excluding non-securitized bank loans, which are rated below investment grade will not exceed 30% of the Sub-Fund's assets;
- investments in non-securitized bank loans require (i) the debtor being an undertaking which is not a credit institution, domiciled in a member state of the EEA or in a full member state of the OECD, (ii) having at least a speculative grade rating, (iii) are sufficiently secured *in rem* or contractually and (iv) all such bank loans in aggregate will not exceed 30% of the Sub-Fund's assets;
- investments in Structured Credit will only be permitted if (i) the issuer is domiciled in a member state of the EEA or in a full member state of the OECD, (ii) the issue is investment grade rated, and (iii) in case of a credit event there is no leverage effect on the repayment obligation (i.e. the default limited to the value of the credit event) and (iv) will not exceed, in aggregate, 25% of the Sub-Fund's assets;
- investments in cash, or Cash Equivalents, will not exceed 10% of the Sub-Fund's assets;
- investments in contingent convertible Debt Securities must be issued by an undertaking domiciled in a member state of the EEA or in a full member state of the OECD and will be limited to 1% of the Sub-Fund's assets per issuer and will not exceed, in aggregate, 10% of the Sub-Fund's assets;
- investments in units of other collective investment schemes will not be permitted;
- Unlisted Debt Securities will not exceed 20% of the Sub-Fund's assets.

The Sub-Fund may also temporarily hold other Transferable Securities, such as equities and related derivatives, when they are issued to the Sub-Fund as a result of a corporate action.

Not more than 20% of the net asset value of the Sub-Fund is invested in holdings in corporations which neither are authorised to trading on a stock exchange nor in another organised market or included in those markets.

For the avoidance of doubt, any eligible asset qualifying as equity share in a corporation is limited to less than 10% of the capital of such corporation.

**"BaFin"** means the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*).

**"Debt Securities"** means securities

- a) that are admitted to trading on an exchange in a member state of the EU or EEA or are admitted to another organised market or included in such market in any such state;
- b) that are exclusively admitted to trading on an exchange outside of the member states of the EU or the EEA or are admitted to another organised market or included in such market in any such state, provided that the option for this exchange or organised market is admitted by BaFin;
- c) the admission to trading of which on an exchange in a member state of the EU or the EEA or the admission to an organised market or inclusion in such market of which in a member state of the EU or the EEA has to be applied for pursuant to the terms and conditions of issue, provided that the admission or inclusion of such securities occurs within one calendar year after their issue;
- d) the admission to trading of which on an exchange or the admission of which to an organised market or inclusion in such market outside of the member states of the EU or the EEA has to be applied for pursuant to the terms and conditions of issue, provided that the selection of this exchange or organised market is admitted by BaFin and the admission or inclusion of such securities occurs within one calendar year after their issue;
- e) in the form of shares to which the Sub-Fund is entitled to as part of a share capital increase from the company's reserves;
- f) that are acquired through an exercise of subscription rights pertaining to the Sub-Fund;
- g) in the form of financial instruments that meet the criteria set out in article 2 paragraph 2 letter c) of Directive 2007/16/EC.

Securities may only be purchased pursuant to lit. a) to d) in case that the requirements of article 2 paragraph 1 sub-paragraph 1 letter a) to c) clause (i), letter d) clause (i) and letter e) to g) of Directive 2007/16/EC are met. Securities as defined above shall also include subscription rights, provided that the securities from which the subscription rights derive may be held in the Sub-Fund.

Debt Securities also include securities that are not admitted to trading on an exchange or admitted to another organised market or included in such market, but otherwise fulfil the criteria of article 2 paragraph 1 letter a) to c) clause (ii), letter d) clause (ii) and letter e) to g) of Directive 2007/16/EC ("**Unlisted Debt Securities**").

**"EEA"** means the European Economic Area.

**"Structured Credit"** means any Debt Securities which are linked to or by which credit risks are transferred (e.g. collateralised loan obligations, collateralised debt obligations and asset backed securities).

**"Cash Equivalents"** are instruments typically traded on money markets or fixed interest securities with a remaining term of less than 397 days, which interest ratio is adjusted to market conditions at least once throughout the term or which have an equivalent risk profile, if in any case such instruments fulfil the requirements referred to in a) and b) of the definition of Debt Securities.

**"Reputable Credit Rating Agency"** means any undertaking registered and supervised under the Ordinance (EU) no. 1060/2009.

Investments in Structured Credit will have a minimum credit rating (or an equivalent credit rating by a Reputable Credit Rating Agency, where coverage by S&P, Fitch or Moody's is not available) at the time of investment of at least (i) BBB- by S&P or Fitch; or (ii) Baa3 by Moody's (or as such ratings may be amended from time to time) such ratings to be sustained in accordance with industry practice by the rating agency. The AIFM will regularly at least once a year and in case of negative circumstances verify that the rating agency continues to provide a rating.

Investments in non-investment grade (i) Debt Securities, excluding Structured Credit, and (ii) bank loans will have a minimum credit rating (or an equivalent credit rating by a Reputable Credit Rating Agency, where coverage by S&P, Fitch or Moody's is not available) at the time of investment of at least (i) B- by S&P or Fitch; or (ii) B3 by Moody's, or an equivalent internal rating (or as such ratings may be amended from time to time) such ratings to be sustained in accordance with industry practice by the rating agency. The AIFM will regularly at least on a quarterly basis and in case of negative circumstances verify that the rating agency continues to provide a rating.

If any Structured Credit or non-investment grade Debt Securities/bank loans held by the Sub-Fund are downgraded to a credit rating below these respective levels (the "**Affected Securities**"), the Sub-Fund will be permitted to continue holding the Affected Securities, provided that the aggregate value of the Affected Securities comprises no more than 3% of the Sub-Fund's total net assets (the "**Tolerated Limit**"). Should the Affected Securities at anytime in aggregate



exceed the Tolerated Limit, the Affected Securities in excess of the Tolerated Limit shall be sold within the six months to reduce the holdings in the Affected Securities to within the Tolerated Limit, where the Affected Securities are at least in part Structured Credits, the Structured Credit investments exceeding the threshold must be disposed of without undue delay taking into account investors' interests.

Due to the foregoing investment restrictions, the Sub-Fund is deemed to be more defensive than an unconstrained multi-asset credit strategy operating without these restrictions.

## 6. Sustainability Disclosures

**The information about the environmental and social characteristics of the Sub-Fund required to be disclosed in accordance with Article 8 of the SFDR and Article 6 of the EU Taxonomy Regulation is available in the Sustainability Disclosures for the Sub-Fund in Appendix 3 of this Offering Document.**

## 7. Borrowing

The Sub-Fund may borrow up to 20% of its net assets, provided that such borrowings are made only on a temporary (short term) basis. For clarification only, long-term borrowing is not permitted.

## 8. Securities financing transactions

The Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities and commodities lending and securities and commodities borrowings, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions.

The Sub-Fund may however enter into derivatives in the form of total return swaps and derivatives with similar characteristics, for investment purposes, in accordance with the Sub-Fund's investment policy, for such percentage of assets as set out below:

Sub-Fund	Type of SFTR technique/Assets	Maximum	Expected
Multi-Asset Credit Defensive Fund	total return swaps	40%	0%-5%

The proportions or types of assets set out in the table above may vary from time to time. In such case, this section of the Offering Document will be updated accordingly. The Sub-Fund must not short-sell eligible assets not owned or borrowed by it.

## 9. Use of leverage

The Sub-Fund may employ synthetic leverage for investment purposes through the use of derivatives. The leverage of the Sub-Fund is controlled by the AIFM on a frequent basis and will not exceed 600% of the net asset value of the Sub-Fund based on the gross method and 299.99% of the net asset value of the Sub-Fund based on the commitment method, as set out in the AIFMD Level 2 Regulation. The Sub-Fund's market risk potential will be measured through the absolute VaR approach conducted on the basis of a one-sided confidence interval of 99%, a holding period of 20 Business Days and an effective historical assessment period of at least one year. The Sub-Fund's absolute VaR will not exceed the maximum VaR limit determined by the AIFM taking into account the Sub-Fund's investment policy and the risk profile of the Sub-Fund, in any event not more than 20% of the net asset value of the Sub-Fund.

## 10. Risk Warnings

Investors should read, be aware of and consider section 4.2 of the Offering Document and all of the General Risk Factors and the relevant Specific Risk Factors as highlighted in the table of Specific Risk Factors, all of which set out in Appendix 2.

## 11. Dealing Day

The dealing frequency for this Sub-Fund is monthly and the Dealing Day shall be on the last Business Day of the month. However, the Board of Directors has discretion to declare additional Dealing Days on any Business Day.

The Board of Directors, where individual and/or aggregate redemption and/or conversion requests exceed 10% of the net asset value of the Sub-Fund, may not defer such requests (in whole or in part) for more than ten (10) Dealing Days in aggregate. The right to temporarily suspend the redemption and conversion of shares remains unaffected.

## 12. Trade Order Cut-Off Time and Valuation Day

As at the date of this Offering Document, the Trade Order Cut-Off Time, Valuation Day and Valuation Time for the Sub-Fund are as follows:

	Subscription		Redemption	
	Notice	Settlement	Notice	Settlement
<b>Trade Order Cut-Off Time</b>	Dealing Day (4:00 p.m. Luxembourg time)	T	Dealing Day-20 Business Days (4:00 p.m. Luxembourg time) (the notice period may be waived by the Board of Directors)	T+5 Business Days (which may be shortened or extended at the discretion of the Board of Directors)
<b>Valuation Day</b>	The Net Asset Value per Share of a Share Class is calculated on the last Business Day of the month. However, the Board of Directors has discretion to declare a special Valuation Day on any Business Day.			

## 13. Minimum Subscription and Shareholding

The minimum subscription and shareholding amounts are specified under section 5.2 of the Offering Document.

## 14. Fees and Dividend Frequency

The Share Classes set out below may not be available at the date of this Offering Document. A complete list of the available Share Classes may also be requested from the AIFM.

Class	Dividend Frequency for income classes*	Initial Charge %†	Management Fee % per annum*	Distribution Fee % per annum*	Administration Servicing Fee % per annum*
I	Quarterly	0.00%	0.75%	0.00%	0.05%
J	Quarterly	0.00%	0.65%	0.00%	0.05%
S	Quarterly	0.00%	0.00%	0.00%	0.05%

\* For any Inc-2 Share Class and Inc-3 Share Class, the Board may decide in its sole discretion to apply a dividend frequency that is different to that stated above. Further information regarding the current dividend frequencies can be obtained from the AIFM.

† The Initial Charge is calculated as a percentage of the amount subscribed by an investor.

♦ The Management Fee, the Administration Servicing Fee and the Distribution Fee are each calculated as a percentage of the Net Asset Value of the relevant Share Class.

## 15. Distribution Policy

As at the date of this Offering Document, the Board of Directors has determined that for any Inc Share Class, the distribution policy is to distribute net income. Accordingly, the expenses related to such a Share Class will be deducted from its income account.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc-2 Share Class and Inc-3 Share Class, the distribution policy is to distribute gross income. Accordingly, the expenses related to such a Share Class will be deducted from its capital account. This will have the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

Any distribution and/or redemption in kind is excluded.

## Section 4: Emerging Markets Transition Debt Fund

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The information contained in this section should be read in conjunction with the full text of the Offering Document.

### 1. Duration of the Sub-Fund

Unlimited

### 2. Reference Currency

US Dollar

### 3. Sub-Investment Manager

Ninety One North America, Inc., Ninety One SA Proprietary Limited and Ninety One Hong Kong Limited

### 4. Classes of Shares

I, J and S Share Classes, which may differ in terms of type, rights and characteristics as further described in Section 5.2 of this Offering Document, may be issued within the Sub-Fund at any time by decision of the Board of Directors.

A complete list of currently available Share Classes may be requested from the AIFM. A copy of this list may be obtained from the registered office of the Fund or the AIFM upon request.

### 5. Investment Policy

The Sub-Fund aims to provide income and long-term capital growth by investing primarily in a diversified portfolio of debt instruments issued by Emerging Market Borrowers. The Sub-Fund targets a total return of 6-8% per annum over rolling 5-year periods. While the Sub-Fund aims to achieve its performance target, there is no guarantee that this will be achieved over rolling 5-year periods, or any time period, and invested capital is at risk.

The Sub-Fund promotes environmental and social characteristics by focusing on debt instruments from Emerging Market Borrowers, considered by the Investment Manager, as meaningfully contributing to a transition to net zero carbon emissions.

The Sub-Fund is actively managed and invests in debt instruments issued by Emerging Market Borrowers and derivatives which offer exposure to such debt instruments. This includes but is not limited to bonds, notes, loans (private debt not listed on a stock exchange), structured credit (e.g. collateralised loan obligations, collateralised debt obligations and asset backed securities) Contingent Convertibles, and cash or Cash Equivalents.

Debt instruments held may be (i) in any currency, (ii) of any duration, (iii) of any credit quality, (iv) of any seniority and (v) may be secured or unsecured. Currency exposures will typically be hedged back to the reference currency of the Sub-Fund.

The Sub-Fund's portfolio will target a mix of publicly traded debt and private debt. The Sub-Fund may invest up to 100% in publicly traded debt but will limit investment in private debt instruments to a maximum of 60% (measured at the time of purchase), this allows the Investment Manager to respond effectively to market conditions and investment opportunities. It also means that the proportions that the Sub-Fund invested in publicly traded debt or private debt may be balanced or vary over time.

The Sub-Fund's investment in private debt (loans) is not expected at the launch of the Sub-Fund and shall be made gradually during the first 2 (two) years after the initial subscription day to allow time for the portfolio ramp-up and construction.

The Sub-Fund may access private debt investment opportunities through originated loans and other securities, including bilaterally negotiated loans (e.g. serving as an anchor investor), club deals (e.g. part of a small group of investors), or through the secondary loan market.

The Sub-Fund will not invest in certain sectors or investments. Details of these excluded areas can be found on the website [www.ninetyone.com](http://www.ninetyone.com) in the section entitled "Sustainability-related Disclosures" pursuant to Article 10 of the SFDR. Over time, the Investment Manager may, in its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website, as they are implemented.

The Sub-Fund may invest in publicly traded debt securities issued inside Mainland China on any eligible market, including CIBM, and traded through, without limitation, QFI, CIBM Direct Access and Bond Connect. The Sub-Fund's exposure to investments in Mainland China will be limited to 25% of its net assets.

The Sub-Fund's exposure to Contingent Convertibles (CoCos) will not exceed 10% of the assets of the Sub-Fund.

The Sub-Fund may also hold other transferable securities, such as equities and related derivatives (as a result of a corporate action, restructure or workout) or units in collective investment schemes.

The Sub-Fund may use derivatives for hedging, efficient portfolio management and/or investment purposes.

## 6. Sustainability Disclosures

**The information about the environmental and social characteristics of the Sub-Fund required to be disclosed in accordance with Article 8 of the SFDR and Article 6 of the EU Taxonomy Regulation is available in the Sustainability Disclosures for the Sub-Fund in Appendix 3 of this Offering Document.**

## 7. Borrowing

The Sub-Fund may borrow up to 20% of its net assets. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute “borrowings” for the purpose of this restriction.

## 8. Securities financing transactions

The Sub-Fund will not enter into (i) repurchase or reverse repurchase agreements, (ii) securities and commodities lending and securities and commodities borrowings, (iii) buy-sell back transactions or sell-buy back transactions, and (iv) margin lending transactions.

The Sub-Fund may however enter into total return swaps and derivatives with similar characteristics, for efficient portfolio management purposes and/or investment purposes, in accordance with the Sub-Fund's investment policy, for such percentage of assets as set out below:

Sub-Fund	Type of SFTR technique/Assets	Maximum	Expected
Emerging Markets Transition Debt Fund	Total return swaps	50%	5%-15%

The proportions or types of assets set out in the table above may vary from time to time. In such case, this section of the Offering Document will be updated accordingly.

## 9. Use of leverage

The Sub-Fund may employ synthetic leverage for investment purposes through the use of derivatives. The leverage of the Sub-Fund is controlled by the AIFM on a frequent basis and will not exceed 600% of the net asset value of the Sub-Fund based on the gross method and 300% of the net asset value of the Sub-Fund based on the commitment method, as set out in the AIFMD Level 2 Regulation.

## 10. Risk Warnings

Investors should read, be aware of and consider section 4.2 of the Offering Document and all of the General Risk Factors and the relevant Specific Risk Factors as highlighted in the table of Specific Risk Factors, all of which set out in Appendix 2.

## 11. Dealing Day

The dealing frequency for subscriptions into this Sub-Fund is monthly and a Dealing Day shall be on the last Business Day of the month. The dealing frequency for redemptions out of this Sub-Fund is quarterly and a Dealing Day shall be on the last Business Day in January, April, July and October (each a “Quarterly Redemption Dealing Day”). However, the Board of Directors has discretion to declare additional Dealing Days on any Business Day.

## 12. Trade Order Cut-Off Time and Valuation Day

As at the date of this Offering Document, the Trade Order Cut-Off Time, Valuation Day and Valuation Time for the Sub-Fund are as follows:

	Subscription		Redemption	
	Notice	Settlement	Notice	Settlement
<b>Trade Order Cut-Off Time</b>	Dealing Day-5 Business Days (4:00 p.m. Luxembourg time)	T	4:00 p.m. Luxembourg time on the prior Quarterly Redemption Dealing Day (the notice period)	T+5 Business Days (which may be shortened or

			may be waived by the Board of Directors)	extended at the discretion of the Board of Directors)
<b>Valuation Day</b>	The Net Asset Value per Share of a Share Class is calculated on the last Business Day of the month. However, the Board of Directors has discretion to declare a special Valuation Day on any Business Day.			

### 13. Minimum Subscription and Shareholding

The minimum subscription and shareholding amounts are specified under section 5.2 of the Offering Document.

### 14. Limitation on Redemptions and Conversions

The limitations on individual and aggregate redemption requests dealt on any one Dealing Day are specified under section 5.5. of the Offering Document. Conversions out of the Classes of Shares of the Sub-Fund are not permitted as further described in section 5.4 of the Offering Document.

### 15. Fees and Dividend Frequency

The Share Classes set out below may not be available at the date of this Offering Document. A complete list of the available Share Classes may also be requested from the AIFM.

Class	Dividend Frequency for income classes*	Initial Charge %†	Management Fee % per annum*	Distribution Fee % per annum*	Administration Servicing Fee % per annum*
I	Quarterly	0.00%	TBC	0.00%	0.05%
J	Quarterly	0.00%	TBC	0.00%	0.05%
S	Quarterly	0.00%	0.00%	0.00%	0.05%

\* For any Inc-2 Share Class and Inc-3 Share Class, the Board may decide in its sole discretion to apply a dividend frequency that is different to that stated above. Further information regarding the current dividend frequencies can be obtained from the AIFM.

† The Initial Charge is calculated as a percentage of the amount subscribed by an investor.

♦ The Management Fee, the Administration Servicing Fee and the Distribution Fee are each calculated as a percentage of the Net Asset Value of the relevant Share Class.

### 15. Distribution Policy

As at the date of this Offering Document, the Board of Directors has determined that for any Inc Share Class, the distribution policy is to distribute net income. Accordingly, the expenses related to such a Share Class will be deducted from its income account.

As at the date of this Offering Document, the Board of Directors has determined that for any Inc-2 Share Class and Inc-3 Share Class, the distribution policy is to distribute gross income. Accordingly, the expenses related to such a Share Class will be deducted from its capital account. This will have the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

### 16. Monitoring and supervision of loans

The approach to monitoring and supervision of loans granted by the Sub-Fund is consistent with the monitoring and supervision procedures applicable to all other asset classes and strategies of the Sub-Fund.

For ease of reference, the following description of loan origination, due diligence, monitoring and decisions regarding security and guarantors refers to those activities being undertaken by the Investment Manager. The Investment Manager will source loan origination opportunities and will perform the due diligence activities with the advice of the control functions (i.e. Compliance, Investment Risk oversight).

Before the granting of a loan, the Investment Manager will undertake detailed due diligence, including credit fundamentals, carbon underwriting and sector and industry analysis and analyse a potential borrower's competitive environment, industry outlook, and historical and projected financials and expectations of carbon avoided and/or reduced on a short-term basis to 2030. The Investment Manager may also visit operating assets and meet with management teams, key employees and customers of the borrower, certain competitors of the borrower and industry consultants for due diligence purposes. Every loan will also be processed through a specific environmental, social and governance analysis. Final loan assessment and selection takes place at the Investment Manager's Credit Investment

Committee (attended by the Investment Manager's strategy principals and two independent members and requires unanimous approval) and follows a rigorous underwriting model, closely comparable to a commercial bank underwriting process. If a loan is unrated, the Investment Manager's Credit Investment Committee will also approve a proposed internal rating.

After such a loan has been granted, the Investment Manager will monitor the assumptions formed during its due diligence process, for example by conducting sensitivity and scenario testing, and will seek to take appropriate action upon the deterioration of originated loans, with the aim of minimising adverse effect on the Sub-Fund.

Any decision following a default of the borrower is validated by the Investment Manager's Credit Investment Committee and taken according to a variety of factors including the presence of collateral or not, the credit documentation in place, and the analysis run by the team in charge. To this end, a legal advisor and/or other advisors or intermediaries may also be appointed if it is in the best interest of the Sub-Fund and its Shareholders.

Loans granted directly by the Sub-Fund may be secured or unsecured and may or may not have a guarantor. Security may comprise a share pledge or a charge over, for example, fixed assets, inventory, accounts receivable or bank accounts. The Investment Manager will determine on a case-by-case basis whether such a loan will require security or a guarantor.

Any decision related to the exercise of the security received in this respect and its realisation is validated by the Investment Manager's Credit Investment Committee in the best interest of the Sub-Fund and its Shareholders and in accordance with the Offering Document. Depending on the type of security (on real assets or not), legal advisors or any other advisors or intermediaries may be appointed in order to facilitate the enforcement of such security and maximize debt recovery in the best interest of the Sub-Fund and its Shareholders.

## Appendix 2: Risk Factors

All investments risk the loss of capital. Before making an investment in the Fund, investors should consider carefully the information contained in this Offering Document. Investors should consider their own personal circumstances including their level of risk tolerance, financial circumstances and investment objectives. The value of an investment in the Fund, and any income generated from them, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, as well as by specific matters relating to the assets in which the Fund invests.

Past performance should not be taken as a guide to the future and there is no guarantee that any investment will make profits or that losses may not be incurred. No assurance is given that a Sub-Fund's objective will be achieved, investors should therefore ensure that they are satisfied with the risk profile of the Sub-Fund. All Sub-Fund investments should be considered medium to long term.

Only risks that are considered material and that are currently known have been disclosed. Risks may arise in the future which could not have been anticipated in advance. Risk factors may apply to each Sub-Fund to varying degrees, and this exposure will also vary over time. This Offering Document will be updated at regular intervals to reflect any changes to the Risk Factors detailed in this Appendix 2 of this Offering Document.

The following General Risks in Part A of this Appendix apply to all Sub-Funds, whereas Specific Risks detailed in Part B as at the date of this Offering Document apply only to certain Sub-Funds as set out at in the Specific Risks warning table in Part C of this Appendix.

If you are in any doubt about the suitability of an investment in any of the Sub-Funds, or if you are not confident you understand the risks involved, please contact your financial or other professional advisor for further information.

<b>Part A - General Risks</b>	
<b>Risks Associated with Investments</b>	
Accounting Risk	Accounting, auditing and financial reporting standards, practices and disclosure requirements vary between countries and can change and this can be a source of uncertainty in the true value of investments and can lead to a loss of capital or income.
Active Management Risk	As the Sub-Fund is actively managed the portfolio's constituents may vary from the benchmark, and therefore the performance of the Sub-Fund may differ from that benchmark and so could underperform it.
Climate Change Risk	Climate change is an evolving risk which could affect the value of the underlying investments of a Sub-Fund. Climate change risk includes i) transition risks, being risks associated with markets transitioning to a lower-carbon economy (including extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change) and ii) physical risks which may be acute (e.g. extreme weather events) or chronic (e.g. longer term shifts in climate patterns such as sustained higher temperatures).
Cyber Risk	The Ninety One Group and its service providers are at risk of cyber-attack which can cause operational disruption and impact business operations, potentially leading to financial loss. This can result from the misappropriation of assets or sensitive information, corruption of data or interference with the company's ability to perform its duties relating to, for example, processing transactions, asset valuation and maintenance and adherence to privacy and data security legislation. This could result in reputational damage, regulatory censure, legal fees and other costs. Cyber-attacks affecting issuers in which a Sub-Fund invests could also cause the Sub-Fund's investments to lose value.
Exchange Rate Fluctuation Risk	Currency fluctuations may adversely affect the value of a Sub-Fund's investments and the income thereon. Currency fluctuations may also adversely affect the profitability of an underlying company in which a Sub-Fund invests.
Income Yield Risk	The level of any yield arising from interest and/or dividend payments, and other such sources of income, for a Sub-Fund may be subject to fluctuations and is not guaranteed. Therefore, the related distribution amount paid, or deemed to be paid, from any Sub-Fund's Share Class may also fluctuate over time and is not guaranteed.
Inflation & Deflation Risk	Inflation erodes the real value of all investments and changes in the anticipated rate of inflation could lead to capital losses in the Sub-Fund's investments.

	<p>Deflation risk is the risk that prices throughout an economy may decline over time. Deflation may have an adverse effect on the company profitability, impacting their value or creditworthiness, which may result in a decline in the value of a Sub-Fund's portfolio.</p>
Initial Public Offerings (IPO) & Placement Risk	<p>When a Sub-Fund subscribes for an IPO or a placing there is a (potentially lengthy) period between the Sub-Fund submitting its application and finding out whether the application has been successful. If the Sub-Fund is not allocated the full amount subscribed for due to oversubscription or the security is listed at lower than the issue price (in respect of an IPO only), this may result in a sudden change in the Sub-Fund's price. There is also the opportunity cost of having cash committed to the subscription (and therefore out of the market), and not receiving the full allocation.</p> <p>The price of securities involved in initial public offerings is often subject to greater and more unpredictable price changes than more established securities and there may be less financial information available.</p>
Political & Regulatory Risk	<p>Expropriation by the state, social or political instability, or other restrictions on the freedom of the Sub-Fund to deal in its investments, may all lead to investment losses. It should also be noted that there may be occasions when a government imposes restrictions on a company's operations and / or the free movement of cash.</p> <p>The regulatory environment may evolve in different territories and changes therein may adversely affect the ability of the Fund to pursue its investment strategies. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or regulatory authorities which may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the Fund is impossible to predict. The regulatory environment within which the Fund operates may be different to the regulatory requirements of the investors' home countries.</p>
Sustainability Risk	<p>Sustainability Factors (as defined in Appendix 3) may adversely affect the value of the securities of individual companies, sectors or countries through potential risks to economic growth and financial stability, which may negatively affect the value of the underlying investments of a Sub-Fund. Should companies or countries contribute, or be seen to contribute, to poor environmental, social or governance outcomes then this may attract censure and negatively impact growth prospects, the market price of their securities and/or Sub-Fund's ability to buy or sell these securities as expected.</p> <p>Companies or countries with poor sustainability outcomes may be subject to price shocks resulting from legal, regulatory, technological or environmental changes. Governments or regulators may impose new requirements on companies or industries relating to sustainability obligations which may negatively affect the value of securities.</p> <p>Companies or countries may also be adversely exposed to potential physical risks resulting from climate change, for example the tail risk of significant damage due to increasing erratic and potentially catastrophic weather phenomena such as for example droughts, wildfires, flooding and heavy precipitations, heat/cold waves, landslides or storms. As the frequency of extreme weather events increases, the exposure of the Sub-Fund's assets to these events increases too.</p> <p>Other physical risks may result from environmental shifts caused by climate change, including, amongst others, coastal flooding, coastal erosion, soil degradation and erosion, water stress, changing temperatures or changing wind or precipitation patterns.</p>
<b>Risks Associated with Share Classes</b>	
Charges to Capital Risk	<p>Where the income on a Sub-Fund is not sufficient to offset the charges and expenses of a Sub-Fund they may instead be deducted from the capital of the Sub-Fund. This will constrain the rate of capital growth.</p> <p>For the Inc-2 and Inc-3 Share Classes, the Management Fee, the AIFM Fee, the Administration Servicing Fee, the Depositary Fee and all other expenses attributable to that Share Class will be charged against the capital account of that Share Class. This has the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.</p>



Currency Denomination Risk	<p>The Currency Denomination of a Share Class in a Sub-Fund may not necessarily be an indicator of the currency risk to which its Shareholders are exposed. Currency risk derives from the currency exposures of the underlying assets of a Sub-Fund, while the Currency Denomination of a Share Class only indicates the currency in which the Net Asset Value of that Share Class is valued in.</p> <p>It is also particularly important to be aware of the difference between a Share Class that is denominated in a given currency and a Share Class that is hedged into that currency. For a full overview of the different Share Classes available please refer to section 5 of this Offering Document.</p>
Distribution from Capital Risk	<p>Inc-2 and Inc-3 Shares may make distributions from capital as well as from net realised and unrealised capital gains before deduction of fees and expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital and income growth. In addition, this distribution policy may have tax implications for your investment in such Income Shares. If in doubt, please consult your tax adviser.</p> <p>Additionally, Inc-3 share classes aim to provide a fixed distribution rate which is set based on the Investment Manager's expectation of the long term (3 year rolling periods) income to be received by the fund. To achieve this they may make short term distributions from capital within a calendar year or carry over excess income from one calendar year to the next. As the distribution rates for both Inc-2 and Inc-3 share classes are based on a forecast, there is a risk of these distributions being increased or decreased or being taken from capital which could also further constrain long-term capital and income growth.</p>
Initial Charges Risk	<p>Where an Initial Charge is made, Shareholders who sell their Shares may not, even in the absence of a fall in the value of the Shares, recover the total amount originally subscribed.</p>
Portfolio Currency Hedged Share Class Risk	<p>For any PCHSC, the Investment Manager (or its delegate) will use hedging transactions to reduce the impact of exchange rate movements between the currency denomination of the PCHSC and the primary currency exposures in the relevant Sub-Fund's portfolio. However, there can be no assurance that the strategy implemented by the Investment Manager will be successful.</p> <p>The currency hedging transactions will be entered into regardless of whether the primary currency exposures are declining or increasing in value relative to the currency denomination of the PCHSC. Consequently, while such hedging will largely protect investors against a decline in the value of the relevant the primary currency exposures relative to the currency denomination of the PCHSC, it will also mean that investors will not benefit from an increase in the value of those primary currency exposures relative to the currency denomination of the PCHSC.</p> <p>Due to the impossibility of forecasting future market values and the primary currency exposures in the relevant Sub-Fund's portfolio the currency hedging will not be perfect and the returns of PCHSC may be impacted by exchange rate movements.</p>
Reference Currency Hedged Share Classes Risk	<p>For the Reference Currency Hedged Share Classes, the Investment Manager will implement a currency hedging strategy to limit exposure to the currency position of the relevant Sub-Fund's Reference Currency relative to the Currency Denomination of the relevant Reference Currency Hedged Share Class ("RCHSC Currency"). However, there can be no assurance that the strategy implemented by the Investment Manager will be successful.</p> <p>The currency hedging transactions will be entered into regardless of whether the Reference Currency is declining or increasing in value relative to the RCHSC Currency. Consequently, while such hedging will largely protect investors against a decline in the value of the relevant Reference Currency relative to the RCHSC Currency, it will also mean that investors will not benefit from an increase in the value of that Reference Currency relative to the RCHSC Currency.</p> <p>Due to the impossibility of forecasting future market values the currency hedging will not be perfect and the returns of the Reference Currency Hedged Share Classes, measured in the RCHSC Currency, will not be exactly the same as the returns of an equivalent Share Class denominated in and measured in the relevant Reference Currency.</p>

	Shareholders should also note that liabilities arising from a Reference Currency Hedged Share Classes in a Sub-Fund may affect the Net Asset Value of the other Share Classes in that Sub-Fund.
Transactional Risks Arising From The Hedged Share Classes	<p>There is a risk that where a Sub-Fund has Share Classes that operate a hedge as well as Share Classes that do not, the returns of the latter may be affected, positively or negatively, by inaccuracies and imperfections in the operation of the hedge. This risk arises because Share Classes are not separate legal entities. Hedged Share Classes and un-hedged Share Classes of the same Sub-Fund participate in the same pool of assets and/or liabilities of the same Sub-Fund.</p> <p>Shareholders should also note that assets and/or liabilities arising from one Share Class in a Sub-Fund may affect the Net Asset Value of the other Share Classes in that Sub-Fund.</p>
<b>Risks Associated with Shareholder Dealing and Portfolio Transactions</b>	
Conflicts of Interest Risk	The AIFM, the Investment Manager and other companies within the Ninety One Group may, from time to time, act as alternative investment fund manager, investment manager or adviser to other funds, sub-funds or other client mandates which are competitors to this Fund because they follow similar investment objectives to the Sub-Funds of the Fund. It is therefore possible that the AIFM and the Investment Manager may in the course of their business dealings have potential conflicts of interest with the Fund or a particular Sub-Fund. The AIFM and the Investment Manager will, however, have regard in such event to their regulatory and contractual obligations and to their overall duty to act in a commercially reasonable manner to act in the best interests of all customers and to treat all customers fairly when undertaking any investment business where potential conflicts of interest may arise.
Counterparty Risk - Trading	<p>The Sub-Funds may enter into transactions with counterparties, thereby exposing them to the counterparties' credit worthiness and their ability to perform and fulfil their financial obligations (including the timely settlement of trades). This risk may arise at any time the Sub-Funds' assets are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements.</p> <p>In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of securities or, as the case may be, sale proceeds. In this situation, the receipt of securities or sale proceeds by a Sub-Fund is dependent on the counterparty fulfilling its own delivery obligation.</p> <p>When entering derivatives transactions and making use of efficient portfolio management techniques, the Sub-Funds may be adversely impacted by conflicts of interest arising from the relationship of the counterparties to the relevant investment manager or another member of the relevant Investment Manager's Group of Companies.</p>
Dilution	In certain circumstances a dilution adjustment may be made on the purchase or sale of Shares (see section 5). In the case of purchases this will reduce the number of Shares acquired; in the case of sales this will reduce the proceeds. Where a dilution adjustment is not made, existing Shareholders in the Sub-Fund in question may suffer dilution which will constrain capital growth. The dilution adjustment is triggered based on estimated net flows on the Valuation Day which may differ from the actual net flows for that day.
Limited Redemption Capacity Risk	Certain Sub-Funds limit the value which may be redeemed on a Dealing Day to a percentage of the Sub-Fund's Net Asset Value as further described in Section 5.5 'Redemption of Shares'. <u>Consequently, a Shareholder may not have its full redemption request dealt on a given Dealing Day which will be reflected in the redemption proceeds paid.</u> An investment in these Sub-Funds may only be appropriate for those investors who are able to commit their funds on a long-term basis.
Risk of Market Closure	Certain markets in which a Sub-Fund invests may not open every Business Day. Consequently, the prices at which the Shares may be bought or sold will be based on prices for the underlying investments that are out of date to a greater or lesser extent. This will cause the returns of the Sub-Fund to be affected if purchases or sales of Shares are followed immediately by increases or decreases in the prices of the underlying investments. Causes of market closures can be either from differences in normal market trading days, national or localised public holidays or from non-standard market closures imposed as emergency measures.

Liquidity Risk – Sub-Fund investments	A Sub-Fund may invest in less liquid assets or assets that subsequently become less liquid and, therefore, may be difficult to sell under certain circumstances. This could have an adverse impact on market prices or the ability to realise the asset. Lower liquidity for such assets may be as a result of lower liquidity in the asset class in general, such as smaller companies or certain categories of credit, or as a result of specific economic or market event, such as the deterioration in the performance of an issuer.
Risk of Suspension	In certain circumstances, Shareholders' right to redeem, switch or convert sell Shares (including a sale by way of conversion) may be suspended (see section 6.7). This will mean that on a temporary basis Shareholders will not have access to their money.
Risk of Remittance Restrictions	In some countries, the proceeds from the sale of a security, or dividends or other income, which is due to foreign investors, may not be payable, in full or in part, due to governmental or other restrictions. Any such restrictions will reduce the profit potential of a Sub-Fund and may lead to losses. Other such risks may include the introduction of unexpected taxation rules. In some circumstances, governmental or regulatory controls may be imposed affecting the efficient movement of capital (e.g. exchange limitations or currency movements/repatriation).
<b>Risks Associated with Sub-Fund Operations</b>	
Conflicts of Interest Risk	<p>The Board of Directors, the AIFM, the Administrator, the Depositary, the Registrar and Transfer Agent and their respective affiliates, may each from time to time act as director, alternative investment fund manager, investment adviser, administrator, transfer agent or depositary in relation to, or be otherwise involved in, other collective investment schemes which have similar investment objectives to those of the Fund. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Fund or the Shareholders. Each will, at all times, have regard in such event to its obligations to the Fund and, in particular, to its obligations to act in the best interests of the Shareholders when undertaking any investments where conflicts of interest may arise and will endeavor to ensure that such conflicts are resolved fairly and, in particular, the AIFM will act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Fund.</p> <p>The AIFM, the Administrator, the Depositary, the Registrar and Transfer Agent and their respective affiliates, may each from time to time deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis. Dealings will be deemed to have been effected on normal commercial terms negotiated at arm's length if (i) a certified valuation of any such transaction by a person approved by the Depositary (or the Board of Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) as independent and competent is obtained; or (ii) the transaction is executed on best terms on an organized investment exchange in accordance with the rules of such exchange; or (iii) where (i) and (ii) are not practical, the transaction is executed on terms which the Depositary (or the Board of Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary), is satisfied are normal commercial terms negotiated at arm's length and in the best interests of Shareholders at the date of the transaction.</p> <p>Pursuant to the 2013 Law, the AIFM or its delegate has certain responsibilities in relation to the proper valuation of the assets of each Sub-Fund and for the calculation of the Net Asset Value and the publication of the same. There is a potential conflict of interest between any involvement of the AIFM in this valuation process and the AIFM's entitlement to receive the Management Fee from the Fund, each of which is based on the performance of the Shares as the Management Fee will increase as the Net Asset Value and, therefore, Net Asset Value per Share increases. The Administrator, which has been appointed by the Fund to perform certain valuation services and to calculate the net asset value and the net asset value per Share, also faces a similar conflict of interest because its fee is based on the net asset value.</p> <p>The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Fund.</p> <p>The Board of Directors shall endeavor to ensure that any conflicts of interest are resolved fairly and in the best interests of Shareholders in accordance with its conflicts of interest policy. The Fund has appointed the AIFM to provide a number of services to the Fund and rely on the AIFM to act in accordance with its conflicts of interest policy.</p>

Custody Risk	<p>The Fund's assets which are safe kept by the Depositary or its sub-custodians (which may not be part of the same group of companies as the Depositary) are exposed to the risk of the Depositary its sub-custodian not being able to fully meet its obligation to return in a short time frame all of the assets of the Fund held at the Depositary or a sub-custodian in the case of its insolvency. Securities of the Fund will normally be identified in the Depositary's or sub-custodian's books as belonging to the Fund and will be segregated from the Depositary or the sub-custodian's assets. This provides protection for the Fund's assets in the event of the insolvency of either the Depositary or its sub-custodian, but does not exclude the risk that the assets will not be returned promptly in the event of insolvency.</p> <p>The Fund's assets may also be pooled with the securities of other clients of the Depositary or sub-custodian. In this circumstance, if there were problems with the settlement or custody of any security in the pool then, subject to the 2013 Law, the loss would be spread across all clients in the pool and would not be restricted to the client whose securities were subject to loss.</p> <p>In addition, a Sub-Fund may be required to place assets outside of the Depositary and the sub-custodian's safekeeping network in order for the Fund to trade in certain markets. In such circumstances the Depositary remains responsible for the proper selection and supervision of the persons safekeeping such assets in the relevant markets in accordance with the 2013 Law. In such markets, Shareholders should note that there may be delays in settlement and/or uncertainty in relation to the ownership of a Sub-Fund's investments which could affect the Sub-Fund's liquidity and which could lead to investment losses.</p> <p>The Depositary is liable to the Fund for the loss of an asset held in custody by the Depositary and its sub-custodians. However, the Depositary may have no liability for the loss of an asset where the Depositary can prove that the loss is due to an event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary by the Depositary.</p> <p>Cash held on deposit with a Depositary or its sub-custodian is not segregated from the assets of the Depositary or its sub-custodian and is held at the risk of the Sub-Funds.</p>
Fair Value Pricing Risk	<p>Fair value pricing adjustments may be made to the price of an underlying asset of a Sub-Fund, at the absolute discretion of the AIFM, to reflect predicted changes in the last available price between the market close and the Valuation Point. There is, however, a risk that this predicted price is not consistent with the subsequent opening price of that security.</p>
Fraud Risk	<p>The Sub-Fund's assets may be subject to fraud. This includes but is not limited to fraudulent acts at the sub-custodian level such that the sub-custodian does not maintain books and records that reflect the beneficial ownership of the Fund to its assets. Fraud may also arise with regards to counterparty default and/or fraudulent acts of other third parties.</p> <p>The Depositary is liable to the Fund for the loss of an asset held in custody by the Depositary and its sub-custodians. However, the Depositary may have no liability for the loss of an asset where the Depositary can prove that the loss is due to an event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary by the Depositary.</p>
Fund Legal Action Risk	<p>There is no certainty that any legal action taken by the Fund against its Service Providers, agents, counterparties, other third parties or borrowers will be successful and Shareholders may not receive compensation in full or at all for any losses incurred. Recourse through the legal system can be lengthy, costly and protracted. Depending on the circumstances, the Fund may decide not to take legal action and/or the Fund may decide to enter into settlement negotiations which may or may not be successful.</p>
Brexit Risk	<p>Investors should be aware that the result of the UK's withdrawal from the EU, the EU-UK Trade and Cooperation Agreement of 24 December 2020 and any subsequent negotiations and changes to legislation may introduce potentially significant new uncertainties and instabilities in politics, economies and financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Fund, each Sub-Fund, their investments, the Management Company, the Investment Manager and the other parties</p>

	<p>providing services to or transacting with the Fund and each Sub-Fund and could therefore also be materially detrimental to Shareholders.</p> <p>The Investment Manager is authorised and regulated in the UK by the FCA pursuant to laws and regulations many of which derive from EU legislation. The UK withdrawal from the EU means that the Investment Manager is seen as a third country firm that is based outside the EU. There is a risk that future changes in the EU legislation may further restrict an ability of the Management Company to delegate portfolio management (and other) activities to a firm located outside the EU which could affect the Investment Manager's ability to continue providing services to the Fund.</p> <p>The Fund and each Sub-Fund will be exposed to a number of counterparties, respectively. Such counterparties may be unable to perform their obligations due to changes in regulation or the costs of such transactions with such counterparties may increase. In particular, the EU Commission has granted "equivalence" status for certain UK based derivatives clearing houses to continue to operate in the EU on a temporary basis until June 2025. These clearing houses act for the majority of the EU's derivatives trading, meaning a loss of access to the EU would potentially create significant risk of market disruption which may adversely impact on certain investments of a Sub-Fund. It is not known if the equivalence status will be extended beyond June 2025.</p>
Liabilities of the Fund and the Sub-Funds	<p>Each Sub-Fund of the Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Sub-Fund. Whilst the provisions of Luxembourg Law provide for segregated liability between Sub-Funds, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not known whether a foreign court would give effect to the segregated liability provisions contained in Luxembourg Law. Therefore, it is not possible to be certain that the assets of a Sub-Fund will always be completely insulated from the liabilities of another Sub-Fund in every circumstance.</p>
Liquidity Risk – Shareholder Activity	<p>Subscriptions, conversions or redemptions of Shares in a Sub-Fund may have an impact on the other Shareholders of that Sub-Fund, which is commonly known as dilution or concentration.</p> <p>To match subscriptions, conversions and redemptions of shares from a Sub-Fund, assets may be bought or sold and such transactions may incur costs that the Sub-Fund must meet. Where a Sub-Fund is forced to buy or sell a significant volume of assets relative to the liquidity normally available in the market, it may affect the price at which those assets are bought or sold (and this may be different from the price at which they are valued), therefore having a dilutive or concentrative impact for the other Shareholders. In addition, the weighting of different holdings within the portfolio may change, therefore altering the construction and composition of the Sub-Fund. The impact will vary to a lesser or greater extent depending on the volume of transactions, the purchase and sale price of the assets and valuation method used to calculate Net Asset Value per Share of the Sub-Fund.</p> <p>The Board of Directors may at its discretion, but always acting in the best interests of Shareholders, in times of illiquidity, utilise liquidity management tools including, without limitation, the power to defer redemptions (see section 5.5) and suspend the calculation and publication of the Net Asset Value per Share and/or, where applicable, the issue, redemption and conversion of Shares of any Class in any Sub-Fund on temporary basis, in the circumstances described under section 6.7.</p>
Securities Lending Risk	<p>Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a Sub-Fund engaged in securities lending transactions may lose money and there may be a delay in recovering the lent securities. The Sub-Fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of assets purchased with re-invested cash collateral.</p> <p>A Sub-Fund's portfolio exposure to market risk will not change by engaging in securities lending. However, securities lending carries the specific market risk of the counterparty defaulting. To mitigate this risk, the Fund will receive collateral relating to its securities lending transactions.</p> <p>In the event of default by the counterparty to a securities lending transaction, the collateral provided will need to be sold and the lent securities repurchased at the prevailing price, which may lead to a loss in value for the relevant Sub-Fund. There can therefore be no assurance that the relevant Sub-Fund's investment objectives will be achieved.</p>

	<p>Securities lending also carries operational risks such as the non-settlement of instructions associated with securities lending. Such operational risks are managed by means of procedures, controls and systems implemented by the securities lending agent and the Fund.</p> <p>A stock lending agent may be appointed to enter into securities lending transactions for and on behalf of the Fund with certain borrowers. In this event the borrowers will be required to transfer collateral to the stock lending agent. The stock lending agent will be required to hold the collateral in safekeeping for and on behalf of the Fund. The Fund may be exposed to risk in circumstances where the stock lending agent holds collateral in a client pooled account. This risk arises when the stock lending agent is subject to insolvency proceedings or otherwise fails to fulfil its obligations and the client pooled account suffers a shortfall. In such circumstances the Fund may be subject to potential losses.</p> <p>When engaging in securities lending, the Fund may be adversely impacted by conflicts of interest arising from the relationship of the counterparties to such transactions with the relevant investment manager or another member of the relevant investment manager's group of companies.</p>
Tax Risk	Tax laws may change without notice and may impose taxes on a retrospective basis, including without limit, the imposition or increasing of taxes on income and/or unregistered gains which might affect returns from a Sub-Fund. Taxes may be deducted at source without notice to the Fund and/or the Investment Manager. Tax charged may vary between Shareholders. Tax law and practice may also be unclear, leading to doubt over whether taxes may ultimately become due. Local tax procedures may have the effect of limiting or denying the reclaim of such taxes deducted that might otherwise be available.
Third-Party Operational Risk (including Counterparty Risk – Service Providers)	The Sub-Fund's operations depend on third parties, either for the purpose of segregating duties, or due to delegation/outsourcing of functions by the Investment Manager. Shareholders in the Sub-Fund may suffer disruption or financial loss in the event of third-party operational failure.
Valuation Risk	A valuation price for a Sub-Fund's quoted investments can be obtained from an exchange or similarly verifiable source. However, there is a risk that where the Sub-Fund invests in unquoted and/or illiquid investments the values at which these investments are realised may be significantly different to the estimated fair values of these investments.
Subscale Risk	If a Sub-Fund does not reach or maintain a sustainable size, this will constrain the Investment Manager from implementing all of the investment decisions that it would like to for the Fund and/or the effect of charges and expenses may be higher than anticipated and the value of the investment consequently reduced. Also, in accordance with the Fund's Articles of Incorporation, a Sub-Fund may be liquidated if it does not reach assumed sustainable size and is no longer viable to operate.

<b>Part B - Specific Risks</b>	
<b>Risks Associated with Investment Strategy</b>	
Concentration Risk	Sub-Funds which invest in a concentrated portfolio of holdings may be more volatile than more broadly diversified funds.
Income Priority Risk	Where a Sub-Fund gives priority to income over capital growth this may constrain the rate of future capital and income growth.
Distribution of Implied Yield Risk	Distributable income for Income Shares in some Sub-Funds may include an implied yield accrued from certain investments (e.g. foreign exchange forward transactions). This may constrain long-term capital and income growth for such Income Shares. If the implied yield is negative this could reduce the distributable income. In addition, this distribution policy may have tax implications for your investment in such Income Shares. If in doubt, please consult your tax adviser. It should be noted that the distribution of the implied yield may cause greater fluctuations in a Sub-Fund's Net Asset Value.

Multi-Asset Investment Risk	Losses may be made due to adverse movements in equity, bond, commodity, currency and other market prices and to changes in the volatility of any of these.
Sector and / or Geographical Risk	<p>Sub-Funds that restrict investment to a small number of related sectors and/or geographical locations may decline even while broader based market indices are rising.</p> <p>Furthermore, investments which offer exposure to commodities may include additional risks e.g. political risk, natural events or terrorism. This may influence the production and trading of commodities and the value of financial instruments offering exposure to such commodities.</p>
Sustainable Investing Risk	<p>Sustainable, impact or other investment strategies that promote environmental or social characteristics consider specific factors related to their strategies in assessing and selecting investments. As a result, they may exclude certain areas of their investment universes (e.g. industries, companies or countries) that do not meet their criteria. This may result in their portfolios being different from broader benchmarks or investment universes, which could in turn result in relative investment performance deviating from the performance of the broader market.</p> <p>Other risks associated with sustainability-focused Sub-Funds may be caused by the following factors:</p> <ul style="list-style-type: none"> <li>- lack of standardised regulatory standards on data collection and transformation;</li> <li>- lack of standardised corporate reporting standards on sustainability;</li> <li>- limited accuracy of sustainability data due to self-reporting with limited audits;</li> <li>- faulty estimates by data providers if companies do not report sustainability data; and</li> <li>- large-cap bias in data reporting.</li> </ul> <p>As investors may differ in their views of what constitutes sustainable investing, a Sub-Fund may invest in companies or issuers that do not reflect the personal beliefs and values of particular investors.</p>
<b>Risks Associated with Equity Investments</b>	
Discount / Premium Risk	From time to time the prices of closed ended investment company shares can trade at either a premium or discount to their underlying value. This can create volatility in the price of a Sub-Fund that invests in closed ended investment company shares in excess of the volatility of the underlying markets in which the investment trust invests in and this consequently poses a greater risk to capital.
Equity Investment Risk	The value of equities and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.
Smaller Companies Risk	Smaller company shares may be less liquid and more volatile than the shares of larger companies, due to the smaller number of shares in issue and the frequently less diversified and less established nature of the business. These factors can create a greater potential for significant capital losses.
<b>Risks Associated with Debt Investments</b>	
Collateral Enforcement	Investing in loans may carry the risk of collateral enforcement. Collateral is the property or assets pledged by the borrower to secure the loan. If the borrower defaults on the loan, the investor may need to enforce the collateral to recover their investment. However, the process of enforcing collateral can be time-consuming and expensive, and there is no guarantee that the value of the collateral will cover the full amount of the loan. Additionally, the collateral may not be easily liquidated, further complicating the enforcement process.
Contingent Convertibles or CoCos	<p>In the framework of new banking regulations, banking institutions are required to increase their capital buffers and have therefore issued certain types of financial instrument known as subordinated contingent capital securities (often referred to as “CoCo” or “CoCos”). The main feature of a CoCo is its ability to absorb losses as required by banking regulations, (although corporate entities may also choose to issue them).</p> <p>Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and / or accrued interest, or a conversion to equity. These triggering events may include (i) a</p>

	<p>deduction in the issuing bank's capital ratio below a pre-set limit, (ii) a regulatory authority making a subjective determination that an institution is "non-viable" or (iii) a national authority deciding to inject capital. Furthermore, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.</p> <p>Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause a Sub-Fund as a CoCo bondholder to suffer losses (i) before both equity investors and other debt holders which may rank pari passu or junior to CoCo investors and (ii) in circumstances where the bank remains a going concern.</p> <p>The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written-down which may vary across different securities which may have varying structures and terms. CoCo structures may be complex and terms may vary from issuer to issuer and bond to bond.</p> <p>CoCos are valued relative to other debt securities in the issuer's capital structure, as well as equity, with an additional premium for the risk of conversion or write-down. The relative riskiness of different CoCos will depend on the distance between the current capital ratio and the effective trigger level, which once reached would result in the CoCo being automatically written-down or converted into equity. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios. It is possible in certain circumstances for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right to claim the payment of any foregone interest which may impact the value of the relevant Sub-Fund.</p> <p>Notwithstanding that interest not being paid or being paid only in part in respect of CoCos or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking pari passu with the CoCos resulting in other securities by the same issuer potentially performing better than CoCos.</p> <p>Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory under certain European directives and related applicable laws and regulations. This mandatory deferral may be at the same time that equity dividends and bonuses may also be restricted, but some CoCo structures allow the bank at least in theory to keep on paying dividends whilst not paying CoCo holders. Mandatory deferral is dependent on the amount of required capital buffers a bank is asked to hold by regulators.</p> <p>In addition, Shareholders should be informed that some Cocos may suffer from a call extension risk as certain of them are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. Also, investing in Cocos includes a potential liquidity risk as in certain circumstances finding a ready buyer for Cocos may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.</p> <p>CoCos generally rank senior to common stock in an issuer's capital structure and are consequently higher quality and entail less risk than the issuer's common stock; however, the risk involved in such securities is correlated to the solvency and / or the access of the issuer to liquidity of the issuing financial institution.</p> <p>Shareholders should be aware that the structure of CoCos is yet to be tested and there is some uncertainty as to how they may perform in a stressed environment. Depending on how the market views certain triggering events, as outlined above, there is the potential for price contagion and volatility across the entire asset class. Furthermore, this risk may be increased depending on the level of underlying instrument arbitrage and in an illiquid market, price formation may be increasingly difficult.</p>
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Credit Risk	Where the value of an investment depends on a party (which could be a company, government or other institution) fulfilling an obligation to pay, there exists a risk that the obligation will not be satisfied. This risk is greater the weaker the financial strength of the party. The Net Asset Value of a Sub-Fund could be affected by any actual or feared breach of the party's obligations, while the income of the Sub-Fund would be affected only by an actual failure to pay, which is known as a default.
Distressed Debt Securities	A Sub-Fund may invest in distressed debt Securities. Investment in such Distressed Debt Securities (which qualify as transferable securities) involves purchases of obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. Acquired investments may include senior or subordinated debt securities, bank loans, promissory notes and other evidences of indebtedness, as well as payables to trade creditors. Although such purchases may result in significant investor returns, they involve a substantial degree of risk and may not show any return for a considerable period of time. In fact, many of these investments ordinarily remain unpaid unless and until the company reorganises and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial distress is unusually high. There is no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a company in which a Sub-Fund invests, an investor may lose its entire investment or may be required to accept cash or securities with a value less than the original investment. Under such circumstances, the returns generated from the investment may not compensate a Sub-Fund adequately for the risks assumed.
High Yield Debt Securities Risk	<p>High yield debt securities, that is those that are rated BB+ by Standard &amp; Poor's or Ba1 by Moody's or lower, or are unrated, are subject to greater risk of loss of income and principal due to default by the issuer than are higher-rated debt securities. It may also be more difficult to dispose of, or to determine the value of, high yield debt securities.</p> <p>High yield debt securities rated BB+ or Ba1 or lower are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions".</p>
Interest Rate Risk	The earnings or market value of a Sub-Fund may be adversely affected by changes in interest rates. This risk can be particularly relevant for Sub-Funds holding fixed-rate debt securities (such as bonds), since their values may fall and their yields may decrease below prevailing market rates if interest rates rise. Furthermore, Sub-Funds holding fixed-rate debt securities with a long time until maturity may be more sensitive to changes in interest rates than shorter-dated debt securities, for example a small rise in long-term interest rates may result in a more than proportionate fall in the price of a long-dated debt security.
Investment Grade Risk	Investment Grade debt securities, like other types of debt securities, involve credit risk. As such, they are subject to loss of income and/or principle due to default by the issuer, or if their financial circumstances deteriorate. Investment Grade debt securities also face the risk that their ratings can be downgraded by the ratings agencies during the period when these securities are invested by a particular Sub-Fund.
Loan Risk	<p>A Sub-Fund may invest in fixed and floating rate loans from one or more financial institutions ("lender(s)") to a borrower ("borrower") by way of (i) assignment/transfer of; or (ii) participation in the whole or part of the loan amount outstanding.</p> <p>Participations typically will result in the Sub-Fund having a contractual relationship only with a lender as grantor of the participation but not with the borrower. The Sub-Fund acquires a participation interest only if the lender(s) interpositioned between the Sub-Fund and the borrower is determined by the Investment Manager to be creditworthy. When purchasing loan participations, a Sub-Fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary. Loan assignments typically involve a transfer of debt from a lender to a third party. When purchasing loan assignments, a Sub-Fund assumes the credit risk associated with the corporate borrower only.</p>

	<p>Such loans may be secured or unsecured. Loans that are fully secured offer a Sub-Fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. In addition, investments in loans through a direct assignment include the risk that if a loan is terminated, a Sub-Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.</p> <p>Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates.</p> <p>A loan is often administered by an agent bank acting as agent for all holders. Unless, under the terms of the loan or other indebtedness, a Sub-Fund has direct recourse against the corporate borrower, the Sub-Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.</p> <p>The loan participations or assignments in which a Sub-Fund invests may not be rated by any internationally recognised rating service.</p> <p>In relation to trading in loans either directly or through participations, the ability of a Sub-Fund to acquire or dispose of positions may be restricted, delayed or prevented to the extent that any conditions to transfer are required to be satisfied. Such conditions may include, without limitation, obligations on a Sub-Fund, as transferee, to provide satisfactory confidentiality undertakings to the borrower, grantor of a participation or transferor to procure the same from any onward transferee. The underlying documents governing a Sub-Fund's holding of a loan position may contain restrictions on such Sub-Fund's ability to transfer its loan position, including that the consent of the grantor of any participation may be required. There may also be restrictions on transfer in the underlying loan documents. In addition, illiquidity in the market for trading loan positions may affect a Sub-Fund's ability to dispose of, and realise value in respect of, its loan positions.</p>
Money Market Instrument Risk	<p>Money Market Instruments in which a Sub-Fund invests are subject to the solvency of the underlying issuer. The buying and selling of Money Market Instruments is exposed to liquidity constraints in the market.</p> <p>While every effort will be made to maintain the capital value of the Sub-Fund, there is no guarantee that this will be the case as a loss made on an instrument held by the Sub-Fund could reduce the capital value of the Sub-Fund.</p>
Mortgage Backed and Other Asset Backed Securities Risk	<p><u><i>Mortgage Backed</i></u></p> <p>A mortgage-backed security is a generic term for a debt security backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A mortgage-backed security is normally issued in a number of different classes with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate of securities. The higher the risk contained in the class, the more the mortgage-backed security pays by way of income.</p> <p><u><i>Asset Backed</i></u></p> <p>Traditional debt securities typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on asset-backed securities (ABS) typically include both interest and partial payment of principal. Principal may also be prepaid voluntarily, or as a result of refinancing or forced repayment. The Fund may have to invest the proceeds from prepaid investments under less attractive terms and yields. Compared to other debt, ABS are less likely to increase in value during periods of declining interest rates and have a higher risk of decline in value during periods of rising interest rates and they can increase the volatility of the Fund. Some ABS receive only portions of payments of either interest or principal of the underlying debt. The yields and values of these investments are extremely sensitive to changes in interest rates and in the rate of principal payments on the underlying mortgages. The market for these investments may be volatile and illiquid, which may make it difficult to buy or sell them, and the secondary market may be smaller than that for more traditional debt securities.</p>

	<p><u>CDOs/CLOs</u></p> <p>Collateralised Debt Obligations (CDOs) represent a participation in, or are secured by, a pool of fixed or floating rate debt obligations. CDOs are issued in separate classes with different stated maturities that may have different credit and investment profiles. As the debt pool experiences prepayments, the pool pays off investors in classes with shorter maturities first. Prepayments may cause the actual maturity of a CDO to be substantially shorter than its stated maturity. Conversely, slower than anticipated prepayments can extend the effective maturities of CDOs, subjecting them to a greater risk of decline in market value in response to rising interest rates than traditional debt securities, and, therefore, potentially increasing their volatility. CDOs and other instruments with complex or highly variable prepayment terms generally entail greater market, prepayment and liquidity risks than other asset backed securities (ABS). CDOs are generally subject to each of the risks discussed under asset-backed (ABS) securities.</p> <p><u>CLNs</u></p> <p>Credit Linked Notes (CLNs) are executed directly with a counterparty rather than through a recognised exchange and thus are not afforded the same protections as instruments traded on recognised exchanges. CLNs carry the default risk of the counterparty as well as the default risk associated with the underlying credit securities and may not have a claim over the underlying assets in the event of a default by the counterparty. Additionally, when compared to the underlying reference securities, a CLN may provide varying returns because of, for example, the terms of the CLN contract, imperfect matching of price points or coupon payments. In times of stress CLNs may become less liquid and more difficult to price.</p>
Perpetual Bond Risk	<p>Certain Sub-Funds are permitted to invest in perpetual bonds. Perpetual bonds are bonds issued without a maturity date. While these bonds will have call dates allowing the bond issuer to redeem the bonds, there is no guarantee that the issue will be called on this date (for example a bond may not be recalled where interest rates have risen since issuance) and there is a possibility that the bond may never be called resulting in the Sub-Fund not receiving the return of the principal or part of the principal, unless sold in the market. As issuers will typically call their bonds when they can issue bonds with a lower yield, perpetual bonds are subject to increased reinvestment risk (the risk that proceeds from bond coupons or redemptions may be reinvested at lower yields). Additionally, the liquidity for perpetual bonds in stressed market conditions may be limited, negatively impacting the price such bonds may be sold at, which in turn may negatively impact the Sub-Fund's performance.</p>
Early or deferred repayment risk	<p>The value of the Sub-Fund's assets may be affected by prepayment rates on loans and notes. Prepayment rates are influenced by changes in interest rates and a variety of economic, geographic and other factors beyond the Sub-Fund's control. Therefore, the frequency at which prepayments (including voluntary prepayments by borrowers and liquidations due to defaults and insolvency) occur on the Sub-Fund's investments may adversely impact the Sub-Fund and prepayment rates cannot be predicted with certainty, making it impossible to completely insulate the Sub-Fund from prepayment or other such risks. Prepayments give rise to increased re-investment risk, as the Sub-Fund might keep excess cash longer than expected. If prepayment rates increase, the Sub-Fund may be unable to re-invest cash in a new investment with an expected rate of return at least equal to that of the investment repaid.</p>
Risk of Minority Interest	<p>Investing in loans may also carry the risk of minority interest. When investing in a loan, the investor is typically only one of many lenders involved. As a result, the investor may not have control over the loan and may be subject to the decisions of the majority lenders. This could include decisions regarding the restructuring or refinancing of the loan, which may not be in the investor's best interest.</p>
Loan origination or other direct debt instruments	<p>Some Sub-Funds may invest in loans or other debt instruments (in the context of this paragraph individually referred to as "Instrument" and jointly referred to as "Instruments") directly, by way of granting or originating the Instrument directly to borrowers and/or obligor as the original lender and/or obligee. Such activities of the Company, the AIFM and/or the Investment Manager(s) involve certain operational risks related to receiving and processing applications, performing the credit assessment and borrower and/or obligor selection, setting the terms and conditions of the Instrument and related collateral, if any, review and maintenance of Instrument documentation, and monitoring of the borrowers and/or obligor and applicable covenants. Moreover, certain regulators may require the Company, the AIFM and/or the Investment Manager(s) to obtain licenses or authorizations to engage in certain types of direct financing activities, such as originating loans to certain categories of borrowers located in certain countries. It may take a</p>

	<p>significant amount of time and expense to obtain such licenses or authorizations and the relevant Sub-Fund may be required to bear the cost of obtaining such licenses and authorizations. There can be no assurance that any such licenses or authorizations would be granted or, if granted, whether any such licenses or authorizations would impose restrictions on the relevant Sub-Fund and/or the Company and/or the AIFM and/or the Investment Manager(s). Alternatively, the Company and/or the AIFM and/or the Investment Manager(s) may be obliged to structure certain potential investments in a manner that would not require such licenses and authorizations, and such transactions may be inefficient for the Company and/or the AIFM and/or the Investment Manager(s).</p>
Acquisition of, participations and sub-participation in loans or other debt instruments	<p>Some Sub-Funds may acquire loans or other debt instruments (in the context of this paragraph individually referred to as "Instrument" and jointly referred to as "Instruments") directly, by way of transfer, assignment or other form of acquisition of, or indirectly by way of participation or sub-participation in, an existing Instrument. The relevant Sub-Fund as the acquiring party of such Instrument by way of a transfer, assignment or other form of acquisition, typically succeeds to all the rights and obligations of the selling party and becomes a contracting party under the acquired Instrument; however, its rights may be more restricted than those of the selling party. The relevant Sub-Fund and/or the Company and/or the AIFM and/or the Investment Manager(s) may also rely on the selling party to continue being involved on their behalf, in collecting principal and/or interest amounts, and/or other payments due under the Instrument, and generally, in enforcing all or certain obligations of the borrower and/or obligor under the terms of the Instrument; to this extent, the relevant Sub-Fund and/or the Company and/or the AIFM and/or the Investment Manager(s) may be subject to greater risks and expenses than would have been involved if they had performed such actions directly. A holder of indirect participation or sub-participation interests in an Instrument is subject to additional risks not applicable to a holder of a direct interest in such Instrument. Under the terms of certain participation or sub-participation transactions, the relevant Sub-Fund may not have direct recourse against a borrower and/or obligor if the borrower and/or obligor fails to pay scheduled principal, interest or other payment and therefore may be subject to the risks associated with the agent, intermediary or lender of record. The relevant Sub-Fund may be subject to greater delays, expenses and risks, including credit risks, than would have been involved if the relevant Sub-Fund had acquired a direct obligation of the borrower and/or obligor. Acquisitions and participations are typically sold strictly without recourse or with limited recourse to the selling party, and the selling party will generally make no representations or warranties about the underlying Instrument, the portfolio companies, the terms of such Instruments or any collateral securing the same.</p>
Long term nature of certain investments	<p>Private debt, club loans, and junior investment opportunities are not traded on recognized exchange markets. Instead, they typically are traded by banks and other institutional investors participating in secondary loan markets, which are typically subject to limitations on liquidity. The liquidity of the concerned Sub-Funds' investments will therefore depend on the liquidity of the loan markets. In addition, certain investments may be subject to legal or contractual restrictions or requirements that limit the Sub-Funds' ability to transfer them or sell them for cash.</p> <p>As a result, the concerned Sub-Funds' investments may be long-term in nature and there can be no assurance that the Sub-Funds will be able to realize investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. The long-term nature of certain assets within the Sub-Funds' portfolios may impede the Sub-Funds' ability to respond to adverse changes in the performance of their assets and may adversely affect the value of an investment in these Sub-Funds.</p>
Risk regarding the loan origination	<p>The risk management system and the procedures established in respect of each Sub-Fund comprise, where applicable, (i) procedures for periodic monitoring and evaluation of the evolution of loan quality in order to determine, as necessary, the appropriate levels of impairment in value of loans; and (ii) procedures for periodic monitoring of appropriate diversification regarding borrowers (risks associated with e.g. "borrower correlation" or "connected group of borrowers" should be taken into account).</p> <p>As regards collateral and loan collection, the following procedures have been established by the AIFM, the Investment Manager and/or the Sub-Investment Manager in respect of the Sub-Fund, where applicable: (i) procedures to verify and ensure the existence, quality and valuation of collateral, if any, until the loan's maturity date; (ii) procedures regarding enforcement of collateral arrangements, where applicable, and loan collection/recovery; and (iii) procedures to mitigate maturity transformation.</p>
<b>Risks Associated with Derivative Investments</b>	
Cash Flow Risk	<p>A Sub-Fund may have insufficient cash to meet the margin calls necessary to sustain its position in a derivatives contract. This may result in the Sub-Fund having to close a position (or sell other securities to raise the cash) at a time and / or on terms that it may otherwise not have done. This could lead to capital losses for the Sub-Fund.</p>

Derivatives Risk	<p>The use of derivatives may lead to large changes in the value of a Sub-Fund and includes the potential for large financial loss.</p> <p>The value of a derivative typically depends on the value of the underlying asset. However, the value of the derivative may not be 100% correlated with the value of the underlying asset and, therefore, a change in the value of the asset may not be matched by a proportionate corresponding change in the value of the derivative.</p>
Exchange Derivatives Risk	<p>Futures contracts may have restricted liquidity due to certain exchanges limiting fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. These prevent trades from being executed at prices beyond the daily limits during a single trading day. Also, once the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit.</p>
EMIR Clearing: Client Segregation Model Risk	<p>EMIR requires clearing members of central counterparties established in the European Union to offer to their clients the choice between omnibus accounts and individual accounts in relation to their centrally cleared over-the-counter (OTC) derivative transactions.</p> <p>The omnibus account option is the minimum standard of client protection permitted under EMIR. Omnibus accounts are accounts at the level of the central counterparty which contain the OTC derivative positions and the related collateral of several of the clearing member’s clients. The pooling of client positions and collateral in this way means that assets related to a client could be used to cover the losses of other clients following a clearing member default. Individual accounts only contain positions and collateral of the respective account holder and therefore offer a higher level of client protection compared to an omnibus account structure.</p> <p>Regarding omnibus accounts a further distinction is made between net omnibus accounts and gross omnibus accounts. In a gross omnibus account (which is the type of account selected by the Fund), positions are recorded on a gross basis by the clearing member for each of its clients and collateral is calculated on a gross basis. In contrast, in a net omnibus account there is netting between the different clients’ positions and collateral is calculated on a net basis. Accordingly, a gross omnibus account, results in less risk for the respective client as following a clearing member default, there is likely to be a larger pool of collateral available to be returned to clients than would be the case in respect of a net omnibus account.</p>
Leverage Risk	<p>Leverage is defined under the AIFMD as any method by which the Investment Manager increases the exposure of the Fund whether through borrowing of cash or securities, leverage embedded in derivative positions or by any other means. Leverage creates risks for the Fund. While the use of leverage can lead to an opportunity for higher return and, therefore, additional income, at the same time it can increase volatility and therefore, lead to a greater risk of loss of capital.</p>
OTC Derivative Instruments Risk	<p>In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.</p> <p>Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. OTC derivatives expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Investors should also refer to the risk factor Counterparty Risk – Trading.</p> <p>Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the relevant Sub-Fund. The value of the collateral may fluctuate, however, and it may be</p>

	<p>difficult to sell, so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the relevant Sub-Fund.</p> <p>The Sub-Funds may enter into OTC derivatives cleared through a clearing house that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate the risk completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the relevant Sub-Fund. There is a risk of loss by a Sub-Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Sub-Fund has an open position or if margin is not identified and correctly reported to the relevant Sub-Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Sub-Fund may not be able to transfer or “port” its positions to another clearing broker.</p> <p>EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Fund. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of this Offering Document.</p> <p>It is as yet unclear how the over-the-counter financial derivative instruments market will adapt to the new regulatory regime. The collateral, reporting and clearing requirements under EMIR, compliance with rules, regulations promulgated and other legislation in other jurisdictions may increase costs to the Sub-Funds and may impact performance. The full impact that such legislation will ultimately have on the Sub-Funds and the markets in which they trade and invest is not fully known. Such uncertainty may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies. Any changes to current regulations or any new regulations applicable to the Sub-Funds could have a materially adverse effect on the Sub-Funds.</p>
Short Exposure Risk	<p>Where a Sub-Fund uses derivatives to create short exposure there is potential for gains to be made when the underlying securities are falling in value, but a loss could be incurred when the underlying security is rising in value. This means the Sub-Fund's performance will be less closely related to the performance of the type of assets in which it will ordinarily invest.</p>
Credit Default Swaps and Other Synthetic Securities Risk	<p>A portion of a Sub-Fund's investments may consist of credit default swaps and other synthetic securities the reference obligations of which may be leveraged loans, high-yield debt securities or similar securities. Investments in such types of assets through the purchase of credit default swaps and other synthetic securities present risks in addition to those resulting from direct purchases of such investments. With respect to each synthetic security, the Sub-Fund will usually have a contractual relationship only with the counterparty of such synthetic security, and not the reference obligor on the reference obligation. The Sub-Fund generally will have no right directly to enforce compliance by the reference obligor with the terms of the reference obligation nor any rights of set-off against the reference obligor, may be subject to set-off rights exercised by the reference obligor against the counterparty or another person or entity, and generally will not have any voting or other contractual rights of ownership with respect to the reference obligation. In addition, the Sub-Fund will not directly benefit from any collateral supporting the reference obligation and will not have the benefit of the remedies that would normally be available to a holder of such reference obligation. In addition, in the event of the insolvency of the counterparty, the Sub-Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the reference obligation. Consequently, the Sub-Fund will be subject to the credit risk of the counterparty as well as that of the reference obligor. As a result, concentrations of synthetic securities entered into with anyone counterparty will subject the Sub-Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the reference obligor.</p> <p>Additionally, while the Investment Manager expects that the returns on a synthetic security will generally reflect those of the related reference obligation, as a result of the terms of the synthetic security and the assumption of the credit risk of the synthetic</p>

	<p>security counterparty, a synthetic security may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default. Additionally, when compared to the reference obligation, the terms of a synthetic security may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or non-credit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the synthetic security, the terms of the synthetic security may permit or require the issuer of such synthetic security to satisfy its obligations under the synthetic security by delivering to the relevant Sub-Fund securities other than the reference obligation or an amount different than the then current market value of the reference obligation.</p>
Total Return Swaps	<p>As any OTC financial derivative, a total return swap is a bilateral agreement which involves a counterparty which may not be in a position to fulfil its obligations under the total return swap. Each counterparty under a total return swap is thus exposed to counterparty risk and, if the agreement includes the use of collateral, to the risks related to the management thereof. Moreover, the lack of standardisation of total return swaps may adversely influence the price and/or conditions under which a total return swap can be sold, liquidated or closed out. Therefore, any total return swap involves a certain degree of liquidity risk.</p>
<b>Risks Associated With Emerging Market Investments</b>	
Emerging Markets Risk	<p>Emerging markets investments may be more volatile and less liquid than investments in developed markets and the investments of the Sub-Funds in such markets may be subject to significant delays in settlement. In addition, there may be a higher than usual risk of exchange rate, political, economic, social and religious instability and of adverse changes in government regulations. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.</p>
Frontier Markets Risk	<p>Frontier markets, a subset of emerging markets considered to be less mature in terms of market size, liquidity and their degree of economic and political stability, may be more volatile and present greater risks than other emerging or developed markets. Some of these markets may be characterised by poor liquidity, narrow economies based on only a few industries, government instability, greater risk of asset expropriation or nationalisation or under-developed regulatory systems and corporate governance standards resulting in lower protections for investors. These markets are also more likely to have investment and repatriation restrictions, exchange controls and less developed custodial and settlement systems than other developed and emerging markets. As a result, the relevant Sub-Fund may be adversely impacted.</p>
Investment in China Risk	<p>To the extent that a Sub-Fund invests in securities issued in Mainland China, it will be subject to risks inherent in the Chinese market as described in more detail below.</p> <p><u>Chinese political and social risks:</u></p> <p>Any political changes, social instability and adverse diplomatic developments which may take place in or in relation to China could result in the imposition of additional governmental restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the Sub-Fund assets. Investors should also note that any change in the policies of the government and relevant authorities of China may adversely impact the securities markets in China as well as the performance of the Sub-Fund.</p> <p><u>Chinese economic risks:</u></p> <p>The economy in China has experienced significant and rapid growth in the past twenty years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the Chinese economy. Economic growth has also been accompanied by periods of high inflation. The Chinese government has implemented various measures from time to time to control inflation and restrain the rate of economic growth. Furthermore, the government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of China. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such</p>

	<p>adjustment and modification of those policies may have an adverse impact on the Chinese markets and therefore on the performance of the Sub-Fund.</p> <p><u>Chinese legal system risks:</u></p> <p>The Chinese legal system is based on written laws and regulations. However, because many of these laws and regulations, especially those that affect the securities market, are relatively new and evolving, the enforceability of such laws and regulations is uncertain. Such regulations also empower the CSRC and the SAFE to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application. In addition, as the legal system develops, there can be no assurance that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the business operations of Chinese companies which may impact the value of investments held by the Sub-Fund.</p> <p><u>Risk of government control of currency conversion and future movements in exchange rates:</u></p> <p>The conversion of onshore RMB in China into another a currency is subject to SAFE approvals and the conversion rate is based on a managed floating exchange rate system which allows the value of onshore RMB to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. There can be no assurance that the onshore RMB exchange rate will not fluctuate widely against the US Dollar or any other foreign currency in the future.</p> <p><u>Chinese accounting and reporting standards risks:</u></p> <p>Chinese companies which may issue securities to be invested by the Sub-Fund are required to follow Chinese accounting, audit and reporting standards and practices. These may be less rigorous than international equivalents, and there may be significant differences between financial statements prepared in accordance with Chinese standards and those prepared in accordance with international accounting standards. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.</p> <p><u>Chinese financial markets risks:</u></p> <p>Investors should note that the financial markets in China are at a developing stage and trading volumes may be lower than those in more developed financial markets. Market volatility and potential lack of liquidity due to low trading volumes may result in prices of securities fluctuating significantly, which could result in substantial volatility in the Net Asset Value of the Sub-Fund. The regulatory and legal framework for capital markets and securities in China is still developing when compared with those of developed countries.</p> <p><u>Risks linked to intervention of the government in financial markets:</u></p> <p>The Chinese government and regulators may intervene in the financial markets in China, such as by imposing trading restrictions, a ban on “naked” short selling or suspending short selling for certain securities. This intervention may affect the activities of the Sub-Fund, and may have an unpredictable impact on the Sub-Fund. Furthermore, this intervention may have a negative impact on overall market sentiment, which may in turn affect the performance of the Sub-Fund.</p> <p><u>Chinese brokerage risks:</u></p> <p>The execution and settlement of transactions or the transfer of any funds or securities in China may be conducted by brokers (“PRC Brokers”) appointed by the Investment Manager. There is a risk that the Sub-Fund may suffer losses, whether direct or indirect, from the default or bankruptcy of a PRC Broker or disqualification of the same from acting as a broker. This may adversely affect the Sub-Fund in the execution or settlement of any transaction or in the transfer of any funds or securities. Reasonably competitive commission rates and prices of securities will generally be sought to execute the relevant transactions in Chinese markets. It is possible that, in circumstances where only a single PRC Broker is appointed, where it is considered appropriate to do so by the Investment Manager, the Sub-Fund may not necessarily pay the lowest commission or spread available, but the transaction execution will be consistent with best execution standards and in the best interest of the Shareholders. Notwithstanding the foregoing, the Investment Manager will seek to obtain the best net results for the Sub-Fund, taking into account such factors as prevailing market conditions, price (including the applicable brokerage commission or dealer spread), size of order, difficulties of execution and operational facilities of the PRC Broker involved and the PRC Broker’s ability to position efficiently the relevant block of securities.</p>
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	<p>In its selection of PRC Brokers, the Investment Manager will have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. If the Investment Manager considers it appropriate, it is possible that a single PRC Broker will be appointed and the QFI Sub-Fund may not necessarily pay the lowest commission available in the market.</p> <p><u><i>Risks linked with dealing in securities in China:</i></u></p> <p>Investments in China are currently subject to certain additional risks, particularly regarding the ability to deal in securities in Mainland China. Dealing in certain Chinese securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the Investment Manager may determine from time to time that making direct investments in certain securities may not be appropriate for the relevant Sub-Fund. As a result, the Investment Manager may choose to gain exposure to Chinese securities indirectly (for example, by way of derivatives or promissory notes which qualify as transferable securities) and may be unable to gain full exposure to the Chinese markets.</p> <p><u><i>Risks linked to debt securities issued by Chinese companies on offshore markets:</i></u></p> <p>For Sub-Funds which are permitted to invest in debt securities issued by Chinese companies on offshore markets, investors should be aware that certain structures are typically put in place to enable such transactions. Usually the Chinese company ("sponsor company") will raise debt capital by creating a special purpose offshore debt fund ("OSDF") which issues debt securities to foreign investors. The OSDF then uses the proceeds of such debt issuance to participate in the capital of the sponsor company through the subscription of equity securities. The OSDF usually has no direct security over the underlying assets of the sponsor company and the OSDF is therefore likely to suffer losses in the event of a failure of the sponsor company. Furthermore, the sponsor company can only transfer money to the OSDF in the form of after-tax dividends and only with the approval of the relevant Chinese regulatory authorities. Dividends can only be paid when the sponsor company is making a profit. In order to meet the obligations arising upon the debt issue maturing the OSDF may need to seek further injections of capital by way of issuing new debt.</p> <p><u><i>Risk of cash holdings and indirect investments impacting investment performance:</i></u></p> <p>Due to the operational requirements of the QFI regime, and in order to manage subscriptions, conversions and redemptions in the Sub-Fund, the Investment Manager may (i) hold higher levels of cash in the Sub-Fund; and/or (ii) hold investments that provide indirect exposure to securities issued in China. These two methods may negatively impact the Sub-Fund's investment performance.</p> <p><u><i>Other applicable risks:</i></u></p> <p>Investors should also note in particular the following risk factor, which may be applicable to the Sub-Fund, as described in more detail in this Appendix: China Bond Market Liquidity Risk, China Credit Rating Risk, China Interbank Bond Market Risk, China Tax Risk, and Renminbi Currency Risk.</p>
China Bond Market Liquidity Risk	<p>China's bond market is still in a stage of development and the bid and offer spread of fixed income securities may be high. The Sub-Fund may therefore incur significant trading costs and may even suffer losses when selling such investments. In the absence of a regular and active secondary market, the Sub-Fund may not be able to sell its bond holdings at prices the Investment Manager considers advantageous and may need to hold the bonds until their maturity date. If sizeable redemption requests are received, the Sub-Fund may need to liquidate its listed bonds at a discount in order to satisfy such requests and the Sub-Fund may suffer losses.</p>
China Credit Rating Risk	<p>Some of the debt securities held by the Sub-Fund may have been assigned a credit rating by a local Chinese credit rating agency. The rating criteria and methodology used by these agencies may be different from those adopted by most of the established international credit rating agencies (e.g. S&amp;P, Moody's or Fitch). Therefore, the rating systems of these agencies may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.</p> <p>In selecting the Sub-Fund's debt securities, the Investment Manager may refer to credit ratings assigned by local Chinese credit rating agencies but will primarily rely on its own internal analysis to evaluate each debt security independently.</p>

	<p>Investors who base their decision to invest in a Sub-Fund on credit ratings should pay special attention to the above risk warning.</p>
China Interbank Bond Market Risk	<p>The China Interbank Bond Market ("CIBM") is an OTC market outside the two main stock exchanges in China. On the CIBM, institutional investors trade sovereign, government and corporate bonds on a one-to-one quote-driven basis. The CIBM accounts for more than 95% of outstanding bond values of total trading volume in China.</p> <p>The main debt instruments traded on the CIBM include government bonds, bond repo, bond lending, PBOC bills, and other financial debt instruments.</p> <p>The CIBM is regulated and supervised by the PBOC. The PBOC is responsible inter alia for establishing listing, trading, functioning rules applying to the CIBM and supervising the market operators of the CIBM.</p> <p>The CIBM facilitates two trading models: (i) bilateral negotiation; and (ii) click-and-deal.</p> <p>Under the China Foreign Exchange Trading System' system, which is the unified trading platform for the CIBM, negotiation is applied to all inter-bank products while one-click trading is only applied to cash-bonds and interest rate derivatives.</p> <p>The market-maker mechanism, whereby an entity ensures bilateral quotations for bonds, was officially introduced in 2001 to improve market liquidity and enhance efficiency. Deals through market making can enjoy benefits such as lower trading and settlement costs.</p> <p>Bond transactions must be conducted by way of bilateral trading through independent negotiations and be concluded on a transaction by transaction basis. Bid and ask prices for primary bond transactions and repurchase interest rates must be determined independently by the parties to the transaction.</p> <p>Both parties to a transaction shall typically, in accordance with the contract, promptly send instructions for delivery of bonds and funds, and shall have sufficient bonds and funds for delivery on the agreed delivery date.</p> <p>The CSDCC will deliver bonds on time according to the instructions matching with elements sent by both parties to a transaction. Fund clearing banks will handle the appropriation and transfer of bond transaction funds on behalf of participants in a timely manner.</p> <p>Investors should be aware that trading on the CIBM exposes the Sub-Fund to increased counterparty and liquidity risks.</p> <p><u>Settlement risk:</u></p> <p>There are various transaction settlement methods in the CIBM, such as the delivery of security by the counterparty after receipt of payment by the Sub-Fund, payment by the Sub-Fund after delivery of the relevant security by the counterparty or simultaneous delivery of security and payment by each party. Although the Investment Manager may be able to negotiate terms which are favourable to the Sub-Fund (e.g. requiring simultaneous delivery of security and payment), there is no assurance that settlement risks can be eliminated. Where the counterparty does not perform its obligations under a transaction, the Sub-Fund will sustain losses.</p> <p>The Sub-Fund may also invest in the Chinese bond market via the exchange market and all bond trades will be settled through the CSDCC. The CSDCC is China's only securities depository and clearing agency, registered with the State Administration for Industry and Commerce, and operates under the supervision of the relevant Chinese authorities. As at the date of this Offering Document, although CSDCC has a registered share capital of RMB 600 million, and a total capital of RMB 1.2 billion, there is a risk that CSDCC may go into liquidation. The Shanghai Stock Exchange and Shenzhen Stock Exchange currently each hold 50% of the registered share capital of CSDCC, respectively.</p> <p>CSDCC has established a designated escrow account to retain securities to be delivered to a receiving participant or funds payable to a delivering participant before settlement.</p> <p>If a participant defaults in payment of any sum payable to the CSDCC, the CSDCC has the power to apply the funds available towards the satisfaction of any amount due to CSDCC either from (i) cash collateral provided by the defaulting participant; (ii) cash held</p>

	<p>in the joint guarantee fund contributed by the defaulting participant; or (iii) cash generated by the sale of securities. The defaulting party will be responsible for the expenses and any price differences resulting from the sale of the securities.</p> <p>If a participant defaults in delivering securities, the CSDCC is entitled to delay the payment due to the delivering participant until the outstanding obligation is satisfied. In addition, the CSDCC may apply all or any securities (in lieu of the securities that are the subject of the delivery obligations) from the following sources to satisfy the obligations and liabilities of such participant to the CSDCC:</p> <ul style="list-style-type: none"> <li>(i) securities furnished by the defaulting party;</li> <li>(ii) securities purchased using the funds in the designated escrow account; or</li> <li>(iii) securities available to the CSDCC from other alternative sources.</li> </ul> <p>Although it is the intention of CSDCC that it will deliver payment and securities to delivering participant and receiving participants, respectively, a delay may occur if either party fails to fulfil its payment or delivery obligation.</p>
China Tax Risk	<p>In common with other Sub-Funds, income and gains derived from China may be subject to withholding tax and Value Added Tax ("VAT") and relevant surcharges on VAT. The interpretation and applicability of existing Chinese tax laws may not be as consistent and transparent as those of more developed nations, and may vary from region to region. There is a possibility that the current tax laws, regulations, and practice in China may be changed with retrospective effect in the future. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any of these changes may reduce the income from, and/or value of, the Sub-Fund's investments. The Chinese government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect the after-tax profit of Chinese companies and foreign investors in such companies, such as the Sub-Fund. There can be no guarantee that new tax laws, regulations, and practice in China that may be promulgated in the future will not adversely impact the tax exposure of the Sub-Fund and/or its Shareholders.</p> <p>The Fund considers that the Sub-Fund should be regarded as a Luxembourg tax resident and should be able to enjoy a tax exemption on capital gains under the Luxembourg-China double tax treaty, although there is no guarantee that the Chinese tax authorities will provide tax treaty relief.</p> <p>As at the date of this Offering Document, the Chinese tax authorities have issued two tax circulars clarifying, amongst other things, the tax treatment in relation to Stock Connect, QFI, China Interbank Bond Market and Bond Connect:</p> <p><u>Stock Connect</u></p> <p>The Chinese tax authorities have clarified that:</p> <ul style="list-style-type: none"> <li>• an exemption from business tax and income tax on capital gains applies to trading on Stock Connect (this is stated to be a temporary exemption, but no expiry date is provided);</li> <li>• normal Chinese stamp duty is payable; and</li> <li>• a 10% dividend withholding tax will be applied.</li> </ul> <p><u>QFI</u></p> <p>The Chinese tax authorities have clarified, in relation to QFI, that a corresponding exemption from business tax and income tax on capital gains in relation to equity securities and other equity investments applies, effective from 17 November 2014. The VAT and surcharges are also temporarily exempted on the capital gains in relation to the sales of securities. Dividend and interest are normally subject to 10% withholding tax. Although it is not entirely clear, certain Chinese tax authorities are seeking to levy VAT of 6% on certain bond interest income. Surcharges will also be levied accordingly at 12% of the VAT amount.</p> <p><u>China Interbank Bond Market</u></p> <p>The Chinese tax authorities have granted VAT exemption on the capital gains derived by qualified non PRC tax residents from the investments through China Interbank Bond</p>

	<p>Market with effective from 1 May 2016. In addition, according to the Caishui 2018 No. 108, effective from 7th November 2018 to 6th November 2021, there is a three-year tax exemption (including PRC withholding tax, VAT and local surcharges) on the bond interest income derived from the China Interbank Bond Market by qualified non-PRC tax residents.</p> <p><u>Bond Connect</u></p> <p>According to the Caishui 2018 No. 108, effective from 7th November 2018 to 6th November 2021, there is a three-year tax exemption (including withholding tax, VAT and local surcharges) on bond interest income derived by qualified non PRC tax residents through Bond Connect. Except for the above, there is no specific regulation released regarding the tax treatment on capital gains through Bond Connect. Without further clarification, Chinese tax authorities may levy withholding tax, VAT as well as the surcharges on bond capital gains.</p> <p>In light of the legal and regulatory uncertainties in China, the Fund reserves the right to make any provision for taxes or to deduct or to withhold an amount on account of taxes (which may be payable by the Sub-Fund to the Chinese tax authorities in respect of its investments in China) from assets of the Sub-Fund. The amount of provision (if any) will be disclosed in the financial statements of the Fund. In this regard, the Fund has, as at the date of this Offering Document, determined that no tax provision will be made on the capital gains derived from PRC investments. Any provision for taxes made by the Fund may be more or less than the Sub-Fund's actual Chinese tax liabilities. If the Sub-Fund does not set aside enough to meet these tax obligations, then the shortfall may be debited from the Sub-Fund's assets to meet its actual Chinese tax liabilities. As a result, the income from, and/or the performance of the Sub-Fund may be reduced/adversely affected and the impact/degree of impact on the individual shareholders may vary, depending on factors such as the level of the Sub-Fund's provision for taxes and the amount of the shortfall at the relevant time and when the relevant shareholders subscribed for and/or redeemed their Shares in the Sub-Fund.</p>
Bond Connect Risk	<p>A Sub-Fund may purchase fixed income securities which trade on CIBM through Bond Connect ("Bond Connect Securities"). Bond Connect is a mutual bond market access link established between Hong Kong and the PRC which facilitates investment in the CIBM through mutual access and connection arrangements in respect of trading, custody and settlement between the related financial infrastructure institutions of Hong Kong and the PRC. To the extent that a Sub-Fund's investments on the CIBM are made through Bond Connect, such investments may be subject to additional risk factors.</p> <p>Under the prevailing regulations in the PRC, eligible foreign investors who wish to invest in Bond Connect Securities may do so via an offshore custody agent approved by the Hong Kong Monetary Authority ("Offshore Custody Agent"), who will be responsible for the account opening with the relevant onshore custody agent approved by the People's Bank of China. As the account opening for investment in the CIBM market via Bond Connect has to be carried out via an Offshore Custody Agent, the relevant Sub-Fund is subject to the risks of default or errors on the part of the Offshore Custody Agent.</p> <p>Trading in Bond Connect Securities may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities/make payment, the Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.</p> <p>Investments through Bond Connect are not subject to any quota but the relevant authorities may suspend account opening or trading via Bond Connect, and in the absence of CIBM Direct Access or an QFI licence, the relevant Sub-Fund's ability to invest in CIBM will be limited, and the relevant Sub-Fund may not be able to effectively pursue its investment strategy or it may have an adverse effect on the relevant Sub-Fund's performance. The relevant Sub-Fund may also suffer losses as a result.</p> <p>A Sub-Fund's Bond Connect Securities will be held in accounts maintained by the Central Moneymarkets Units ("CMU") as central securities depository in Hong Kong and nominee holder. Because CMU is only a nominee holder and not the beneficial owner of Bond Connect Securities, in the unlikely event that CMU becomes subject to winding up proceedings in Hong Kong, investors should note that Bond Connect Securities will not be regarded as part of the general assets of CMU available for distribution to creditors even under PRC law. However, CMU will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in Bond Connect</p>

	<p>Securities in the PRC. A failure or delay by the CMU in the performance of its obligations may result in a failure of settlement, or the loss, of Bond Connect Securities and/or monies in connection with them and a Sub-Fund and its investors may suffer losses as a result. Neither the Fund, the AIFM, nor the Investment Manager and/or the Sub-Investment Manager shall be responsible or liable for any such losses.</p> <p>A Sub-Fund's title or interests in, and entitlements to Bond Connect Securities (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign bondholding restriction, if any. It is uncertain whether the Chinese courts would recognise the ownership interest of the investors to allow them standing to take legal action against the Chinese entities in case disputes arise.</p> <p>Bond Connect Securities may be recalled from the scope of eligible bonds for trading through Bond Connect for various reasons, and in such event such Bond Connect Securities can only be sold but are restricted from being bought. This may affect the investment portfolio or strategies of the Sub-Fund.</p> <p>Transactions using Bond Connect are not subject to the Hong Kong investor compensation fund or the China Securities Investor Protection Fund.</p> <p>Investments in Bond Connect Securities are subject to various risks associated with the legal and technical framework of Bond Connect. Due to differences in public holidays between Hong Kong and the PRC or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours in the markets accessible through Bond Connect. Bond Connect will only operate on days when those markets are open for trading and when banks in those markets are open on the corresponding settlement days. As such, it is possible that there are occasions when it is a normal trading day for the PRC CIBM market but it is not possible to carry out any Bond Connect Securities trading in Hong Kong.</p> <p>Investments in Bond Connect Securities are subject to the risks associated with investing in China and the CIBM generally. For further information, please see Investment in China Risk, China Bond Market Liquidity Risk, China Credit Rating Risk, China Interbank Bond Market Risk, China Tax Risk and Renminbi Currency Risk.</p>
CIBM Direct Access Risk	<p><u>Risks in relation to RMB Fixed Income Securities using the CIBM Direct Access</u></p> <p>The CIBM Direct Access is the PRC investment program revised in 2016 under which certain foreign institutional investors such as the Fund and its Sub-Funds may invest, without particular license or quota, directly in RMB Fixed Income Securities dealt on the CIBM via an onshore bond settlement agent (the “<b>Bond Settlement Agent</b>”), which will have the responsibility for making the relevant filings and account opening with the relevant PRC authorities in particular the PBOC.</p> <p><u>CIBM Direct Access rules and regulations</u></p> <p>Participation in the CIBM Direct Access by foreign institutional investors (such as the Fund) is governed by rules and regulations as promulgated by the Mainland Chinese authorities, i.e. the PBOC and SAFE. Such rules and regulations may be amended from time to time (with retrospective effect) and include (but are not limited to):</p> <ol style="list-style-type: none"> <li>i. the “Announcement (2016) No 3” issued by the PBOC on 24 February 2016;</li> <li>ii. the “Implementation Rules for Filing by Foreign Institutional Investors for Investment in Interbank Bond Markets” issued by the Shanghai Head Office of PBOC on 27 May 2016;</li> <li>iii. the “Circular concerning the Foreign Institutional Investors’ Investment in Interbank bond market in relation to foreign currency control” issued by SAFE on 27 May 2016; and</li> <li>iv. any other applicable regulations promulgated by the relevant authorities.</li> </ol> <p>The CIBM Direct Access rules and regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. In addition, there can be no assurance that the CIBM Direct Access rules and regulations will not be</p>

	<p>abolished in the future. A Sub-Fund(s), which invests in the PRC markets through the CIBM Direct Access, may be adversely affected as a result of any such changes or abolition.</p> <p><u><i>Restrictions to Remittances and Repatriations Risk</i></u></p> <p>Foreign investors (such as the Fund) may remit investment principal in RMB or foreign currency into the PRC for investing in the CIBM under the CIBM Direct Access. A Sub-Fund using the CIBM Direct Access will need to remit investment principal matching at least 50% of its anticipated investment size within nine (9) months after filing with the PBOC, or else an updated filing will need to be made through the onshore Bond Settlement Agent.</p> <p>Where a Sub-Fund repatriates funds out of the PRC, the ratio of RMB to foreign currency ("<b>Currency Ratio</b>") should generally match the original Currency Ratio when the investment principal was remitted into PRC, with a maximum permissible deviation of 10%. However, to the extent an outward repatriation is in the same currency as the inward remittance the Currency Ratio restriction will not apply.</p> <p>Certain restrictions may be imposed by the PRC authorities on investors participating in the CIBM Direct Access and/or the Bond Settlement Agent which may have an adverse effect on the Sub-Fund's liquidity and performance. Repatriations conducted in RMB are currently permitted daily and are not subject to repatriation restrictions (such as lock-up periods) or prior approval, although authenticity and compliance reviews will be conducted, and reports on remittances and repatriations will be submitted to the relevant PRC authorities by the Bond Settlement Agent. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Furthermore, as the Bond Settlement Agent's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the Bond Settlement Agent in case of non-compliance with the CIBM Direct Access rules and regulations. Any restrictions imposed in the future by the PRC authorities, or rejection or delay by the Bond Settlement Agent, on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the shareholders. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.</p> <p>In order to participate in the CIBM Direct Access, the Investment Manager filed an application through the Bond Settlement Agent to the PBOC, specifying among other things the anticipated volume of investment to be made through the CIBM Direct Access. In the event the anticipated volume of investment is reached, a further filing for an increase will need to be made through the Bond Settlement Agent with the PBOC. There can be no assurance that such increase will be accepted by the PBOC which may result in a need to close any Sub-Fund investing through the CIBM Direct Access to further subscriptions.</p> <p><u><i>Securities and cash accounts</i></u></p> <p>Onshore PRC securities are registered in the name of "the full name of the investment manager – the name of the Sub-Fund" in accordance with the relevant rules and regulations, and maintained by the Bond Settlement Agent in electronic form via a securities account with the China Central Depository &amp; Clearing Co (CCDC)/Shanghai Clearing House (SCH) and onshore cash will be maintained on a cash account with the Bond Settlement Agent.</p> <p>A separate filing per Sub-Fund wishing to invest through the CIBM Direct Access will be made to the PBOC to allow the individual beneficial ownership of a Sub-Fund to be identified. Beneficial ownership of RMB securities acquired through CIBM Direct Access has been acknowledged in the FAQ published by the PBOC on 30 May 2016, and by the PRC authorities in the context of QFI and Stock Connect in the past in relation to other products. Beneficial ownership is however an untested concept in the PRC.</p> <p>Investors should note that cash deposited in the cash account of the Sub-Fund with the Bond Settlement Agent will not be segregated but will be a debt owing from the Bond Settlement Agent to the Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Bond Settlement Agent. In the event of bankruptcy or liquidation of the Bond Settlement Agent, the Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the Sub-Fund will become an unsecured creditor, ranking <i>pari passu</i> with all other unsecured creditors, of the Bond Settlement</p>
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	<p>Agent. The Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.</p> <p><u><i>Bond Settlement Agent Risk</i></u></p> <p>There is a risk that the Sub-Fund may suffer losses, whether direct or consequential, from: (i) the acts or omissions in the settlement of any transaction or in the transfer of funds or securities by the Bond Settlement Agent; or (ii) the default or bankruptcy of the Bond Settlement Agent; or (iii) the disqualification of the Bond Settlement Agent from acting in such capacity either on a temporary or permanent basis. Such acts, omissions, default or disqualification may also adversely affect a Sub-Fund in implementing its investment strategy or disrupt the operations of a Sub-Fund, including causing delays in the settlement of any transaction or the transfer of any funds or securities in the PRC or in recovering assets, which may in turn adversely impact the net asset value of a Sub-Fund.</p> <p>In addition, the PBOC is vested with the power to impose regulatory sanctions if the Bond Settlement Agent violates any provision of the CIBM Direct Access rules. Such sanctions may adversely impact on the investment by the Fund through the CIBM Direct Access.</p>
Renminbi Currency Risk	<p>The Renminbi is not a freely convertible currency and is subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government. Exchange control regulations or any changes thereto may cause difficulties in the repatriation of funds, and the performance of the Sub-Fund's investments, in particular, may be affected.</p> <p>Renminbi convertibility is subject to foreign exchange control policies of and repatriation restrictions. Converting foreign currencies into Renminbi is carried out on the basis of the rate applicable to offshore Renminbi ("CNH"). The daily trading price of CNH against other major currencies in the inter-bank foreign exchange market is floating in a band around the central parity published by the PBOC. The value of the CNH may differ, perhaps significantly, from the value of onshore RMB ("CNY") due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions applied by the Chinese government from time-to-time as well as other external factors and market forces.</p> <p>The CNH market is in early development and there may be periods in which it is difficult for market participants to obtain or dispose of CNH. Furthermore, government or regulatory intervention in the CNH market may impact the availability and/or convertibility of CNH. In such situations, the exchange rate may fluctuate substantially and it may not be possible to obtain an exchange rate through any customary channel.</p>

## Part C – Table of Specific Risk Factors

	Global Credit Solution Fund	Multi-Asset Credit Fund	Multi-Asset Credit Defensive Fund	Emerging Markets Transition Debt Fund
Acquisition of, participations and sub-participation in loans or other debt instruments		X	X	X
Bond Connect Risk	X			X
China Bond Market Liquidity Risk	X			X
China Credit Rating Risk	X			
China Interbank bond Market Risk	X			X
China Risk	X			X
China Tax Risk	X			X
Collateral Enforcement				X
Contingent Convertibles or CoCo Risk	X	X	X	X
Credit Risk	X	X	X	X
Credit Default Swaps and Other Synthetic Securities Risk	X	X	X	X
Derivative Risk	X	X	X	X
Distressed Debt Risk		X	X	X
Early or deferred repayment risk				X
EMIR Clearing: Client Segregation Model Risk	X	X	X	X
Emerging Market Risk	X	X		X
Frontier Markets Risk				X
High Yield Debt Securities Risk	X	X		X
Income Priority Risk		X	X	X
Interest Rate Risk	X	X	X	X
Investment Grade Risk	X	X	X	X
Investment in China Risk	X			X
Leverage Risk		X	X	X
Limited Redemption Capacity Risk				X
Liquidity Risk – Shareholder Activity				X
Liquidity Risk – Sub-Fund investments				X
Loan origination or other direct debt instruments				X
Loan Risk		X	X	X
Long term nature of certain investments				X
Mortgage Backed and Other Asset Backed Securities Risk	X	X	X	
OTC Derivative Instruments Risk	X	X	X	X
Perpetual Bond Risk				X
Prepayment Risk				X
Renminbi Currency Risk	X			X
Risk of Minority Investment		X	X	X



Sustainable Investing Risk		X	X	X

## Appendix 3: Sustainability Disclosures

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Pursuant to Article 6 of EU Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, which is also known as the “Sustainable Finance Disclosure Regulation” or (the “SFDR”), the AIFM is required to disclose the manner in which Sustainability Risks (as defined below) are integrated into the investment decision making process and the results of the assessment of the likely impacts of Sustainability Risks on the returns of its Sub-Funds.

“Sustainability Risks” means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by this Fund.

“Sustainability Factors” means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. Environmental factors may include, but are not limited to, the impact of emissions, energy efficiency, the exploitation of natural resources or waste treatment. Social factors may include human rights, treatment of workers and workers’ rights or diversity issues. Governance factors may include shareholder rights, remuneration of senior management, conflicts of interest or board independence.

### Impact of Sustainability Risks on returns

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

A Sustainability Risk event may arise and impact a specific investment or may have a broader impact on an economic sector, geographical or political region or country. Sector and geographic Sustainability Risk events may have an impact on the investment value of the sovereign fixed income exposure of a Sub-Fund.

Sustainability Factors may adversely affect the value of the securities of individual companies, sectors or countries either directly or through potential risks to economic growth and financial stability. Should companies or countries contribute, or be seen to contribute, to poor environmental, social or governance outcomes then this may attract censure and negatively impact growth prospects, the price of their securities and/or their market liquidity. Companies or countries with poor sustainability outcomes may be subject to price shocks resulting from legal, regulatory, technological or environmental changes. Governments or regulators may impose new requirements on companies or industries relating to sustainability obligations which may negatively affect the value of securities. Companies, industries and countries may also be adversely exposed to physical risks resulting from climate change, such as significant damage due to, for example, droughts, wildfires, flooding, erosion or storms.

### Integration of Sustainability Risks on investment decisions

The AIFM and Ninety One Group recognise that material Sustainability Risks and opportunities should be integral to the investment process and embedded in all investment strategies as it is expected that they ultimately provide better investment outcomes.

Where a Sub-Fund invests in sovereign debt, a consistent approach is used to monitor sovereign debt issuers’ progress on addressing Sustainability Factors, based on a qualitative assessment, with a focus on monitoring change rather than measuring static levels. This framework seeks to assess economic policies related to Sustainability Factors, and their relevance to the long-run prospects for a country’s economy, which in turn can influence sovereign debt returns.

Where a Sub-Fund invests in corporate debt, a consistent framework is used to seek to identify where a company’s consideration of Sustainability Factors may lead to Sustainability Risks or opportunities. From a top-down perspective, a materiality assessment is conducted to identify Sustainability Risks and opportunities which may be relevant to certain sectors. Through bottom-up research on individual companies, investment professionals seek to understand the material structural Sustainability Risks and opportunities associated with the individual company and the potential impact on future corporate debt ratings. Material issues vary across companies, industries and regions.

Analysis of Sustainability Risks and opportunities is supported by a variety of information, including publicly available sources, third-party data sources as well as the discretion and qualitative judgement of the investment teams. These

Sustainability Risks and opportunities are considered in a holistic manner alongside traditional financial metrics and risk analysis (e.g. political risk with respect to sovereign debt or credit risk with respect to corporate debt).

Investment professionals will consider engagement with company management or policy makers where they identify opportunities to effect positive change or deepen knowledge and insight.

This applies to all Sub-Funds as set out in the List of Sub-Funds under Section 1 on “Key Features of the Fund”.

As described in the Sub-Fund’s Investment Policy (in Appendix 1: The Specifics of the Sub-Funds of the Fund), certain Sub-Funds can invest in both sovereign debt and corporate debt instruments.

Ninety One’s Stewardship Policy, which is available at [www.ninetyone.com](http://www.ninetyone.com) in the section entitled “Sustainability Regulatory Disclosures”, outlines a firm-wide commitment to integration of Sustainability Risks in its investment decision making-process and monitoring.

In particular, the AIFM ensures that:

1. the Investment Manager integrates the consideration of Sustainability Risks across all Sub-Funds with a view to enhancing their performance over the long-term. In doing this, the Investment Manager considers the full spectrum of risks and opportunities associated with an investment;
2. it has integrated the monitoring of Sustainability Risks into its Risk Management function at a Sub-Fund level. Fund and Sub-Fund Sustainability Risks are reviewed regularly and considered with the respective investment teams; and
3. as an active investor, the Investment Manager may engage with the management teams of companies and the government issuers in which a Sub-Fund invests, if deemed appropriate, to encourage them to address sustainability and improve their sustainability outcomes.

The Investment Manager’s investment processes systematically integrate material Sustainability Risks into its investment analysis and investment decisions, while identifying engagement opportunities based on investment priorities. The Investment Manager looks to integrate Sustainability Risks in a way that complements each investment and research process rather than taking one uniform approach for all Sub-Funds. Although each Sub-Fund has developed a unique approach to Sustainability Risk integration, this is an evolving and dynamic process. Progress is reviewed annually with key priorities for improvements identified. In relation to each Sub-Fund, the Investment Manager considers how Sustainability Risk integration may be influential throughout the key stages of their investment process.

### **Sustainability Risk Management**

The AIFM’s Risk Management function has incorporated Sustainability Risks into its Risk Management policy and processes. This is supported by a dedicated Sustainability Risk function established as part of the broader Risk Management function. Sustainability Risk reporting forms part of Ninety One’s internal risk reporting and governance framework.

Ninety One’s Sustainability Risk framework seeks to monitor, assess and challenge Sustainability Risks in investment portfolios, including reputational risks, via the analysis of the impact of Sustainability Factors on the risk profile and on the material risks identified by Ninety One’s existing Risk Management framework. The purpose of the Sustainability Risk process is to ensure Sustainability Risk integration is in place within investment processes and strengthen existing Sustainability Risk integration efforts by testing its robustness through appropriate challenge.

### **Article 8 Sustainability Disclosures**

Information relating to the environmental and social characteristics of the Multi-Asset Credit Fund, Multi-Asset Credit Defensive Fund and the Emerging Markets Transition Debt Fund are provided on the following pages in accordance with the SFDR and EU Taxonomy Regulation.

## Sustainable

**investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Product name:

Multi-Asset Credit Fund

## Legal entity identifier:

213800WW9GPXTKVFX770

# Environmental and/or social characteristics

## Does this financial product have a sustainable investment objective?

☒ ☐ ☐ **Yes**

☐ It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%

☒ ☐ ☒ **No**

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**



## What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes better carbon outcomes (i.e., maintaining a carbon profile lower than typical global credit indices by making investments in borrowers that meet the standards of the Investment Manager's proprietary sustainability frameworks and by excluding direct investments in certain sectors or business areas (that are deemed to have less favourable sustainability characteristics).

Details of the proprietary sustainability frameworks and information on exclusions are explained in the question below on 'what investment strategy does the financial product follow?.'

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

On at least an annual basis, the following sustainability indicators will be used to measure the attainment of the environmental or social characteristics promoted by the Sub-Fund:

- the carbon profile of the Sub-Fund; and
- the carbon profile of typical global credit indices

Currently, the Sub-Fund's carbon profile is measured using its Weighted Average Carbon Intensity (WACI). The Sub-Fund's WACI is derived as the weighted aggregate of each borrower's emissions normalised by its sales in USD (which allows for comparison between borrowers of different sizes) where the weighting is the percentage each investee borrower represents in the Sub-Fund. Sector estimates are used where data isn't available for a specific investment.

The Sub-Fund's promotion of better carbon outcomes is intended at the aggregate Sub-Fund level. This means not every investment held will have a lower carbon profile than the comparable global credit indices at any single time.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

N/A

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

N/A

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



## Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, as part of the in-depth fundamental analysis on an individual borrower, the following principal adverse impacts are currently considered for the Sub-Fund's investments:

- Carbon footprint
- GHG intensity of investee companies

In addition, as described in the section on the investment strategy followed below, the Sub-Fund does not invest in borrowers in relation to the following principal adverse impacts:

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

An assessment of the principal adverse impacts at the aggregate Sub-Fund level will be reported on an annual basis in the annual report as required by Article 11 SFDR.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### Sustainability Framework

The Investment Manager assesses the investee borrowers using a proprietary Sustainability Framework and proprietary Transition Alignment Framework described below to determine whether they meet the standards required by the Investment Manager. This analysis uses a variety of qualitative information and available data. There will be no mechanistic reliance on external ESG ratings and scores.

– **Sustainability Framework:** an appraisal of the sustainability of each holding, currently encompassing aspects such as climate change, pollution and waste, natural capital, human capital, social capital, product liability, corporate behaviour, regulatory risk, and good governance.

– **Transition Alignment Framework:** an assessment of a borrower's transition risk alongside how the borrower is positioned to offset this transition risk, as well as the commitment, processes, and governance in place to support that transition. This framework is ultimately aimed at tracking the transition of the portfolio to achieving net zero over time. The Investment Manager aims for a majority of the borrowers in the Sub-Fund to have at least committed to a credible net zero pathway before the end of 2030 and are showing some progress on that pathway.

In addition, this framework helps the Investment Manager identify areas for borrower engagement in an effort to improve the trajectory of the transition process.

Analysis within both frameworks combine the use of third party data, internal analysis and interaction with the investee borrowers. There will be no mechanistic reliance on external ESG ratings and scores.

### Exclusions

The Sub-Fund avoids sectors deemed to have less favourable sustainability characteristics. As a result, the Sub-Fund will not invest in borrowers that derive more than 5% of their revenue from the following business activities:

- thermal coal mining; or
- oil sands mining.

The Sub-Fund is not precluded from investing in heavy emitters which are committed to a transition pathway.

Furthermore, the Sub-Fund will not invest in borrowers that:



- are directly involved in the manufacture and production of controversial weapons (including biological and chemical weapons, cluster munitions, landmines);
- are directly involved in the manufacture and production of nuclear weapons;
- the Investment Manager deems to be in violation of global norms, in particular the UN Global Compact principles;
- derive more than 5% of their revenue from tobacco; or
- derive more than 5% of their revenue from adult entertainment.

Over time, the Investment Manager may, at its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website as they are implemented and subsequently updated in this Prospectus at the next available opportunity.

#### Additional Considerations

The Sub-Fund's holdings will be monitored on an ongoing basis by the Investment Manager. A holding may be sold for a range of reasons but in particular, if it is determined that the investment case for the holding has been weakened or it no longer satisfies the investment objective and policy of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

#### ● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager applies its sustainability analysis consistently and on an ongoing basis to assess the environmental and social characteristics of the Sub-Fund's investments.

In the securities selection process, the Investment Manager applies in a binding manner the promoted environmental characteristics of better carbon outcomes, as described above, in the portfolio of the Sub-Fund.

This criterion does not apply to the Sub-Fund's '#2 Other' investments – please find more detail in the question about asset allocation planned below.

In addition, the Sub-Fund will not invest in certain sectors or investments, as described above.

#### ● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A

#### ● ***What is the policy to assess good governance practices of the investee companies?***

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The Investment Manager follows an internal investment framework to analyse any governance issues related to borrowers. This is rooted in widely accepted governance principles and guidelines which are outlined in the Investment Manager's Ownership policy on its website. The following corporate governance themes are considered, as applicable, as part of Ninety One's policy in relation to managing governance related issues and determining good governance:

- Leadership and Strategic Control, including board diversity, independence and engagement;
- Alignment with the long term, including remuneration and governance of sustainability issues;
- Climate change, including adequacy of management and disclosure of risks;
- Protecting capital through capital management and preserving shareholder rights; and
- Audit and disclosure, including financial reporting quality and auditor competence.

Third party data complements the governance assessment.

For the Sub-Fund, assessing the good governance practices of borrowers is part of the in-depth fundamental analysis that the Investment Manager performs on borrowers and through the ongoing monitoring of holdings. The Investment Manager considers, amongst other elements, sound management

structures, employee relations, remuneration of staff, and tax compliance. The governance assessment is tailored to the type of corporate issuer.

Where a governance issue is identified, the Investment Manager may engage directly with the borrower's management in an effort to catalyse change.



**Asset allocation** describes the share of investments in specific assets.

## What is the asset allocation planned for this financial product?

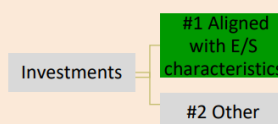
The minimum proportion of investments used to meet the environmental or social characteristics promoted by the Sub-Fund (i.e. '#1 Aligned with E/S characteristics') is 51% of the Sub-Fund's assets.

Information on the remaining investments, their purpose and any minimum environmental or social safeguards applied is outlined in the section below on 'What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?'

The investments included in '#1 Aligned with E/S characteristics' are selected in accordance with the binding criteria outlined in the section 'what investment strategy does this financial product follow?' under the sub-sections entitled 'Sustainability Framework' and 'Exclusions.'

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

N/A



## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

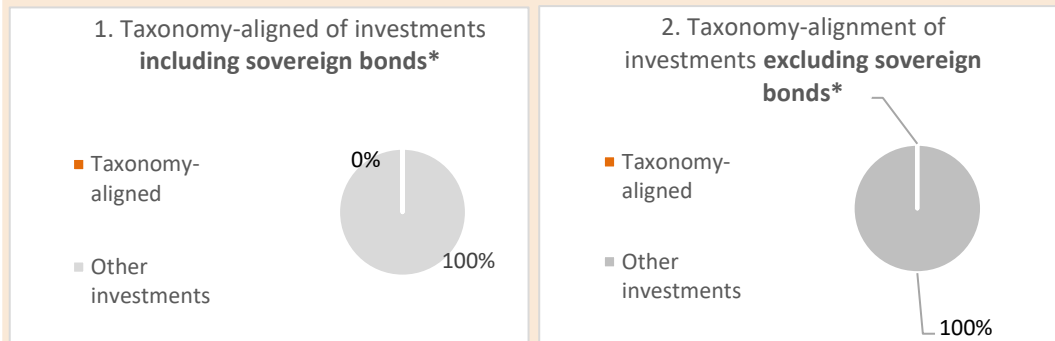
The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of EU Taxonomy-aligned investments is 0% of the Sub-Fund's assets.



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of investments in transitional and enabling activities is 0% of the Sub-Fund's assets.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of sustainable investment with an environmental objective that is not aligned with the EU Taxonomy is 0% of the Sub-Fund's assets.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What is the minimum share of socially sustainable investments?**

N/A



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

‘#2 Other’ includes investments, as described in the Sub-Fund’s investment policy, that support the financial objective and other management activities of the Sub-Fund such as:

- borrowers that are considered not aligned with E/S characteristics;
- derivatives for hedging, Efficient Portfolio Management and/or Investment Purposes;
- Cash held for liquidity purposes as an ancillary asset, deposits and money market instruments; and
- shares or units in other funds and exchange traded funds in which the Investment Manager does not have direct control of the underlying investments.

No minimum environmental or social safeguards are applied.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

N/A

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

N/A

- *How does the designated index differ from a relevant broad market index?*

N/A

- *Where can the methodology used for the calculation of the designated index be found?*

N/A



## Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://ninetyone.com/-/media/documents/alternative-documents---for-selected-investors/91-multi-asset-credit-fund-article-10-disclosures-en.pdf>

### Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### Product name:

Multi-Asset Credit Fund Defensive Fund

### Legal entity identifier:

213800Y1MK44ZD51KA72

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

☒ ☐ ☐ Yes

☐ It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** \_\_\_\_%

☒ ☐ ☒ No

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes better carbon outcomes (i.e., maintaining a carbon profile lower than typical global credit indices by making investments in borrowers that meet the standards of the Investment Manager's proprietary sustainability frameworks and by excluding direct investments in certain sectors or business areas (that are deemed to have less favourable sustainability characteristics).

Details of the proprietary sustainability frameworks and information on exclusions are explained in the question below on 'what investment strategy does the financial product follow?.'

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

On at least an annual basis, the following sustainability indicators will be used to measure the attainment of the environmental or social characteristics promoted by the Sub-Fund:

- the carbon profile of the Sub-Fund; and
- the carbon profile of typical global credit indices

Currently, the Sub-Fund's carbon profile is measured using its Weighted Average Carbon Intensity (WACI). The Sub-Fund's WACI is derived as the weighted aggregate of each borrower's emissions normalised by its sales in USD (which allows for comparison between borrowers of different sizes) where the weighting is the percentage each investee borrower represents in the Sub-Fund. Sector estimates are used where data isn't available for a specific investment.

The Sub-Fund's promotion of better carbon outcomes is intended at the aggregate Sub-Fund level. This means not every investment held will have a lower carbon profile than the comparable global credit indices at any single time.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

N/A

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

N/A

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

N/A

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



## Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, as part of the in-depth fundamental analysis on an individual borrower, the following principal adverse impacts are currently considered for the Sub-Fund's investments:

- Carbon footprint
- GHG intensity of investee companies

In addition, as described in the section on the investment strategy followed below, the Sub-Fund does not invest in borrowers in relation to the following principal adverse impacts:

- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)

An assessment of the principal adverse impacts at the aggregate Sub-Fund level will be reported on an annual basis in the annual report as required by Article 11 SFDR.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### Sustainability Framework

The Investment Manager assesses the investee borrowers using a proprietary Sustainability Framework and proprietary Transition Alignment Framework described below to determine whether they meet the standards required by the Investment Manager. This analysis uses a variety of qualitative information and available data. There will be no mechanistic reliance on external ESG ratings and scores.

– **Sustainability Framework:** an appraisal of the sustainability of each holding, currently encompassing aspects such as climate change, pollution and waste, natural capital, human capital, social capital, product liability, corporate behaviour, regulatory risk, and good governance.

– **Transition Alignment Framework:** an assessment of a borrower's transition risk alongside how the borrower is positioned to offset this transition risk, as well as the commitment, processes, and governance in place to support that transition. This framework is ultimately aimed at tracking the transition of the portfolio to achieving net zero over time. The Investment Manager aims for a majority of the borrowers in the Sub-Fund to have at least committed to a credible net zero pathway before the end of 2030 and are showing some progress on that pathway.

In addition, this framework helps the Investment Manager identify areas for borrower engagement in an effort to improve the trajectory of the transition process.

Analysis within both frameworks combine the use of third party data, internal analysis and interaction with the investee borrowers. There will be no mechanistic reliance on external ESG ratings and scores.

### Exclusions

The Sub-Fund avoids sectors deemed to have less favourable sustainability characteristics. As a result, the Sub-Fund will not invest in borrowers that derive more than 5% of their revenue from the following business activities:

- thermal coal mining; or
- oil sands mining.

The Sub-Fund is not precluded from investing in heavy emitters which are committed to a transition pathway.

Furthermore, the Sub-Fund will not invest in borrowers that:

- are directly involved in the manufacture and production of controversial weapons (including biological and chemical weapons, cluster munitions, landmines);



- are directly involved in the manufacture and production of nuclear weapons;
- the Investment Manager deems to be in violation of global norms, in particular the UN Global Compact principles;
- derive more than 5% of their revenue from tobacco; or
- derive more than 5% of their revenue from adult entertainment.

Over time, the Investment Manager may, at its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website as they are implemented and subsequently updated in this Prospectus at the next available opportunity.

#### Additional Considerations

The Sub-Fund's holdings will be monitored on an ongoing basis by the Investment Manager. A holding may be sold for a range of reasons but in particular, if it is determined that the investment case for the holding has been weakened or it no longer satisfies the investment objective and policy of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

#### ● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Investment Manager applies its sustainability analysis consistently and on an ongoing basis to assess the environmental and social characteristics of the Sub-Fund's investments.

In the securities selection process, the Investment Manager applies in a binding manner the promoted environmental characteristics of better carbon outcomes, as described above, in the portfolio of the Sub-Fund.

This criterion does not apply to the Sub-Fund's 'Other' investments – please find more detail in the question about asset allocation planned below.

In addition, the Sub-Fund will not invest in certain sectors or investments, as described above.

#### ● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

#### ● ***What is the policy to assess good governance practices of the investee companies?***

The Investment Manager follows an internal investment framework to analyse any governance issues related to borrowers. This is rooted in widely accepted governance principles and guidelines which are outlined in the Investment Manager's Ownership policy on its website. The following corporate governance themes are considered, as applicable, as a part of Ninety One's policy in relation to managing governance related issues and determining good governance:

- Leadership and Strategic Control, including board diversity, independence and engagement;
- Alignment with the long term, including remuneration and governance of sustainability issues;
- Climate change, including adequacy of management and disclosure of risks;
- Protecting capital through capital management and preserving shareholder rights; and
- Audit and disclosure, including financial reporting quality and auditor competence.

Third party data complements the governance assessment.

For the Sub-Fund, assessing the good governance practices of borrowers is part of the in-depth fundamental analysis that the Investment Manager performs on borrowers and through the ongoing monitoring of holdings. The Investment Manager considers, amongst other elements, sound management structures, employee relations, remuneration of staff, and tax compliance. The governance is tailored to the type of corporate issuer.

Where a governance issue is identified, the Investment Manager may engage directly with the borrower's management in an effort to catalyse change.



**Asset allocation** describes the share of investments in specific assets.

## What is the asset allocation planned for this financial product?

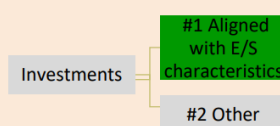
The minimum proportion of investments used to meet the environmental or social characteristics promoted by the Sub-Fund (i.e. '#1 Aligned with E/S characteristics') is 51% of the Sub-Fund's assets.

Information on the remaining investments, their purpose and any minimum environmental or social safeguards applied is outlined in the section below on 'What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?'

The investments '#1 Aligned with E/S characteristics' are selected in accordance with the binding criteria outlined in the section 'what investment strategy does this financial product follow?' under the sub-sections entitled 'Sustainability Framework' and 'Exclusions.'

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

N/A



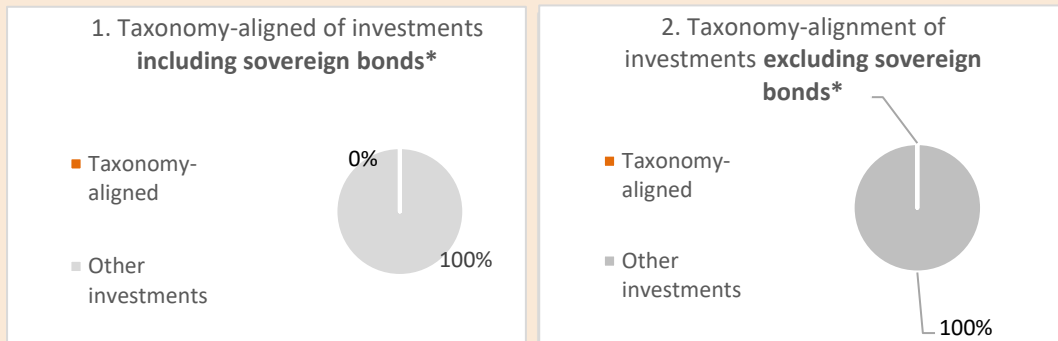
## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of EU Taxonomy-aligned investments is 0% of the Sub-Fund's assets.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

#### What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of investments in transitional and enabling activities is 0% of the Sub-Fund's assets.



#### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any sustainable investment within the meaning of Article 2(17) SFDR or the EU Taxonomy Regulation, accordingly the minimum share of sustainable investment with an environmental objective that is not aligned with the EU Taxonomy is 0% of the Sub-Fund's assets.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



#### What is the minimum share of socially sustainable investments?

N/A





## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

‘#2 Other’ includes investments, as described in the Sub-Fund’s investment policy, that support the financial objective and other management activities of the Sub-Fund such as:

- borrowers that are considered not aligned with E/S characteristics;
- derivatives for hedging, Efficient Portfolio Management and/or Investment Purposes;
- Cash held for liquidity purposes as an ancillary asset, deposits and money market instruments; and
- shares or units in other funds and exchange traded funds in which the Investment Manager does not have direct control of the underlying investments.

No minimum environmental or social safeguards are applied.



## Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

N/A

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

N/A

- *How does the designated index differ from a relevant broad market index?*

N/A

- *Where can the methodology used for the calculation of the designated index be found?*

N/A



## Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://ninetyone.com/-/media/documents/alternative-documents---for-selected-investors/91-multi-asset-credit-defensive-fund-article-10-disclosures-en.pdf>

Product name: Emerging Markets Transition Debt Fund

Legal entity identifier: [To be completed when available]

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

## Environmental and/or social characteristics

### Does this financial product have a sustainable investment objective?

<div> <div></div> <div></div> </div> <b>Yes</b>	<div> <div></div> <div></div> </div> <b>No</b>
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ____%</b> <div> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy                 <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy             </div> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ____%</b>	<div> <div>✗</div>                     It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of <u>51</u> % of sustainable investments                     <div> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy                     </div> <div> <div>✗</div>                         with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy                     </div> <div> <input type="checkbox"/> with a social objective                     </div> </div> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>



### What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental characteristics by making investments in Emerging Market Borrowers that meet the standards of the Investment Manager's proprietary transition assessment framework and by excluding investments in certain borrowers.

The Sub-Fund invests in borrowers in which the Investment Manager sees opportunity to promote environmental characteristics, and which contribute to positive environmental change through sustainable decarbonisation (the process of reducing carbon dioxide emissions) thereby advancing the transition to net zero.

Details of the proprietary transition assessment framework are explained in the question below on 'what investment strategy does the financial product follow?'

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

On an annual basis, the following sustainability indicators will be used to measure the attainment of the environmental characteristics promoted by the Sub-Fund, based on Scope 1 and Scope 2 emissions:

- the annual carbon avoided (in tonnes of CO<sub>2</sub>e) of the Sub-Fund; and
- the annual carbon reduced (in tonnes of CO<sub>2</sub>e) of the Sub-Fund; and
- the annual carbon avoided (in tonnes of CO<sub>2</sub>e) per investment where applicable; and
- the annual carbon reduced (in tonnes of CO<sub>2</sub>e) per investment where applicable;

*'Carbon avoided' are the carbon emissions avoided by using a product or service that has less carbon emissions than the status quo thereby contributing to decarbonisation.*

*'Carbon reduced' is the estimate of the carbon emissions reduced through the implementation of a transition plan in contrast to operations continuing with no transition plan.*

Over time, the Investment Manager expects to include additional relevant sustainability indicators as data becomes more readily available.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Sub-Fund focuses on sustainable investments with environmental objectives.

To do this, currently, the Sub-Fund intends to make sustainable investments in:

- debt instruments from borrowers believed by the Investment Manager to contribute to positive environmental change through sustainable decarbonisation (the process of reducing or avoiding carbon dioxide emissions). The Sub-Fund currently uses 'carbon avoided' as an indicator to assess, measure and monitor the carbon impact associated with a borrower; and
- debt instruments, issued by any Emerging Market Borrower, whose proceeds are used to finance solutions\* that address environmental challenges, this may include investments in:
  - o labelled bonds (e.g. green, blue, social, sustainable, transition and sustainability-linked bonds); and
  - o Non-labelled bonds with specific use of proceeds.

Following the Investment Manager's assessment, the investments that meet one of the abovementioned environmental objectives and pass the *Do No Significant Harm* test, are considered sustainable investments in their entirety (i.e. the whole issuance is a sustainable investment).

\* Specific use of proceed debt instruments may include those issue by borrowers which are thermal coal energy producers. In such cases, the Investment Manager assesses the extent to which the debt instrument's use of proceeds support transition in a meaningful way towards achieving net zero carbon emissions (i.e. a label is neither necessary nor sufficient for inclusion in the Sub-Fund).

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As detailed in the question below on 'what investment strategy does this financial product follow?' the Investment Manager uses a proprietary impact assessment framework to analyse the material harmful effects that a company has on society or the environment. This *Do No Significant Harm* test is applied to the whole investment.

The Investment Manager's proprietary transition assessment framework also helps to identify borrowers in which the Investment Manager will not invest, typically because applying the transition assessment framework has concluded that the harmful effects outweighs the beneficial effects.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

– *How have the indicators for adverse impacts on sustainability factors been taken into account?*

As part of the in-depth fundamental analysis on a borrower, the mandatory principal adverse impacts are taken into account for the Sub-Fund's intended sustainable investments.

The Investment Manager uses quantitative data (i.e., the metrics for the mandatory principal adverse sustainability indicators as outlined in Annex I of the Commission Delegated Regulation (EU) 2022/1288), where available, and applies a qualitative assessment where the Investment Manager applies their knowledge, experience and judgement to the quantitative PAI data to form a conclusion which considers the context of the company's business model and its activities. For material principal adverse impacts, the Investment Manager focuses assessment on progress made against the principal adverse impact and/or the policies, business models and operations the company has in place to manage adverse impacts.

Under this assessment, detailed analysis is performed on material principal adverse impacts however some principal adverse impacts are considered non-material if not directly related to the Sub-Fund's environmental objective. The materiality of a principal adverse impact indicator is determined by the Investment Manager through their assessment of the significance of that indicator to a company's business strategy and/or its stakeholders. For example, for capital-light companies (such as technology companies) the carbon emissions indicators could be considered less material to indicators related to social and employee matters.

Where material adverse impacts are identified, the Investment Manager may engage directly with borrowers in an effort to catalyse change.

– *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The OECD Guidelines for Multinational Enterprises and UN Guiding Principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights are considered as part of the application of the Investment Manager's sustainability framework. Based on this analysis, the Investment Manager deems whether sustainable investments are aligned with these considerations. Third party data, from providers whose methodologies are consistent with international norms represented in numerous widely accepted global conventions including those mentioned above, complements the identification of these considerations.

In addition, the Sub-Fund will not invest in borrowers the Investment Manager deems to be in violation of the UN Global Compact Principles.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, as part of the in-depth fundamental analysis on an individual borrower, the following principal adverse impact ("PAI") indicators are currently considered for the Sub-Fund's investments:

- GHG emissions;
- Carbon footprint; and
- GHG intensity of investee companies

In addition, as described in the section 'What investment strategy does this financial product follow?' the Sub-Fund does not invest in certain borrowers in relation to the following principal adverse impacts.

An assessment of the principal adverse impacts at the aggregate Sub-Fund level will be reported in the annual report as required by Article 11 SFDR.

☐ No



## What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

### Transition Assessment Framework

As part of its investment strategy to promote environmental characteristics of the Sub-Fund, the Investment Manager makes investments that meet the standards of its proprietary transition assessment framework.

The proprietary transition assessment framework screens the public and private emerging markets borrower universe for investments (e.g. companies and projects) that have credible and quantifiable plans to reduce and/or avoid carbon emissions on a near-term basis (i.e. before 2030), this includes understanding whether a borrower:

- is aligned or is on a trajectory, to achieve their net zero ambitions; or
- has issued debt instruments, whose proceeds are used to finance solutions that address environmental challenges, such as climate change (e.g. green bonds).

This universe of borrowers is assessed for whether investments will enable decarbonisation in the sectors determined by the Investment Manager as being critical to transition, currently these include energy, transportation, industry, buildings and agriculture.

The final step of the transition assessment framework is a bottom-up analysis, where a due diligence is performed on every issuer's 'carbon reduced' and/or 'carbon avoided'.

### *Carbon Avoided*

The Investment Manager currently uses 'carbon avoided' as an indicator to assess, measure and monitor the carbon impact associated with a company or project.

The Investment Manager forecasts 'carbon avoided' on a gross cumulative basis to 2030 and this is mapped into an annual trajectory known as a '*carbon avoided forecast indicator*', this will also be aggregated at a Sub-Fund level.

The Investment Manager, will track the actual, annual 'carbon avoided' of the Sub-Fund vs. '*carbon avoided forecast indicator*' per investment (where relevant) and at an aggregated Sub-Fund level, to 2030.

### *Carbon Reduced*

The Investment Manager currently uses 'carbon reduced' as an indicator to assess, measure and monitor the carbon mitigated based on a company's transition plan.

The 'carbon reduced' calculation is based on the transition targets of borrowers to 2030 and relies on the carbon reporting and transition plans of the borrowers and any independent assessment the borrower has employed.

A borrower's base year (inception date of the transition target) emissions are recorded alongside their gross cumulative 'carbon reduced' targets to 2030, and this is mapped into an annual trajectory of 'carbon reduced' to 2030, known as a '*carbon reduced forecast indicator*', this will also be aggregated at a Sub-Fund level.

The Investment Manager, will track the actual, annual 'carbon reduced' of the Sub-Fund vs. '*carbon reduced forecast indicator*' per investment (where relevant) and at an aggregated Sub-Fund level, to 2030.

#### Exclusions

The Sub-Fund will not invest in companies that (to the best of the Investment Manager's knowledge):

- are directly involved in the manufacture and production of controversial weapons (including biological and chemical weapons, cluster munitions and landmines); or
- are directly involved in the manufacture and production of nuclear weapons; or
- are directly involved in the manufacture and sale of tobacco products; or
- are directly involved in the management or ownership of adult entertainment production or distribution; or
- the Investment Manager deems to be in violation of the United Nations' Global Compact principles.

In addition, the Sub-Fund will not invest in companies that (to the best of the Investment Manager's knowledge) derive more than 20% of their revenue from the following business activities:

- extraction of crude bitumen from oil sands;
- extraction of thermal coal; or
- production of unsustainable palm oil.

#### Additional Considerations

The Investment Manager's bottom-up analysis is supported by a variety of information including publicly available sources, third party data, proprietary models as well as the experience, discretion and judgement of the Investment Manager. There will be no mechanistic reliance on external ratings or scores.

The Sub-Fund's holdings will be monitored on an ongoing basis by the Investment Manager. A holding may be sold for a range of reasons but in particular, if it is determined that the investment case for the holding has been weakened or it no longer satisfies the investment objective and policy of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The commitment to have at least 80% of the Sub-Fund's assets meeting environmental characteristics promoted by the Sub-Fund, having quantifiable 'carbon reduced' and/or 'carbon avoided' activities.

The Sub-Fund will not invest in certain business groups and activities, as described above.

This criterion does not apply to the Sub-Fund's '#2 Other' investments – please find more detail in the question about planned asset allocation planned below.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A



**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

### ● **What is the policy to assess good governance practices of the investee companies?**

The Investment Manager follows an internal investment framework to analyse any governance issues related to borrowers. This is rooted in widely accepted governance principles and guidelines which are outlined in the Investment Manager's Ownership Policy on its website. The following corporate governance themes are considered, as applicable, as part of Ninety One's policy in relation to managing governance related issues and determining good governance:

- Leadership and strategic control, including board diversity, independence and engagement;
- Alignment with the long-term, including remuneration and governance of sustainability issues;
- Climate change, including adequacy of management and disclosure of risks;
- Protecting capital through capital management and preserving shareholder rights; and
- Audit and disclosure, including financial reporting quality and auditor competence.

Third party data complements the governance assessment.

For the Sub-Fund, assessing the good governance practices of borrowers is part of the in-depth fundamental analysis that the Investment Manager performs on borrowers and through the ongoing monitoring of holdings. The Investment Manager considers, amongst other elements, sound management structures, employee relations, remuneration of staff, and tax compliance. The governance assessment is tailored to the type of borrower.

Where a governance issue is identified, the Investment Manager may engage directly with the borrower's management in an effort to catalyse change.

**Asset allocation** describes the share of investments in specific assets.

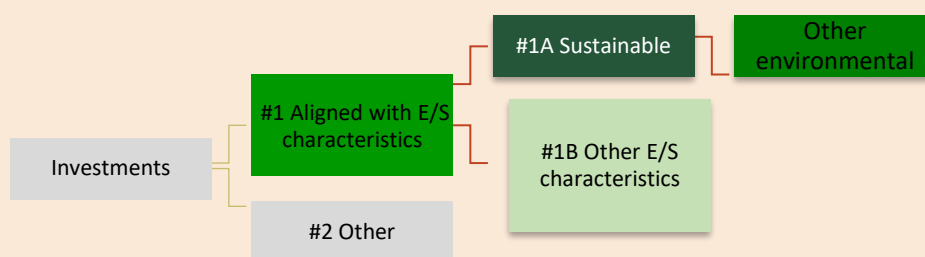


### **What is the asset allocation planned for this financial product?**

Minimum proportion of investments used to meet environmental characteristics promoted by the Sub-Fund (i.e. '#1 Aligned with E/S characteristics') will be 80% of its assets. At least 51% of assets held in the Sub-Fund sustainable investments within the meaning of Article 2(17) SFDR. '#1A Sustainable' investments can comprise of those with environmental objectives.

Information on the remaining investments, their purpose and any minimum environmental or social safeguards applied is outlined in the section below on 'What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?'

The assets included in #1 'Aligned with E/S characteristics' are selected in accordance with the binding criteria outlined in the section 'what investment strategy does this financial product follow?' under the sub-section entitled 'Sustainability Framework.'



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

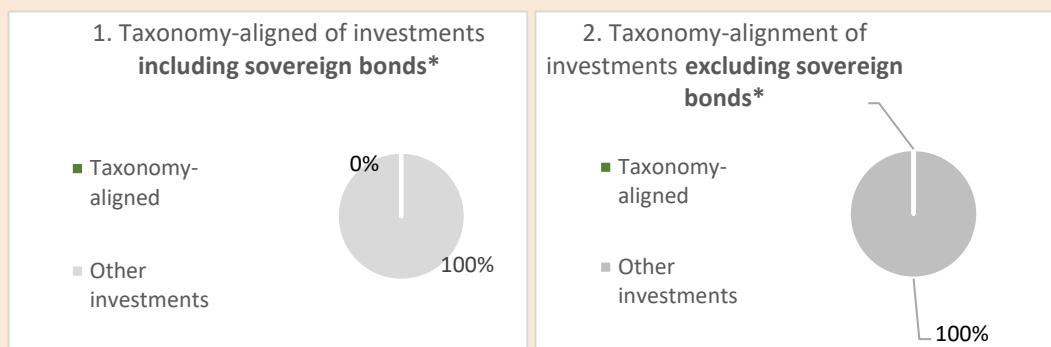
N/A



- **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The minimum extent to which the Sub-Fund invests in environmentally sustainable investments within the meaning of Article 3 the EU Taxonomy Regulation is currently 0% of the Sub-Fund's assets.

*The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

- **What is the minimum share of investments in transitional and enabling activities?**

The minimum share of investments in transitional and enabling activities is 0% of the Sub-Fund's assets.





are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



### What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund commits to have a minimum 51% of its assets in sustainable investments with an environmental objective aligned with SFDR and does not yet commit to invest in EU Taxonomy-aligned investments.

These sustainable investments could be aligned with the EU Taxonomy, but the Investment Manager is not currently in a position to specify the exact proportion of the Fund's underlying investments which take into account the EU criteria for environmentally sustainable economic activities. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

The Sub-Fund also makes sustainable investments which contribute to social objectives. At times the investments that qualify as sustainable investments with an environmental objective may be sustainable investments with combined environmental and social objectives.



### What is the minimum share of socially sustainable investments?

N/A.



### What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

'#2 Other' includes investments, as described in the Sub-Fund's investment policy, that support the financial objective and other management activities of the Sub-Fund such as:

- derivatives for hedging and/or Investment Purposes and/or Efficient Portfolio Management; and
- Cash held for liquidity purposes as an ancillary asset, deposits and money market instruments.

No minimum environmental or social safeguards are applied.



### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



#### **Where can I find more product specific information online?**

**More product-specific information can be found on the website:** [link to landing page containing the Article 10 disclosures to be added]