
The directors of Mercer QIF Fund plc (the “**Directors**”) listed in this Prospectus under the heading “**Directory**” accept responsibility for the information contained in this Prospectus and the Relevant Supplements hereto. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus and the Relevant Supplements is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

MERCER QIF FUND PLC

(a collective investment scheme incorporated as a limited liability variable capital company in Ireland with registered number 452760, authorised as an umbrella fund with segregated liability between sub-funds by the Central Bank of Ireland pursuant to Part 24 of the Companies Act 2014)

PROSPECTUS

DATED 16 APRIL 2026

MANAGER

**MERCER GLOBAL INVESTMENTS
MANAGEMENT LIMITED**

CONTENTS

SECTION	PAGE
DIRECTORY.....	1
IMPORTANT INFORMATION	2
THE COMPANY	6
INVESTMENT OBJECTIVES AND POLICIES.....	8
SUSTAINABILITY POLICIES	19
INVESTMENT TECHNIQUES.....	23
SPECIAL CONSIDERATIONS AND RISK FACTORS	30
AVAILABLE SHARE CLASSES	63
MANAGEMENT AND ADMINISTRATION	69
MAKING AN INVESTMENT	81
FEES AND EXPENSES	91
DETERMINATION OF NET ASSET VALUE.....	95
TEMPORARY SUSPENSION OF DEALINGS.....	100
TAXATION.....	101
GENERAL.....	108
DEFINITIONS.....	114
APPENDIX I - INVESTMENT RESTRICTIONS.....	127
APPENDIX II - CHINA MARKET RISKS.....	131

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IMPORTANT INFORMATION

Capitalised words and expressions are defined in the body of this Prospectus and/or under the heading “Definitions” below.

This Prospectus

This Prospectus describes Mercer QIF Fund plc (the “**Company**”), an investment company with variable capital incorporated in Ireland as a public limited company with segregated liability between sub-funds. The Company is constituted as an umbrella fund insofar as the share capital of the Company will be divided into different Series of Shares with each Series of Shares representing a portfolio of assets which will comprise a separate Sub-Fund. Shares of any particular Series may be divided into different Classes to accommodate different subscription and/or redemption charges and/or distribution and/or fee arrangements. A separate pool of assets is not being maintained for each Class.

The portfolio of assets maintained for each Series of Shares and comprising a separate Sub-Fund will be invested in accordance with the investment objectives and policies applicable to such Sub-Fund as specified in the Relevant Supplement. Each Relevant Supplement forms part of and should be read in conjunction with, and construed as one document with, this Prospectus. All information contained in the Prospectus is deemed incorporated in the Relevant Supplement. Words and expressions not specifically defined in a Relevant Supplement bear the same meaning as that attributed to them in this Prospectus. To the extent that there is any inconsistency between a Relevant Supplement and the Prospectus, the Relevant Supplement shall prevail.

For the purposes of this Prospectus, where the context so admits or requires, the term “Sub-Fund” shall also be deemed to mean the Directors or their delegate acting for the account of the relevant Sub-Fund. As the Company is availing of the provisions of the Act, it is intended that the Company will not be liable as a whole to third parties for the liabilities for each Sub-Fund. However, investors should note the risk factor under the heading “Special Considerations and Risk Factors – Umbrella Structure of the Company” below.

This Prospectus and the Relevant Supplements may be translated into other languages and such translations shall contain only the same information as this Prospectus and the Relevant Supplements. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of Ireland.

A list of the Sub-Funds currently established by the Company is contained in the Sub-Fund Schedule, which is a supplement to this Prospectus.

Investor Responsibility

Prospective investors should review this Prospectus and the Relevant Supplement(s) carefully and in their entirety and consult with their legal, tax and financial advisers in relation to (i) the legal requirements within their own countries for the purchase, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, repurchasing, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisers if they have any doubts regarding the contents of this Prospectus and/or the Relevant Supplement(s).

Central Bank Authorisation

The Company is authorised by the Central Bank as a designated investment company pursuant to Part 24 of the Act to market solely to Qualifying Investors and has been established as an umbrella fund with segregated liability between Sub-Funds. Accordingly, the requirements of the Central Bank which are deemed necessary for the protection of retail investors, in particular

the conditions set down by the Central Bank in relation to investment and leverage, do not apply to the Company. The Central Bank shall not be liable by virtue of its authorisation of the Company as a QIAIF or by reason of its exercise of the functions conferred on it by legislation in relation to the Company for any default of the Company. Authorisation of the Company by the Central Bank does not constitute a warranty by the Central Bank as to the creditworthiness or financial standing of the various parties to the scheme, nor is the Central Bank responsible for the contents of this Prospectus. Such authorisation does not constitute an endorsement or guarantee of the Company by the Central Bank.

As the minimum initial subscription for Shares will always equal or exceed €100,000 or the foreign currency equivalent thereof (save in the case of permitted Knowledgeable Investors) and Shares will be available only to Qualifying Investors, the Company qualifies as a qualifying investor AIF for the purposes of the AIF Rulebook. Accordingly, while the Company is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment objective, the investment policies or on the degree of leverage which may be employed by a Sub-Fund nor has the Central Bank reviewed this Prospectus. The Company must comply with the aim of risk spreading in accordance with Part 24 of the Act.

Reliance on this Prospectus

Shares in the Company are offered only on the basis of the information contained in this Prospectus, the Relevant Supplement, the most recent annual report of the Company and, if subsequently published, the semi-annual report of the Company. These documents, delivered together, will comprise a complete current prospectus for the offering of Shares in a Sub-Fund. Any further information or representations given or made by any dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation in connection with the offering of Shares in the Company other than those contained in this Prospectus, the Relevant Supplement, the most recent annual report and, if subsequently published, the semi-annual report of the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Manager, the Investment Manager, the Sub-Investment Managers, the Administrator, the Depositary or the Distributor. Statements in this Prospectus and the Relevant Supplement are based on the law and practice currently in force in Ireland at the date hereof and are subject to change. Neither the delivery of this Prospectus, the Relevant Supplement or the applicable periodic reports, nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company or applicable Sub-Fund have not changed since the date of this Prospectus or, if subsequent, the date of the Relevant Supplement.

Distribution of any Relevant Supplement is not authorised unless it is accompanied by a copy of the Prospectus and the Company's most recent annual report and audited accounts and/or semi-annual report and unaudited accounts (as applicable). These documents, delivered together, will comprise a complete current prospectus for the offering of Shares of the relevant Sub-Fund.

Distribution and Selling Restrictions

The distribution of this Prospectus, any Relevant Supplement and the offering, placing or purchase of Shares may be restricted in certain jurisdictions, and, accordingly, persons into whose possession this Prospectus and any Relevant Supplement comes are required by the Manager to inform themselves about and to observe such restrictions. No persons receiving a copy of this Prospectus or any Relevant Supplement in any such jurisdiction may treat this Prospectus or any Relevant Supplement as constituting an invitation to them to subscribe for Shares unless in the relevant jurisdiction such an invitation could lawfully be made to them without compliance with any registration or other legal requirements. This Prospectus and any Relevant Supplement do not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Within the EU, a Sub-Fund may only be marketed to Professional Investors unless the EU Member State in question permits, under the laws of that EU Member State, the relevant Shares to be sold to other categories of investors and this permission encompasses the other categories of investors set out in the definition of Qualifying Investor below. When marketing Shares in any EU Member State (other

than Ireland) to Professional Investors that are domiciled or have a registered office in the EU, the Manager intends to utilise marketing passports made available under the provisions of the AIFMD, as implemented by the AIFMD Regulations. Shares in a Sub-Fund may only be marketed pursuant to such passports to Professional Investors in those territories of the EU Member States in respect of which a passport has been obtained.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”) or the securities laws of any of the States of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the “United States”) or to or for the account or benefit of any U.S. Person as defined under the heading “Definitions” below. Any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law. Applicants for Shares will be required to certify that they are not “U.S. Persons”. The Company will not be registered under the U.S. Investment Company Act 1940, as amended.

Information for Investors in the United Arab Emirates

This Prospectus relates to the Company and its Sub-Funds which are not subject to any form of regulation or approval by the Dubai Financial Services Authority (“DFSA”). The DFSA has no responsibility for reviewing or verifying the Prospectus, any Relevant Supplement or other documents in connection with the Company or its Sub-Funds. Accordingly, the DFSA has not approved this Prospectus, any Relevant Supplement or any other associated documents nor taken any steps to verify the information set out in this Prospectus or any Relevant Supplement and has no responsibility for it. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorised financial adviser.

Investment Risks

Investment in the Company carries with it a degree of risk. The value of Shares and the income from them may go down as well as up, and investors may not get back the amount invested. Accordingly, investors should be aware that investment in the Company carries with it an above average risk and is only suitable for people who are in a position to take such risks. Past performance is no indicator of future performance and is no guarantee for future returns. Investment risks from market and currency losses cannot be excluded.

The potential difference at any one time between the price paid by an investor for Shares and the proceeds realised on a redemption of those shares means that investment in them should be viewed as medium to long term. Investment in the Company should not constitute the sole or main investment of an investor’s portfolio. Investment risk factors for an investor to consider are set out under the heading “Special Considerations and Risk Factors” below.

The Sub-Funds may invest in unregulated collective investment schemes within the meaning of the AIF Rulebook. Such collective investment schemes may not provide a level of investor protection equivalent to collective investment schemes authorised under Irish laws and subject to Irish regulations and conditions.

In general, for Sub-Funds that invest in other collective investment schemes, the layered investment structure arising as a result of the investment policies the Sub-Funds may pursue will subject investors to higher fees as well as a lack of transparency, however, steps will be taken to avoid this, please see “Investment Objectives and Policies” and “Fees and Expenses” below.

Open-ended Sub-Funds with limited liquidity

Investors that wish to purchase Shares in an open-ended with limited liquidity Sub-Fund should be aware that such Sub-Funds may offer subscription and redemption facilities on a less frequent basis than open-ended Sub-Funds. In addition, investors should be aware that the

redemption process in respect of open-ended with limited liquidity Sub-Funds may involve substantial complications and delays and the ability of the Sub-Fund to honour redemption requests will be dependent upon circumstances relating to, inter alia, investment in underlying assets. Where prescribed in the Relevant Supplement, a Sub-Fund may also be established as closed-ended. Any such Sub-Fund will not permit repurchases of Shares at the request of Shareholders.

Potential for Capital Reduction

Shareholders should note that all or part of fees and expenses, including (if applicable) Management Fees, may be charged to the capital of a Sub-Fund. This will have the effect of lowering the capital value of your investment. In any such case, there is a greater risk that capital may be eroded (and also that the value of future returns may be diminished) and fees will be paid in a manner that foregoes the potential for future capital growth.

THE COMPANY

The Company is an umbrella investment company with segregated liability between sub-funds and variable capital incorporated in Ireland on 1 February 2008 under registration number 452760. The Company is authorised by the Central Bank as a designated investment company pursuant to Part 24 of the Act. The Company is a QIAIF for the purposes of the AIF Rulebook. The object of the Company, as set out in Clause 2 of the Articles, is the collective investment of its funds in property with the aim of spreading investment risk and giving the members of the Company the benefit of the results of the management of its funds. All holders of Shares are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Memorandum and Articles of Association, copies of which are available as described in the “**General – Documents for Inspection**” section of this Prospectus.

Sub-Funds

The Company has been structured as an umbrella fund in that the Directors may from time to time, with the prior approval of the Central Bank, issue different Series of Shares representing separate portfolios of assets which will comprise a Sub-Fund.

The Sub-Funds as of the date of this Prospectus are set out in the table below and may be updated from time to time. Please refer to the Sub-Fund Schedule, which is a supplement to this Prospectus, for the current Sub-Funds of the Company (including any changes to the list below since the date of this Prospectus).

Sub-Funds
1. Mercer Euro Nominal Bond Long Duration Fund
2. Mercer LS Managed Fund*
3. Mercer QIF Alternatives Fund
4. Mercer Flexible LDI £ Fixed Enhanced Matching Fund 2
5. Mercer Flexible LDI £ Fixed Enhanced Matching Fund 3
6. Mercer Flexible LDI £ Real Enhanced Matching Fund 1
7. Mercer Flexible LDI £ Real Enhanced Matching Fund 2
8. Mercer Flexible LDI £ Real Enhanced Matching Fund 3
9. Mercer Flexible LDI £ Inflation Enhanced Matching Fund 1
10. Mercer Diversifying Alternatives Strategies
11. Mercer Multi-Asset Growth Fund*
12. Mercer Dynamic Asset Allocation Fund
13. Mercer Tailored Fixed Income Fund*
14. Mercer Tailored Fixed Income Fund B*
15. Mercer Multi Asset Credit Fund
16. Mercer Investment Fund 1
17. Mercer Select Alternatives Strategies*
18. Mercer Tailored Credit Fund 1
19. Mercer Private Markets Portfolio
20. Mercer Investment Fund 4
21. Mercer Synthetic Equity-Linked Dynamic Bond Fund
22. Mercer Synthetic Equity-Linked Nominal Bond Fund*
23. Mercer Investment Fund 7*
24. Mercer Advantage Balanced Growth Fund*
25. Mercer Investment Fund 15*
26. Schroder Secured Finance*
27. Insight Secured Finance*
28. Mercer Euro Long Real LDI Fund
29. KKR Multi-Asset Credit
30. Mercer Euro Long Nominal LDI Fund
31. Mercer Euro Medium Nominal LDI Fund*
32. Mercer Global Dynamic Multi Asset Fund

33. Mercer Investment Fund 18
34. Mercer Multi Asset Balanced Growth Fund
35. Mercer Passive OECD Global Credit Fund
36. Mercer Investment Fund 16 Feeder Fund
37. Mercer Investment Fund 20
38. Mercer Investment Fund 23
39. Mercer Passive OECD Small Cap ex-USA Equity Fund
40. Mercer China Equity Fund*
41. Mercer Euro Tailored Credit Fund
42. Mercer Tailored Credit Fund 2
43. Mercer Passive Short Dated UK Index Linked Gilt Fund
44. PeKF Investment Fund
45. Mercer Tailored Credit Fund 0
46. Mercer Investment Fund 25
47. Mercer Trade Finance Fund
48. Catholic Responsible Investments Magnus Fund
49. Mercer Investment Fund 27
50. Mercer Investment Fund 28
51. Mercer Investment Fund 29
52. Mercer Investment Fund 26

** denotes that a Sub-Fund is closed to further subscriptions*

INVESTMENT OBJECTIVES AND POLICIES

The Company is an umbrella investment company and the investment objectives and policies for each Sub-Fund will be formulated by the Company at the time of creation of each Sub-Fund and will be specified in the Relevant Supplement to the Prospectus. There is no assurance that a Sub-Fund will achieve its investment objective.

Changes in Investment Objective and Policies

The investment objective of an open-ended Sub-Fund or an open-ended with limited liquidity Sub-Fund may not be altered, and material changes to the investment policy of a Sub-Fund may not be made, without prior approval of Shareholders on the basis of (i) a majority of votes cast at a meeting of the Shareholders of the particular Sub-Fund duly convened and held or (ii) with the prior written approval of all Shareholders of the relevant Sub-Fund. In the event of a change of the investment objective and/or a material change in the investment policy of a Sub-Fund, by way of a majority of votes cast at a meeting of the relevant Shareholders, Shareholders in the relevant Sub-Fund will be given reasonable notice of such change to enable them to redeem their Shares prior to implementation of such a change.

In the case of a closed-ended Sub-Fund, the investment objective may not be altered, and material changes to the investment policy may not be made, without prior approval of Shareholders on the basis of (i) 75% (in the case of a closed-ended Sub-Fund where there is no opportunity for Shareholders to redeem or otherwise exit the Sub-Fund) or 50% (in the case of a closed-ended Sub-Fund where there is an opportunity for Shareholders to redeem or otherwise exit the Sub-Fund) of votes cast at a meeting of the Shareholders of the particular Sub-Fund duly convened and held or (ii) with the prior written approval of all Shareholders of the relevant Sub-Fund. For non-material changes to the investment policy of a closed-ended Sub-Fund, Shareholders may be notified of these changes including by means of appropriate disclosure in the next annual report.

Any proposal to change an index (the “**Benchmark**”) used by a Sub-Fund will be subject to prior approval of the Shareholders of the relevant Sub-Fund only if it is deemed to be a change of investment objective or a material change of investment policy. Otherwise, it will simply be notified to Shareholders, in accordance with the Central Bank’s requirements. The Directors may in their absolute discretion decide to change or substitute a Sub-Fund’s Benchmark if they consider it to be in the interests of any Sub-Fund. The Relevant Supplement will be updated in the case of substitution or change of the existing Benchmark of a Sub-Fund for another index.

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

Investment Restrictions

The Sub-Funds may invest in units/shares of other investment funds and/or assets listed or traded on Recognised Markets and such other assets as set out in the Relevant Supplements. The investment and borrowing restrictions for each Sub-Fund are formulated at the time of the creation of a Sub-Fund. Details of investment restrictions will be contained in the Relevant Supplement. The investment restrictions in **Appendix I** reflect regulatory requirements applicable to Qualifying Investor AIFs pursuant to the AIF Rulebook and are applicable to all Sub-Funds subject to anything to the contrary in a Relevant Supplement.

Investment Management Approach

For certain of the Sub-Funds, the Investment Manager uses a manager of managers' style approach involving either the selection and allocation of Sub-Fund assets to one or more Sub-Investment Managers or investing on a fund of funds basis in Underlying Funds subject to the applicable investment policy and strategy as set out in a Relevant Supplement.

In assessing and selecting Sub-Investment Managers for a Sub-Fund, the Investment Manager may draw on Mercer’s global manager research capabilities. Mercer’s manager research team performs due

diligence on over 35,000 investment strategies globally and assigns a rating to each strategy based on its assessment of criteria such as idea generation and quality of the investment process, portfolio construction and implementation, organisational robustness, control environment integrity, ESG integration and the strength of the management team. Strategy ratings are reviewed regularly from a quality-control perspective to ensure consistency of treatment across strategies within a product category.

The Investment Manager determines the allocations to each Sub-Investment Manager at its discretion. These allocations may change from time to time without notice to Shareholders. In deciding on the initial and ongoing allocations to Sub-Investment Managers, the Investment Manager will have regard to what it considers is appropriate to achieve a Sub-Fund’s investment objective based on an analysis of each respective Sub-Investment Manager’s expected risk and return contribution. As part of its ongoing oversight responsibilities, the Investment Manager may agree investment parameters specific to an individual Sub-Investment Manager in order to monitor the quality of their investment process and the performance of their segment of the overall portfolio for a given Sub-Fund. The Investment Manager may in its absolute discretion alter the allocation of assets to all or any of the Sub-Investment Managers at any time subsequent to their appointment. Sub-Funds with a manager of managers strategy seek to be diversified across one or more investment strategies and to allocate to different Sub-Investment Managers as far as practicable. Having regard to factors such as the size of the Sub-Fund, the Investment Manager may, from time to time, choose not to allocate to certain Sub-Investment Managers and allocations may be concentrated in only some, or in one, of the potential investment strategies and Sub-Investment Managers. Details of the Sub-Investment Managers appointed in respect of a Sub-Fund will be set out in the Relevant Supplement.

In the event that the decision is taken by the Investment Manager that a Sub-Investment Manager’s appointment with respect to a Sub-Fund is to be terminated, the Investment Manager will seek to replace that Sub-Investment Manager as soon as is reasonably practicable or, if appropriate, shall allocate the portion of a Sub-Fund’s assets of the departing Sub-Investment Manager to the remaining Sub-Investment Manager(s) in such proportions as the Investment Manager deems appropriate. The termination and/or replacement of a Sub-Investment Manager may require the implementation of appropriate portfolio transitional arrangements (including the appointment of a dedicated transition manager), to assist with the continued compliance with the investment objectives and policies of the relevant Sub-Fund. In certain circumstances, whether at launch or following the termination of a Sub-Investment Manager, the Investment Manager may deem it appropriate that a Sub-Fund be managed by a single Sub-Investment Manager.

As the Investment Manager does not select investments directly, it relies on the investment processes of the appointed Sub-Investment Managers. In selecting Sub-Investment Managers, the Investment Manager seeks to build robust portfolios by blending complementary investment styles and processes and thereby diversifying sources of risk. As a result, Sub-Funds will be managed in accordance with one or more investment processes that are proprietary to the individual Sub-Investment Managers.

Where disclosed in a Relevant Supplement, a Sub-Fund’s investment objective and policy may be implemented through an indirect investment approach, rather than through the appointment of a Sub-Investment Manager. The Investment Manager (or its delegate) may consider it appropriate to implement investment decisions by investing in Underlying Funds, subject to the requirements of the Central Bank, and provided such investment exposure is consistent with the Sub-Fund’s investment policy.

Benchmarks and how they are used

Sub-Funds that are managed with reference to a comparator or index ("**Benchmark**"), or which use a Benchmark for performance comparison, will include in the Relevant Supplement a description of the role the Benchmark plays in the investment management of the Sub-Fund. The usages stated in the Relevant Supplement have the following meanings:

Benchmark Usage	Explanation
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<p><i>Outperformance target</i></p>	<p>The outperformance target is the level of performance that the Investment Manager seeks to achieve for the Sub-Fund based on the investment policy versus the Benchmark. Unless otherwise disclosed in the Relevant Supplement, a Sub-Fund's target outperformance is calculated after Sub-Investment Manager fees and Operating Expenses have been paid, but before deduction of Manager Fees, and is expressed as a percentage range sought over the relevant investment horizon.</p> <p>There is no guarantee that a Sub-Fund will achieve the level of outperformance sought. A Sub-Fund's performance relative to the Benchmark may be subject to wide variation depending on market conditions and economic cycles, and the Sub-Fund's performance could move closely in line with that of the Benchmark over certain periods. Even if the Sub-Fund achieves an excess return above the Benchmark, the impact of fees and expenses applicable to a particular Share Class can result in the net performance after fees and expenses being less than the Benchmark. See "Benchmark Outperformance Risk" for more information.</p>
<p><i>Index-Tracking</i></p>	<p>An Index-Tracking Sub-Fund is passively managed and seeks to replicate or track the risk and return performance of the Benchmark (which will be disclosed in the Relevant Supplement) while seeking to minimise tracking error between the Sub-Fund's performance and that of the Index. An Index-Tracking Sub-Fund may use one or more of the techniques listed below under "Index-Tracking Sub-Funds".</p>
<p><i>Portfolio constraint</i></p>	<p>Where a Sub-Fund uses a Benchmark as a portfolio constraint, this means that investment decisions applicable to the Sub-Fund are constrained by the constituents or other features of the Benchmark or the Sub-Fund is subject to a limit on its permitted deviation from the Benchmark. These constraints may, for example, take the form of limits which relate to the eligible issuers, durations, sector weights, country weights, credit ratings of the constituents of the Benchmark and permitted tracking error for the Sub-Fund relative to the Benchmark. Where such constraints apply to the overall Sub-Fund such that it is managed by reference to the relevant Benchmark, this and the applicable constraints will be set out in the Relevant Supplement.</p> <p>The Investment Manager may determine from time to time to use investment parameters relative to a Benchmark with an individual Sub-Investment Manager in respect of the portion of assets (i.e. segment) which is allocated to that Sub-Investment Manager. These segment level parameters may vary from time to time and as between different Sub-Investment Managers appointed in respect of a Sub-Fund. However, since these parameters are segment specific and not applicable to the overall Sub-Fund portfolio, these are not treated as portfolio constraints and do not as such comprise the management of a Sub-Fund by reference to a Benchmark.</p>
<p><i>Performance comparison</i></p>	<p>A Benchmark may be used as a comparator with which to evaluate the return performance of the Sub-Fund. Performance Benchmarks will be selected which are relevant to the primary investment universe for the Sub-Fund. The Relevant Supplement will provide a description of the performance Benchmark. Performance of a Sub-Fund may differ significantly from that of the performance Benchmark as the Investment Manager has absolute discretion to invest outside the Benchmark subject to the investment objective and policies disclosed in the Prospectus.</p> <p>Performance Benchmarks may change from time to time; for instance, for reasons outside the control of the Company or if another Benchmark is deemed a more appropriate performance reference for a Sub-Fund. Shareholders in a relevant Sub-Fund will be notified of such change in accordance with Central Bank requirements.</p>

For Sub-Funds which use a Benchmark as an outperformance target, for performance comparison or for index-tracking, a Share Class may use a different currency version of the Benchmark for Share Class level performance calculation which is aligned with the currency denomination of that Share Class.

Index-Tracking Sub-Funds

An Index-Tracking Sub-Fund will seek to replicate or track the performance of a Benchmark while seeking to minimise the tracking difference between the Sub-Fund's performance and that of its applicable Benchmark. An Index-Tracking Sub-Fund may use any of the index-tracking techniques described below or otherwise as described in the Relevant Supplement. Investors in an Index-Tracking Sub-Fund should refer to the Relevant Supplement for details of the applicable Benchmark, the index-tracking technique and the anticipated level of tracking error.

Full Replication: Under this technique, an Index-Tracking Sub-Fund seeks to physically hold all, or close to all, of the securities comprising the particular Benchmark and in similar weightings as those used in the Benchmark. It may not, however, always be possible or practicable to purchase each and every component of the Benchmark in accordance with the weightings of the Benchmark, or doing so may be detrimental to Shareholders (for example, where there are considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the Benchmark, or in circumstances where a security in the Benchmark becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions that apply to the Sub-Fund but not to the Benchmark).

Optimisation: Under this technique, an Index-Tracking Sub-Fund seeks to build a representative portfolio that matches the risk and return characteristics of the Benchmark, including risks related to factors, as relevant to the particular strategy, such as currencies, countries, sectors, industries and size. An Index-Tracking Sub-Fund using an optimisation technique is not expected to hold each and every underlying component of the Benchmark at all times or hold them in the same proportion as their weightings in the Benchmark.

Optimisation is typically used because the applicable Benchmark contains too many securities to efficiently purchase and, at times, certain components may be difficult to purchase in the open markets. Optimisation may include the strategic selection of certain securities that make up the Benchmark or other securities which provide similar performance to certain components. Optimisation techniques may also include the use of Derivatives. The extent to which an Index-Tracking Sub-Fund uses optimisation techniques will depend on the nature of the components of the applicable Benchmark, the practicalities and cost of tracking the Benchmark, and such use is at the discretion of the Investment Manager (or its delegate). An Index-Tracking Sub-Fund may use optimisation techniques extensively and may be able to provide a return similar to that of its index by investing in relatively few components. An Index-Tracking Sub-Fund may hold some instruments that are not underlying components of the Benchmark where such instruments provide similar performance to certain instruments that make up the Benchmark.

Stratified (or representative) sampling: Under this technique, an Index-Tracking Sub-Fund employs a representative sampling indexing strategy. This involves dividing the components of the relevant 14 Benchmark into distinct groups called strata, that represent different characteristics of the Benchmark. The strata may include, amongst others, sectors, currency, country, industry sectors, credit quality or duration. This means that the Sub-Fund typically invests in a representative sample of securities that it considers collectively have an investment, risk and return profile which matches that of holding all of components in their respective weights in accordance with the Benchmark. The securities selected are expected to have, in the aggregate, investment characteristics similar to those of the Benchmark. Consequently, the Sub-Fund will typically hold only a subset of the securities included in the Benchmark and the Sub-Fund may, from time-to-time, hold securities that are not included in the Benchmark.

Tracking error for Index-Tracking Sub-Funds

Anticipated tracking error for an Index-Tracking Sub-Fund is based on the expected volatility of differences between the returns of the relevant Index-Tracking Sub-Fund and the returns of its Benchmark. The anticipated tracking error under normal market conditions of an Index-Tracking Sub-

Fund will be disclosed in the Relevant Supplement. There is no guarantee that the Sub-Fund will stay within the anticipated tracking error disclosed in a Relevant Supplement.

The causes of tracking error for an Index-Tracking Sub-Fund can include, but are not limited to, the following: holdings/size of the Sub-Fund, cash flows, such as any delays in investing subscription proceeds into the Sub-Fund or realising investments to meet redemptions, corporate actions, fees and the frequency of rebalancing against the Benchmark. Furthermore, tracking error may arise because an Index-Tracking Sub-Fund's returns may be reduced by various costs and expenses and applicable taxes which are not taken into account in the index provider's calculation of the performance of the Benchmark.

From time to time, securities in a Benchmark may be subject to corporate actions. The Investment Manager has discretion to manage these events in the most efficient manner.

For information in relation to the difficulties associated with tracking indices, please refer to the "**Index-Tracking Sub-Fund**" risk in the "**Special Considerations and Risks**" section below.

Benchmark Rebalancing

Index providers will periodically change or "rebalance" the composition and/or weighting of the securities constituting a Benchmark. The rebalancing frequency applicable to a Benchmark will be set out in the Relevant Supplement and will be available from the index provider.

For an Index-Tracking Sub-Fund, any rebalancing of the Benchmark will ordinarily require that Sub-Fund to make corresponding adjustments to its holdings in order to track the performance of the Benchmark. In such cases, the Sub-Investment Manager(s) will, in as timely and efficient manner as possible, but subject to its overall discretion, seek to rebalance the composition and/or weighting of the Sub-Fund's investments to conform to the changes in the composition and/or weighting of securities in the Benchmark as far as practicable and possible. Other rebalancing measures may be taken from time to time to seek to maintain the correspondence between the performance of a Sub-Fund and the performance of the Benchmark, which may include use of Derivatives, such as futures, for efficient portfolio management purposes.

In order to rebalance the Sub-Fund's investments to conform with changes in the Benchmark composition following a rebalancing, investments must be bought and sold. As such, rebalancing activity will incur costs, and these costs are not reflected in the theoretical calculation of the Benchmark return and may adversely impact a Sub-Fund's tracking error performance. Such costs will be borne by a Sub-Fund, can be direct or indirect and include (but are not limited to), transaction costs (such as brokerage fees), custody fees, exchange costs and commissions (including foreign exchange spreads) and stamp duty.

There may be circumstances in which the holding of certain Benchmark constituent securities may be prohibited by regulation or may not otherwise be in the interests of investors. These include but are not limited to, where:

- changes to the Benchmark constituent securities cause the Investment Manager (or its delegate) to determine that it would be preferable to implement different investment methods, in accordance with the terms of the Relevant Supplement, to provide similar performance and a similar risk profile to that of the Benchmark;
- Benchmark constituent securities are unavailable or no market exists for such constituent securities, in which case, a Sub-Fund may instead hold depositary receipts relating to such securities (e.g. ADRs and GDRs) or may hold Derivatives giving exposure to the performance of such securities;
- corporate actions occur in respect of Benchmark constituent securities, in which case the Sub-Fund has discretion to manage these events in the most efficient manner;
- a Sub-Fund holds Ancillary Liquid Assets and /or has receivables, in which case the Sub-Fund may purchase Derivatives, for direct investment purposes, to produce a return similar to the return on the Benchmark;

- securities held by a Sub-Fund become illiquid or are otherwise unobtainable at fair value, in which circumstances, the Sub-Fund may use a number of techniques, including purchasing securities whose returns, individually or collectively, are seen to be well-correlated to desired constituent securities of the Benchmark or purchasing a sample of constituent securities in the Benchmark;
- following consideration of the costs of any proposed portfolio transaction, the Investment Manager (or its delegate) believes that it is not efficient to execute transactions to bring the Sub-Fund perfectly into line with the Benchmark at all times; and
- a Sub-Fund sells Benchmark constituent securities in anticipation of their removal from the Benchmark, or purchases securities which are not currently represented in the relevant Benchmark, in anticipation of their becoming Benchmark constituent securities.

The Sub-Investment Manager will rely solely on the index providers for each Benchmark for information as to the composition and/or weighting of the securities within each Benchmark. If the Sub-Investment Manager is unable to obtain or process such information in relation to any Benchmark on any Business Day, then the most recently published composition and/or weighting of that Benchmark may be used for the purpose of all adjustments.

Actively managed Sub-Funds and indicative tracking error

Where applicable, for an actively managed Sub-Fund, the Relevant Supplement may disclose an anticipated level of tracking error relative to the Sub-Fund's Benchmark (especially where the Benchmark is used as an outperformance target). This tracking error will be disclosed as an anticipated range over an investment horizon (usually the medium to long term) by which the Sub-Fund's performance may be expected deviate from the relevant Benchmark used by the Sub-Fund (assuming normal market conditions). This is indicative only of the expected level of deviation from the Benchmark that the Sub-Fund may experience when seeking to implement the investment policy and there is no guarantee that the Sub-Fund will stay within this range in practice. However, the Sub-Fund will not (unless disclosed in the Relevant Supplement) be subject to tracking error as a portfolio constraint.

Underlying Funds

Each Sub-Fund may invest in other collective investment schemes to the extent specified in a Relevant Supplement, which may be established in the EU, the OECD, in countries where Recognised Markets are located or in such other countries as set out in a Relevant Supplement and which may have any legal form (not limited to corporate, contractual and limited partnerships types of funds) ("Underlying Funds"). Where it is appropriate to its investment objective and policies, a Sub-Fund may also invest in other Sub-Funds of this Company. Any commission received by the Manager or Investment Manager in respect of such investment will be paid into the assets of the Sub-Fund. Any Sub-Fund that is invested in another Sub-Fund of this Company or any other fund for which the Manager or the Investment Manager has been appointed will be invested in a share/unit class for which no management or investment management fee is charged. No subscription, conversion or redemption fees will be charged on any such cross investments by a Sub-Fund.

Some or all of the Sub-Funds may from time to time invest in Underlying Funds which are deemed by the Investment Manager (or its delegate) to be suitable for investment by the Sub-Funds having regard to the requirements of the Central Bank. Each Sub-Fund may invest in Underlying Funds which are managed by the Manager, or any affiliate. The Investment Manager undertakes to monitor the investment objective and policies of the Underlying Funds to ensure they are complementary to the relevant Sub-Fund's strategy.

Additional fees may arise for a Sub-Fund from a policy of investing in other Underlying Funds. The aggregate fees and expenses of the manager, administrator, depositary, distributor, investment manager and sub-investment managers ("service providers") to Underlying Funds will not, save where otherwise provided in a Relevant Supplement, exceed 3% per annum of the Underlying Fund's net asset value. The service providers to an Underlying Fund will typically be entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in their services to that Underlying Fund. In addition, certain other costs and expenses incurred in the operation of Underlying Funds managed by the

Manager or an affiliate will be borne out of the assets of the relevant sub-funds. For further information, see "**Fees and Expenses**" – "**Costs of Investing in Underlying Funds**" below.

With regard to Underlying Funds managed by the Manager, or any affiliate, in which the Sub-Funds invest, the Manager or its affiliate, as manager of that Underlying Fund, will waive any preliminary or initial charge or redemption fee it may be entitled to charge for its own account in relation to the acquisition or sale of shares / units in such Underlying Fund by a Sub-Fund. Any commission received by the Manager, or its affiliate, as manager of an Underlying Fund, by virtue of an investment in the shares of that Underlying Fund by a Sub-Fund will be paid into the property of the relevant Sub-Fund.

Where a Sub-Fund invests as a fund of funds and invests in another Underlying Fund which itself invests more than 50% of net assets in other investment funds, this may give rise to increased costs and lack of transparency concerning the ultimate exposure of the investing Sub-Fund. Such investments will not be made for the purpose of duplicating management and/or investment management fees.

Liquidity management policy

Sub-Funds may be established as open-ended, limited liquidity or closed-ended funds. The Dealing Days and notice periods for each Sub-Fund will be set out in the Relevant Supplement.

The Manager has established a liquidity management policy which enables it to identify, monitor and manage the liquidity risks of the Company and each Sub-Fund and to ensure the liquidity profile of a Sub-Fund's investments is appropriate to its underlying obligations. The liquidity management systems and procedures include appropriate escalation measures to address anticipated or actual liquidity shortages or other distressed situations of the Company and its Sub-Funds. In summary, the liquidity management policy monitors the profile of investments held by each Sub-Fund and ensures that such investments are appropriate to the redemption policy of a Sub-Fund.

The Manager seeks to ensure that the investment strategy, the liquidity profile and the redemption policy of each Sub-Fund are aligned. The investment strategy, liquidity profile and redemption policy will be considered to be aligned when investors have the ability to redeem their investments in a manner consistent with the fair treatment of all investors and in accordance with the applicable redemption policy. In assessing the alignment of the investment strategy, liquidity profile and redemption policy, the Manager shall have regard to the impact that redemptions may have on the liquidity of each Sub-Fund. Details of the redemption rights of Shareholders, including redemption rights in normal and exceptional circumstances and existing redemption arrangements, are set out in the Relevant Supplement and /or in the section of this Prospectus entitled "**Making an Investment**".

Ancillary Liquid Assets

Each Sub-Fund may for liquidity management purposes or for the efficient management of cash invest in and hold cash and / or cash equivalents. Cash equivalents mean highly liquid, short-term securities such as treasury bills or other short-term government bonds, commercial papers, certificates of deposit or money market funds ("**Ancillary Liquid Assets**").

The investment objectives and policies of a Sub-Fund as described in the Relevant Supplement are those that are intended to apply in normal market conditions. During unusual economic or market conditions, and where considered appropriate by the Investment Manager (or its delegate) for temporary defensive or liquidity purposes, a Sub-Fund may allocate a higher portion of the portfolio to Ancillary Liquid Assets than would ordinarily be the case in normal market conditions. The holding of higher levels of Ancillary Liquid Assets within a Sub-Fund's portfolio may disrupt and adversely impact a Sub-Fund's pursuit and attainment of its investment objective and investment policies including its performance, tracking error expectations and /or SFDR commitments, where applicable.

Debt Securities

The following is a brief description of the various debt and debt-related instrument types which are regarded as debt securities and in which a Sub-Fund may invest, subject to the Relevant Supplement which will further specify the types of debt securities eligible for investment by a Sub-Fund. The below is for information only on the general characteristics of debt securities. While it is intended to be read

alongside the investment policy of a Relevant Supplement, it does not exhaustively set out types of debt securities eligible for investment and it does not operate to restrict types of investments a Sub-Fund may make in line with its investment objective and policy as described in a Relevant Supplement. Please refer to the "**Special Considerations and Risk Factors**" section for further details about the risks associated with debt securities.

A Relevant Supplement may refer to investing in debt of "government and government-related issuers". Such issuers shall be taken to include, without limitation, governments, their agencies, sub-divisions, local authorities (including US municipalities), quasi-government entities and supra-national or public international organisations. Quasi-government entities are issuers such as corporations which are majority state owned or have an explicit sovereign guarantee.

Debt securities will typically be listed or admitted to trade on Recognised Markets. However, debt securities may also be unlisted, and may be traded or offered via private placements and may be restricted securities, including, without limitation, securities offered and sold pursuant to Regulation D, Rule 144A, or Regulation S under the Securities Act of 1933.

<i>Debt and debt-related instruments</i>	
<u>Bond</u>	A type of debt obligation where debtholders lend money, usually to a government or company, at a certain interest rate for an amount of time. They involve a promise to repay the principal along with interest over a specified period.
<u>Debenture</u>	A type of long-term debt obligation that is not secured by physical assets or collateral. Instead, it is backed only by the creditworthiness and reputation of the issuer. Debentures typically pay a fixed rate of interest and are used by companies to raise capital.
<u>Note</u>	A type of debt obligation (often referred to as a promissory note) involving an undertaking to pay a specified amount of money to a designated party at a specified time or on demand. Notes can be short-term or long-term and are typically used for smaller amounts than bonds.
<u>Private credit</u>	<p>Private credit refers to non-bank lending provided by institutional investors to borrowers, including those involved in infrastructure projects, real estate, private equity financing, and middle-market companies. Since the financial crisis, the ability of traditional banks to lend directly has diminished, creating opportunities for institutional investors to supply debt capital in areas where banks have reduced their activity.</p> <p>Private credit can take various forms, including debt backed by underlying assets and mezzanine financing, which combines characteristics of both debt and equity. Investors in private credit typically seek a risk premium that reflects the underlying credit risk associated with the borrower. Additionally, these investments are often illiquid, meaning that investors should expect compensation for the lack of liquidity in their investment.</p>
<u>Structured note</u>	<p>A type of debt obligation that also contains an embedded derivative component that adjusts the security's risk/return profile. The return performance of a structured note will track both that of the underlying debt obligation and the derivative embedded within it. Examples include the following types of securities:</p> <p><i>Interest rate-linked notes:</i> these structured notes have returns tied to interest rate movements. For example, they may pay a higher interest rate if a benchmark interest rate exceeds a certain level.</p> <p><i>Credit-linked notes:</i> these structured notes are linked to the credit performance of a specific entity or a basket of entities. The return may be enhanced if the credit quality</p>

	<p>of the underlying reference entity improves, but the investor may also face losses if the entity defaults.</p> <p><i>Commodity-linked notes:</i> these structured notes are tied to the performance of a specific commodity, such as oil or gold. The return may depend on the price movements of the underlying commodity, allowing investors to gain exposure to commodity markets without directly investing in physical commodities.</p> <p><i>Currency-linked notes:</i> these structured notes are linked to the performance of one or more currencies. The return may be based on the exchange rate movements between the currencies, providing investors with exposure to foreign exchange markets.</p>
<u>Securitized debt</u>	<p>A type of debt-related transferable security created by pooling various types of credit obligations, such as mortgages, car loans, or credit card debt, and then selling the consolidated debt as securities to investors. Examples include the following types of securities:</p> <p><i>Asset-backed securities (ABS)</i> - securities created by pooling various types of debt, such as auto loans, credit card receivables, or student loans, and then selling them as securities to investors. The cash flows generated from the underlying assets are used to pay interest and principal to the ABS investors. ABS provide investors with exposure to a diversified pool of assets while offering issuers a way to raise capital.</p> <p><i>Mortgage-backed securities (MBS)</i> - type of asset-backed security specifically backed by a pool of mortgage loans, which may include, but are not limited to, commercial and residential mortgages. Investors in MBS receive payments derived from the mortgage payments made by borrowers. MBS can be issued by government agencies (such as Fannie Mae or Freddie Mac) or private financial institutions.</p> <p><i>Collateralised loan obligations (CLOs)</i> – securities backed by a pool of loans, typically corporate loans. Investors in CLOs receive payments derived from the cash flows generated by the underlying loans. CLOs are divided into different tranches, each with varying levels of risk and return.</p> <p><i>Collateralised mortgage obligations (CMOs)</i> - a type of mortgage-backed security that pools together a collection of mortgages and then issues different classes (tranches) of securities backed by those mortgages. Each tranche has different risk profiles and payment priorities, allowing investors to choose based on their risk tolerance.</p> <p><i>Collateralised debt obligations (CDOs)</i> - securities that pool various types of debt instruments, including corporate bonds, mortgage-backed securities, and other asset-backed securities. Similar to CLOs and CMOs, CDOs are divided into tranches, allowing investors to take on varying levels of risk and return.</p>
<u>Contingent convertible security</u>	<p>A type of debt security, often referred to as a CoCo, that may be converted into equity or be forced to suffer a write down of principal upon the occurrence of a pre-determined trigger event. Where a Sub-Fund intends to invest in these types of instruments as a feature of its investment policy, this will be specified in the Relevant Supplement.</p>
<u>Hybrid securities</u>	<p>Freely transferable securities that combine a traditional stock or bond with an option or forward contract and may embed derivatives and/or leverage. These securities are referred to as "hybrid" because they typically have debt and equity characteristics. These may include securities such as:</p> <ul style="list-style-type: none"> • exchangeable bonds: a debt security that allows the bondholder to exchange the bond for shares of a different company, typically the issuer's equity or a subsidiary's equity, at a predetermined exchange ratio; • convertible securities: a security having characteristics of both bonds and

	<p>equities, typically a corporate bond which can be converted into equity by the bond holder;</p> <ul style="list-style-type: none"> • bonds with warrants: a type of debt security that combines a traditional bond with an attached warrant, which gives the bondholder the right to purchase a specified number of shares of the issuing company's stock at a predetermined price (the exercise price) within a certain timeframe.
<u>Secured loans</u>	<p>Secured loans refer to financial instruments that are backed by collateral, which is an asset pledged by the borrower to the lender as security for the repayment of the loan. In the event of default by the borrower, the lender has the legal right to seize the collateral to recover the outstanding debt. Secured loans can exist within various capital structures, including senior loans, mezzanine loans, and subordinated loans, each with different levels of priority in repayment and associated risk profiles.</p> <p>Secured loans typically offer lower interest rates compared to unsecured loans due to the reduced risk associated with the collateral. Common examples of secured loans include mortgages, auto loans, and home equity loans, where the underlying asset serves as a guarantee for the loan amount.</p> <p>Some secured loans may be privately issued and only trade in a private secondary market, meaning not being traded on any public exchange. Over the past decade liquidity has improved significantly as the market has deepened and as market participants have worked to improve trading conditions (e.g. as represented by the Loan Syndications and Trading Association "LSTA", the trade association for loan market participants).</p>
<u>Loan instruments</u>	<p>Loan instruments include the following types of instruments in the case of secondary market loan exposures:</p> <ul style="list-style-type: none"> • loan participations: - a contractual relationship between an investor and a lender (the investor is not and has no contractual relationship with the borrower) whereby the investor has the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the participation; and • loan assignments: a financial transaction in which the original lender (the assignor) transfers all rights, interests, and obligations associated with a loan to another party (the assignee).

Borrowing Policy and Leverage

Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the Act, and to charge the assets of the Company as security for any such borrowings.

Leverage is any method by which a Sub-Fund's exposure is increased, whether through borrowing of cash or securities, or leverage embedded in Derivatives or by any other means. Leverage, without limitation, may take the form of trading on margin and investments in Derivatives that are inherently leveraged, in addition to other forms of direct or indirect borrowings. A Sub-Fund also may borrow for cash management purposes, including in anticipation of additional subscriptions and to fund redemptions, and may do so when deemed appropriate by the Investment Manager. A Sub-Fund will bear all of the costs and expenses incurred in connection therewith, including any interest expense charged on funds borrowed or otherwise accessed. The borrowing and leverage limits for each Sub-Fund (if applicable) will be set out in the Relevant Supplement for each Sub-Fund.

Borrowing or leverage presents the potential for a higher rate of total return but also increases the volatility of a Sub-Fund, including the risk of a total loss of the amount invested. Leverage may cause

increased volatility by magnifying gains or losses. For risks associated with borrowing and leverage, please see Special Considerations and Risks below.

The maximum leverage to be employed by a Sub-Fund will be set out in the Relevant Supplement, calculated in accordance with (i) the gross method (i.e. the sum of the absolute value of all positions of the Sub-Fund save for certain position such as, inter alia, cash and highly liquid instruments); and (ii) the commitment method (i.e. the sum of the absolute value of all positions of the Sub-Fund including, inter alia, Derivatives but netting and hedging can be taken into account). Each method will be calculated in accordance with AIFMD requirements.

Currency Transactions

Save as otherwise provided in a Relevant Supplement, a Sub-Fund is permitted to invest in securities denominated in a currency other than the Base Currency of the Sub-Fund and may purchase currencies to meet settlement requirements. A Sub-Fund may enter into various currency transactions, i.e. forward foreign currency contracts, currency swaps, foreign currency or currency index futures contracts and put and call options on such contracts or on currencies, to protect against uncertainty in future exchange rates. A Sub-Fund may employ strategies aimed at hedging against currency risk. Although it is not the intention of the Investment Manager to create leverage through the use of currency hedging, the use of Derivatives may create leverage.

Where a Sub-Fund's investments are denominated in currencies other than the Sub-Fund's Base Currency, the Investment Manager (or its delegate) may hedge some or all of the Sub-Fund's currency exposure into the Base Currency of the Sub-Fund for efficient portfolio management purposes. A Sub-Fund may "cross-hedge" one foreign currency exposure by selling a related foreign currency into the Base Currency of the Sub-Fund. Also, in emerging or developing markets, local currencies are often expressed as a basket of major market currencies such as the U.S. Dollar, Euro, Sterling or Japanese Yen; a Sub-Fund may hedge the exposure to currencies other than its Base Currency in the basket by selling a weighted average of those currencies forward into the Base Currency.

The Relevant Supplement will specify whether a Sub-Fund may engage in portfolio-level currency hedging. Although a Sub-Fund may utilise currency hedging transactions, it shall not be obliged to do so and to the extent that it does employ strategies aimed at hedging, there can be no assurance that such strategies will be effective. To the extent that hedging is successful for a particular Sub-Fund, the performance of the Sub-Fund is likely to move in line with the performance of the underlying assets with the result that investors will not gain if the Base Currency falls against the currencies of the underlying assets.

Flexibly managed currency exposures

Where specified in a Relevant Supplement, a Sub-Fund's currency exposures may be flexibly managed. This means that, at the discretion of the Investment Manager (or its delegate), a Sub-Fund may take active positions on currencies to express the Investment Manager's view on currencies with the aim of contributing to capital growth. Derivatives such as forward foreign exchange contracts, currency futures or options on currency futures may be used for these purposes, subject to the Derivative types disclosed in the Relevant Supplement.

While active currency positions will not form a central part of a Sub-Fund's investment strategy unless otherwise indicated in the Relevant Supplement, the performance of a Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Fund may not correspond with the investments positions held.

SUSTAINABILITY POLICIES

The Investment Manager does not typically select investments directly; instead, it selects and combines specialist Sub-Investment Managers to manage segments of the portfolios of the Sub-Funds and/or selects other collective investment schemes for investment by the Sub-Fund. The Investment Manager believes that enhanced outcomes may be achieved from the assessment by its Sub-Investment Managers of ESG risks and opportunities in security or asset selection and portfolio construction, acknowledging that the degree of relevance or materiality varies between asset classes. Examples of ESG factors that may lead to Sustainability Risk include:

Environmental	Social	Governance
Climate Change	Social inequality	Board diversity, composition, independence and effectiveness
Water	Health and safety	Executive remuneration
Waste and Pollution	Demographics/consumption	Conduct, culture and ethics
Biodiversity	Labour standards and modern slavery (including the supply chain)	Shareholder rights
	Human rights and community impacts	

Approach to Sustainability Risk Integration

The Investment Manager maintains a Sustainability Policy in which it sets out the key principles and approaches used to address Sustainability Risks and opportunities and the consideration of other sustainability and ESG factors throughout the investment process. The Sustainability Policy provides information on how sustainability principles are implemented into portfolio management and investment decision making (bearing in mind the Investment Manager does not select securities directly) namely through; Sub-Investment Manager selection and oversight including portfolio monitoring, stewardship policies, and the application of exclusions where appropriate.

This framework is summarised below and further information on the Investment Manager's policies may be found at <https://investment-solutions.mercer.com/europe/ie/en/our-funds/responsible-investment.html>.

Sub-Funds that seek to either promote environmental or social characteristics in line with Article 8 or have Sustainable Investment as their objective in line with Article 9 are managed in accordance with the Sustainability Policy and further commit to material binding ESG investment parameters. Investors should refer to the Relevant Supplement for details on the specific environmental or social characteristics or objectives relevant to the Sub-Funds.

Investors should note that the Sustainability Policy is not implemented equally across all Sub-Funds, as the degree to which some or all of the components below may be relevant or applicable depends on the particular strategy or principal asset class exposures of a Sub-Fund. For instance, for Index-Tracking Sub-Funds, Sustainability Risks cannot directly influence a decision as to whether the appointed Sub-Investment Manager can invest in a particular security as this will ultimately be driven by the methodology and components of the relevant Benchmark and the relevant Benchmark itself may integrate Sustainability Risks into its construction, such as the application of particular exclusionary criteria. Information in relation to the Benchmark will be disclosed in the Relevant Supplement and further information can be accessed via the index provider's website. However, the Investment Manager expects Sub-Investment Managers to engage with issuers whose securities are components of the relevant Benchmark in accordance with the Investment Manager's Stewardship Policy as set out below.

For certain asset classes or types of investments, Sustainability Risks may not be deemed relevant as the Investment Manager does not believe that ESG factors pose a risk of an actual or a potential material negative impact on the value of the investments. Furthermore, the Investment Manager may have

determined Sustainability Risks are not applicable either because it may not be possible or practicable to integrate Sustainability Risks for the investment strategy or due to the specific investment outcomes targeted by the strategy or Sub-Fund. The circumstances in which Sustainability Risks are not or cannot be integrated into investment decision-making may change over time depending on ESG data or other information which may become available.

- *Selection and Monitoring of Sub-Investment Managers*

The Investment Manager evaluates the sustainability policies, capabilities and practices of potential and appointed Sub-Investment Managers, where relevant, as part of the manager selection and monitoring process by drawing on the Mercer Manager Research ESG integration framework. This framework is used by the Investment Manager to assess how strategies incorporate financially material sustainability considerations, as a part of the broader decision process when appointing a Sub-Investment Manager.

The Investment Manager expects appointed Sub-Investment Managers to assess and reflect Sustainability Risks and opportunities in their security or asset selection and portfolio construction process and within their internal risk management frameworks. As part of its monitoring and oversight process, the Investment Manager uses third party data to evaluate the quality of Sub-Investment Managers' portfolios using a sustainability lens, by assessing aggregate security exposure to and the management of certain ESG factors including evaluating the impact of investment decisions on sustainability factors.

- *Stewardship – Share Voting and Engagement*

The Investment Manager believes stewardship (or active ownership) plays an important role in managing Sustainability Risks and other ESG factors, and also helps in the realisation of long-term shareholder value. The Investment Manager's Stewardship Policy (which can be found at <https://investment-solutions.mercer.com/europe/ie/en/our-funds/responsible-investment.html>) outlines the key principles and approach to embedding effective stewardship in the investment process.

The Investment Manager expects appointed Sub-Investment Managers to adopt standards of good governance and stewardship through voting and engagement practices that include a focus on Sustainability Risks and other material ESG factors, consistent with the Sustainability and Stewardship Policies. The Investment Manager believes appointed Sub-Investment Managers are typically best placed to exercise voting rights and prioritise particular engagement topics by security, given they are expected to have detailed knowledge of both the governance and the operations of the companies and issuers in which they invest. However, stewardship activities are also informed by the Investment Manager's key engagement priority areas which are set out in the Stewardship Policy, and Sub-Investment Managers are requested to report on their activities as they relate to these priorities. A stewardship report is published annually setting out how the Stewardship Policy has been implemented, including:

- a. a general description of voting behaviour;
- b. an explanation of the most significant votes taken;
- c. information on the use, if any, of the services of proxy advisors; and
- d. information on how it has cast votes in the general meetings of companies in which it holds shares.

- *Exclusions*

When considering exclusions, the Investment Manager has developed an Investment Exclusions Framework, where multiple risk, return and reputation criteria are considered, as more fully detailed in the Sustainability Policy. Exclusions applied will depend on factors, which may include but are not limited to, the investment strategy and asset classes of individual Sub-Funds.

Exclusions deemed material to the investment strategy of a Sub-Fund, or in respect of Sub-Funds that seek to either promote environmental or social characteristics in line with Article 8 or have Sustainable Investment as their objective in line with Article 9 will be set out in the Relevant Supplement.

Implementation of exclusions:

The Investment Manager relies on a third-party provider of ESG research in determining the individual companies to be excluded based on the decisions made under the Sustainability Policy. Exclusion lists are typically updated twice annually and Sub-Investment Managers are informed of any new exclusions and directed to implement the exclusion lists in their investment processes.

In selecting Sub-Investment Managers, the Investment Manager will consider the Sub-Investment Manager's ability to implement any approved exclusions. From time to time, a Sub-Investment Manager may include a product, activity or industry which does not meet the Environmental and Social characteristics of the Sub Fund because they are using a definition or data source that is different to that of the Investment Manager. The use of different data sources is acceptable provided there is broad consistency. The Investment Manager will monitor compliance with the exclusions by Sub-Investment Managers but cannot guarantee that compliance with the exclusions will be achieved at all times. Any non-compliance will be rectified in a timely manner and in the best interests of investors.

If it is determined that an existing investment of a Sub-Fund needs to be excluded, the relevant Sub-Investment Manager will generally arrange for the investment to be sold within a reasonable period of time once it is possible and practicable to liquidate the position, taking due account of the best interests of Shareholders in the relevant Sub-Fund. For Index-Tracking Sub-Funds, should an investment cease to comply with the ESG exclusionary criteria of the Sub-Fund, implemented by tracking the Benchmark, the Sub-Fund may continue to hold such a security until the Benchmark next rebalances and it is possible and practicable to liquidate the position.

- *Principal Adverse Impacts on Sustainability Factors*

The Manager and the Investment Manager consider principal adverse sustainability impacts of investment decisions on sustainability factors (PAI) at an entity level in accordance with SFDR. A statement on due diligence policies with respect to those impacts is available at <https://investment-solutions.mercer.com/europe/ie/en/our-funds/responsible-investment.html>.

PAIs are considered for the Article 8 and Article 9 Sub-Funds and certain other Sub-Funds where set out in the Relevant Supplement consistent with the entity level considerations referenced above. Each PAI is considered with respect to applicability and relevance to the applicable Sub-Fund. Where appropriate, certain PAIs are considered in the construction and management of the Sub-Fund and reflected in the binding environmental and/or social investment criteria as described in the Relevant Supplement.

PAIs may also be used to inform the Investment Manager's exclusions and engagement frameworks as set out in the Sustainability Policy. Key engagement priorities linked to specific PAIs such as greenhouse gas emissions or social and employee matters, are communicated to Sub-Investment Managers with the expectation that engagement efforts are directed towards these issues for companies held in the portfolio. The Investment Manager actively monitors the stewardship activities of the appointed Sub-Investment Managers consistent with the engagement framework.

Using data provided by specialist third party data providers, the Investment Manager periodically reviews the PAI Indicator data for the Sub-Fund's investments in order to monitor the PAI of investment decisions on sustainability factors. While a Sub-Fund may not commit to specific targets or actions planned to mitigate these PAIs, any items to note may be prioritised and escalated with the underlying Sub-Investment Manager as required.

For those Sub-Funds which consider PAI, information on the impact and any mitigating action is available in the annual report. For other Sub-Funds, the Manager and the Investment Manager do not consider PAI. This is because the Investment Manager has determined in the case of those Sub-Funds that such adverse impacts are not of relevance to certain asset classes or types of investments, or where it may not be practicable or proportionate to consider PAI depending on the investment strategy or due to the specific investment outcomes targeted by the strategy or Sub-Fund. This position will be kept under review by the Manager and the Investment Manager and may change over time depending on ESG data or other information which may become available.

- *Monitoring of Sustainability Risks and Opportunities*

Sustainability Risks are the financial risks that may arise when environment, social or governance factors negatively impact the financial profile of an investment. A Sustainability Risk event may materially affect the market price or liquidity of an underlying investment and in turn may negatively impact the net asset value of a Sub-Fund. The universe of Sustainability Risks is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as the investment strategy pursued by the Sub-Fund, the asset class, geographical region or sector.

As part of the investment monitoring process, the Investment Manager seeks to evaluate the impact of investment decisions and identify potential material Sustainability Risks and opportunities for the Sub-Funds. In order to estimate the potential impact on investment returns the Investment Manager uses ESG data from different data providers to assess the relative positive or negative sensitivity and return contribution associated with certain ESG factors. Examples include:

- Environmental – carbon emissions, pollution and natural resource degradation
- Social – Workforce and supply chain safety, human rights practices, addictive products
- Governance – corporate management practices, remuneration and incentives structures

The Investment Manager further considers the potential financial impacts of climate change through climate scenario modelling and/or transition analysis which seeks to identify risks and opportunities relating to physical damages to the natural world and the transition to a low-carbon economy (see Sustainability Policy for further information).

Such analysis may be used to inform portfolio construction, asset allocation and Sub-Investment Manager selection as appropriate with a view to mitigating material Sustainability Risks where possible.

Potential Impact of Sustainability Risks on Investment Returns

Sustainability Risks can have a material impact on long-term risk and return outcomes and Sustainability Risks are therefore integrated into the investment process where possible and appropriate, as described above. The severity and probability of Sustainability Risks will vary across Sub-Funds depending on a range of factors including but not limited to the nature of the investment strategy, the asset class, any sectoral or regional focus for the strategy or the anticipated investment horizon. From an asset class perspective, equities will typically have greater exposure to Sustainability Risks than other asset classes such as sovereign debt, however such Sustainability Risks may vary considerably according to region or industry. For example, energy or utilities companies may be more susceptible to risks associated with climate change and the transition to a low-carbon economy. Emerging Markets may also have greater sensitivity to physical risks associated with climate change such as natural disasters and the degradation of natural resources.

The Investment Manager seeks to assess and disclose the likely material negative impacts of Sustainability Risks on investment returns for a Sub-Fund as set out in the Relevant Supplement for each Sub-Fund where relevant and applicable. The assessment of the impact of Sustainability Risks on the performance of a Sub-Fund is difficult to predict and is subject to inherent limitations such as the availability and quality of the data. Furthermore, Sustainability Risk is an evolving, multi-faceted risk category and the likely impact of Sustainability Risk on the Sub-Fund's performance may vary during the lifetime of a Sub-Fund.

EU Taxonomy Regulation Disclosure

For the purposes of the Taxonomy Regulation, the investments underlying those Sub-Funds which are not subject to either Article 8 or Article 9 of the SFDR do not take into account the EU criteria for environmentally sustainable economic activities.

INVESTMENT TECHNIQUES

Use of Derivatives

Where the Investment Manager (or where appropriate in the circumstances, its delegate) deems it consistent with the investment policies of a Sub-Fund, Derivatives may be used for the purposes set out below and as disclosed and permitted in a Relevant Supplement. Such Derivatives may be listed or traded over the counter. The reference assets underlying the Derivatives used by a Sub-Fund may be any security, basket of securities, indices, currency or interest rate which are consistent with the investment policies of the Sub-Fund as described in the Relevant Supplement.

The Company may, where provided for in the relevant Supplement, engage the services of (i) prime brokers; and (ii) counterparties to OTC derivative contracts or Securities Financing Transactions in respect of a Sub-Fund whereby such prime broker or counterparty may hold collateral and other assets of the relevant Sub-Fund on a full title transfer basis and be granted the right to rehypothecate the assets of the Sub-Fund that it holds. In selecting a prime broker or counterparty the Manager or the Investment Manager (or its delegate) may also have regard to the legal status, domicile and minimum credit rating (where relevant) of the particular prime broker or counterparty and shall also consider whether or not the prime broker or counterparty is subject to prudential regulation

Please refer to the "**Special Considerations and Risk Factors**" section for further details about the risks associated with the use of Derivatives.

Efficient portfolio management (EPM) including hedging

Unless otherwise provided in a Relevant Supplement, each Sub-Fund is permitted to engage in efficient portfolio management and hedging. In the case of each Sub-Fund, the purpose for, and expected effect of, transacting in Derivatives for efficient portfolio management is a reduction in the level of risk or costs, or generation of additional capital with the level of risk consistent with the Sub-Fund's risk profile. This may include using Derivatives:

- to obtain the desired market exposure, in particular when direct investment is economically inefficient or impractical;
- for the purpose of reducing risks (hedging) such as credit, currency, market or interest rate risk. Currency hedging may take place at portfolio level or, in the case of Hedged Share Classes, at Share Class level.

Investment Purposes

A Sub-Fund may only use Derivatives for investment purposes where so permitted and disclosed in a Relevant Supplement. Derivatives used for investment purposes are typically speculative in nature and may involve various investment techniques intended to enhance performance of the Sub-Funds such as generating additional market exposure than would be possible through direct investment, taking synthetic short positions on securities permitted under the investment policy or managing portfolio risk exposures such as duration, credit spread or volatility. The expected effect of utilising Derivatives for investment purposes may be an increase in the volatility of a Sub-Fund's Net Asset Value.

Derivatives: types and their uses by the Sub-Funds

The following is a summary description of each of the types of Derivatives which may be used for investment purposes or efficient portfolio management by a Sub-Fund. The types of Derivatives used by each Sub-Fund are included in the Relevant Supplement.

Futures

Futures are typically exchange-traded and can be used to hedge against market risk or gain exposure to an underlying market. Certain Sub-Funds may use bond, interest rate, currency, equity and index futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial

instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Index futures are based on the value of the basket of securities that comprise an index. These contracts obligate the buyer or seller to pay cash to settle the futures transaction, based on the fluctuation of the index's value in response to the change in the relative values of the underlying securities that are included in the index over the term of the contract. No delivery of the underlying securities is made to settle the futures contract. The buyer or seller of an index future is obligated to pay cash to settle the transaction, based on the fluctuation of the index's value in response to the changes in the relative values of the underlying securities that are included in the index over the term of the contract. Either party may also settle the transaction by entering into an offsetting contract. An index cannot be purchased or sold directly.

An interest rate future obligates the seller to deliver (and the purchaser to take) cash or a specified type of debt security to settle the futures transaction. Either party could also enter into an offsetting contract to close out the position.

An inflation future is an exchange-traded derivative used to manage the potential negative impact of rising inflation levels or speculate on future inflation levels. Parties are allowed to participate in price movements of an underlying market or index.

Forwards

Forward contracts are transactions involving an obligation to purchase or sell a specific instrument or entitlement at a future date at a specified price. Non-deliverable forwards (NDFs) are forward foreign exchange contracts which allow a Sub-Fund to lock in a foreign exchange rate over a specified period of time without the obligation to purchase or sell the currency at a future date.

Forward foreign exchange contracts may be used for investment purposes where it is anticipated that a particular currency will appreciate or depreciate in value. Forward contracts may also be used for hedging purposes, such as to protect against uncertainty in the level of future foreign currency exchange rates. Forward contracts may also be used to attempt to protect the value of a Sub-Fund's existing holdings of securities held in currencies other than the reference currency of the relevant Sub-Fund.

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis OTC.

Currency forward contracts are agreements to exchange one currency for another - for example, to exchange a certain amount of Euro for a certain amount of US Dollars - at a future date. The date (which may be any agreed-upon fixed number of days in the future), the amount of currency to be exchanged and the price at which the exchange will take place are negotiated and fixed for the term of the contract at the time that the contract is entered into. Currency forward contracts may be bought or sold in either deliverable or non-deliverable form.

Options

An option is a contract sold by one party to another which offers the buyer the right, but not the obligation, to buy (in the case of a call option) or sell (in the case of a put option) an asset at a pre-agreed price either during a certain period of time or on a specific date. Options may be used to enhance the returns of a Sub-Fund, hedge, to achieve exposure to a particular market instead of using a physical security and to allow for efficient portfolio management.

Options may also be purchased to hedge against currency and interest rate risk, to express a view in relation to interest rate movements, and a Sub-Fund may write (sell) put options and covered call options to generate additional revenues. Purchasing options can provide an efficient, liquid and effective mechanism for taking positions in securities. This allows a Sub-Fund to benefit from future gains or

losses in the value of a security without the need to purchase and hold the security. A Sub-Fund may also purchase call or put options on currencies to protect against exchange risks. A Sub-Fund may use bond, equity, interest rate, currency and index options and options on futures and swaps.

Options on Bond Futures; Options on bond futures allow the Investment Manager (or its delegate) to take positive or negative views on the direction of bond prices and seek to reduce interest rate exposure of fixed rate bonds.

Options on Interest Rate Futures; Options on interest rate futures may be used to express the Investment Manager (or its delegate)'s views on the direction of interest rates or on interest rate volatility.

Options on Currency Futures; Options on currency futures allow the Investment Manager (or its delegate) to take views on the direction of currency movements and hedge currency risk.

Options on Swap Futures; Options on swap futures allow the Investment Manager (or its delegate) to express a view on the direction of swap yields or on the volatility of swap yields.

Options on Volatility Index Futures; Options on volatility index futures allow the Investment Manager (or its delegate) to express views about the expected outcome of the underlying volatility of markets.

Swaps

Swaps are individually negotiated transactions where each party agrees to make a one-time payment or periodic payments to the other party. Swaps are entered into in an attempt to obtain a particular return without the need to purchase the underlying reference asset.

There are a broad range of swaps including equity swaps, inflation swaps, total return swaps, price return swaps, volatility swaps, variance swaps, performance swaps, rate swaps, basis swaps, forward rate transactions, swaptions, basket swaps, index swaps, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions which may reference fixed income, equity or hybrid securities, credit, credit default, rates, currencies, baskets or indices (including any option with respect to any of these transactions). Certain swap agreements require one party's payments to be "up-front" and timed differently than the other party's payments (such as is often the case with currency swaps), in which case the entire principal value of the swap may be subject to the risk that the other party to the swap will default on its contractual delivery obligations. Other swap agreements, such as interest rate swaps, typically do not obligate the parties to make "principal" payments, but only to pay the agreed rates or amounts as applied to an agreed "notional" amount. As swap transactions are not typically fully funded, a payment of margin is often required by the counterparty.

Equity swap: Equity swaps are contractual agreements between two counterparties in which equity-based cash flows are exchanged as they are received for a predetermined time period.

Inflation swap: An inflation swap is an agreement between two parties where one party pays a fixed rate cash flow on a notional principal amount while the other party pays a floating rate linked to an inflation index over the period of swap.

Interest rate swap: Interest rate swaps may be purchased or sold to enhance the returns of a Sub-Fund, to hedge against fluctuations in interest rates and corresponding bond prices, to manage certain investment risks and / or as a substitute for the purchase or sale of securities.

Cross currency interest rate swap: A cross currency interest rate swap is a foreign exchange agreement between two parties to exchange fixed or floating interest payments on a principal amount in one currency for fixed or floating interest payments on a principal amount in another currency. The parties may or may not agree to exchange the principal amounts under the swap. Under fixed/floating interest rate swaps, the parties agree to exchange a fixed interest payment for a floating interest payment, based on an agreed notional amount.

Exchange rate swap: Exchange rate swaps may be used in order to protect a Sub-Fund against foreign exchange rate risks. Exchange rate swaps could be used by a Sub-Fund to protect assets held in foreign

currencies from foreign exchange rate risk. Total return, interest rate and currency swaps, could be used to enable a Sub-Fund to gain exposure to securities, currencies or indices.

Currency swap: Currency swaps may be entered into for the purpose of hedging against fluctuations in currency exchange rates and unwanted currency exposure.

Recovery rate swap: A recovery rate swap is an agreement between two parties to swap a real recovery rate (whenever it is ascertained) with a fixed recovery rate. Recovery rate swaps allow investors to hedge the uncertainty of recovery in default.

Volatility swaps: Volatility swaps are OTC Derivatives under which one party will agree to pay the other a return based on the volatility of an underlying asset and the other party agrees to pay the first party a fee, either periodically or upfront on entry into the swap. As such the underlying of the swap is the volatility of a given asset and they allow an investor to speculate solely upon the movement of the asset's volatility without the influence of its price.

Variance swaps: Under the terms of a typical variance swap, parties agree to exchange, at maturity, an amount calculated by reference to realised volatility of an applicable equity index over the lifetime of the swap. The payment amount is determined in accordance with a standard formula which has regard to the anticipated volatility of the relevant index on inception of the swap (referred to as the 'strike level') and realised volatility over the lifetime of the swap. The seller of the variance swap (who is said to have a short variance position) will benefit when realised volatility is lower than the strike level over the period of the swap, in which case the buyer of the variance swap would suffer a loss. Conversely, the buyer of the variance swap (who is said to have a long variance position) will benefit when realised volatility is higher than the strike level, in which case the seller of the variance swap would suffer a loss.

The realised variance of each variance swap - whether long or short - within a Sub-Fund may be subject to a cap. The caps will limit the potential gains and/or losses within the Sub-Fund in respect of each variance swap. In addition, the terms of each swap transaction shall provide that the value of the Sub-Fund cannot fall below zero.

Forward starting variance swaps: Forward starting variance swaps are a type of variance swap contract. They differ from variance swaps in that the anticipated volatility of the swap is calculated with reference to a future time period.

Index swaps: Index swaps may be entered into whereby an index providing a variable interest rate is exchanged for a fixed interest rate.

Swaptions: A swaption is an option giving the purchaser the option of the right but not the obligation to enter into an interest rate or inflation rate swap agreement at a specified date (or series of dates) and rate. Swaptions may be used to express the Investment Manager's (or its delegate's) views on the movement of interest rates, realised and implied volatility of interest rates or to mitigate a Sub-Fund's exposure to interest rates. Swaptions may be cash settled and the premium may be settled on a future date.

Credit Default Swaps: A Sub-Fund may enter into credit default swap agreements. The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If an event of default occurs, the seller must pay the buyer the full notional value, or "par value", of the reference obligation in exchange for the reference obligation. The Sub-Funds may be either the buyer or seller in a credit default swap transaction. If a Sub-Fund is a buyer and no event of default occurs, the Sub-Fund will lose its investment and recover nothing. However, if an event of default occurs, the Sub-Fund (if the buyer) will receive the full notional value of the reference obligation. As a seller, the Sub-Fund receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation.

Credit linked notes are collateralised with a portfolio of securities (typically having an aggregate AAA rating). Credit linked notes are purchased from a trust or other special purpose vehicle that pays a fixed or floating coupon during the life of the note. At maturity, investors receive par unless the referenced

credit defaults or declares bankruptcy, in which case they receive an amount equal to the recovery rate. The trust enters into a default swap with a counterparty, and in the event of default, the trust pays the counterparty par minus the recovery rate in exchange for an annual fee that is passed on to the investors in the form of a higher yield on the notes. Credit linked notes are collateralised with a portfolio of securities. Credit linked notes are purchased from a trust or other special purpose vehicle that pays a fixed or floating coupon during the life of the note. At maturity, investors receive par unless the referenced credit defaults or declares bankruptcy, in which case they receive an amount equal to the recovery rate. The trust enters into a default swap with a counterparty, and in the event of default, the trust pays the counterparty par minus the recovery rate in exchange for an annual fee that is passed on to the investors in the form of a higher yield on the notes. These transactions involve certain risks, including the risk that the seller may be unable to fulfil the transaction. The Sub-Funds may sell default protection on very liquid investment grade names. These swaps may be partially backed with settled treasuries, mortgage- or asset backed securities. Credit default swaps may also be used to reduce credit exposure to issuers when liquidity in the cash bond market and large position size make it difficult to sell the securities. The Sub-Funds may also buy protection on names the Sub-Funds does not own (uncovered credit default swaps).

Total Return Swaps: Where permitted in a Relevant Supplement, a Sub-Fund may enter into a total return swap in order to exchange the exposure of an asset, a basket of assets or an index for an exposure or cashflow generally referring commonly observed cash rates (e.g. SONIA, EURIBOR etc), or vice versa. The terms of the cashflows to be exchanged (paid or received) by a Sub-Fund will be negotiated prior to entering the total return swap and will remain fixed throughout the term of the swap. A Sub-Fund may enter into total return swaps in order to manage market exposure in circumstances where it is not practical or economical to use direct investments or other forms of Derivatives such as futures.

All revenues arising from total return swaps, net of direct and indirect operational cost and fees, will be paid to the relevant Sub-Fund. Information on direct and indirect operational costs and fees incurred by the Sub-Funds in the context of total return swaps will be available in the annual accounts.

Other instruments, including transferable securities embedding Derivatives

"Delayed Delivery" and "When Issued" Securities: The Sub-Funds may purchase debt obligations on a "delayed delivery" or "when-issued" basis, that is, for delivery to the Sub-Fund later than the normal settlement date for such securities, at a stated price and yield. Such securities are termed "delayed delivery" when traded in the secondary market, or "when-issued" in the case of an initial issue of securities. A Sub-Fund generally would not pay for such securities or start earning interest on them until they are received. However, when a Sub-Fund undertakes a delayed delivery or when-issued purchase obligation, it immediately assumes the risk of ownership, including the risk of price fluctuation. Failure by the issuer to deliver the securities may result in a loss or missed opportunity for the Sub-Fund to make an alternative investment.

TBAs and Dollar Roll Transactions: 'To be announced' ("**TBA**") securities contracts describe a forward mortgage-backed securities trade. In a TBA trade the actual mortgage-backed security that will be delivered by one party to another is not designated at the time the trade is made. The securities are 'to be announced' 48 hours prior to the established trade settlement date.

The Sub-Funds may enter into dollar roll transactions with selected banks and broker dealers (the "**counterparty**"), under which it sells mortgage-backed securities to the counterparty together with a commitment to purchase from the counterparty similar, but not identical, securities at a future date. The counterparty receives all principal and interest payments, including prepayments, made on the security while it is the holder. Dollar rolls may be renewed over a period of several months with a new purchase and repurchase price and a cash settlement made at each renewal without physical delivery of securities.

Warrants: Warrants are used to gain investment exposure to a particular asset class. Warrants may be acquired as part of units attached to bonds and can be received by bondholders when a distressed company reorganises.

Convertible securities: Convertible securities (including convertible bonds, mandatory convertible bonds and convertible preferred stock but excluding CoCos) are ordinary long-term debt obligations of the issuer convertible at a stated exchange rate into common stock of the issuer. As with all debt securities, the market value of convertible instruments tends to decline as interest rates increase and, conversely, to increase as interest rates decline. Convertible instruments are securities which have the right to convert into a fixed number of shares. Convertible securities therefore have debt and equity like features. When the equity value of the convertible is low, the convertible's value behaves like a debt instrument. As the equity value goes up, the convertible's value behaves more like equity. Positions in convertible instruments may embed options (details of which are set out above) but will not create material leverage.

Credit Linked Notes: Credit linked notes are a form of funded derivative whose cash flow is dependent upon an event which is linked to an event such as a default, or change in spreads or a rating change. The Sub-Fund's notional exposure to a credit linked note will be equal to the notional amount of the underlying credit exposure referenced by the note and so will not embed leverage.

Securities Financing Transactions

A Sub-Fund may use repurchase agreements and reverse repurchase agreements ("**Repo Contracts**"), total return swaps, buy-sell back or sell-buy back transactions and securities lending (the "**SFTR Techniques**") for investment (including to leverage the relevant Sub-Fund) and efficient portfolio management purposes to the extent permitted in the Relevant Supplement.

Under a reverse repurchase agreement, a Sub-Fund acquires securities from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the securities at a mutually agreed-upon date and price, thereby determining the yield to the Sub-Fund during the term of the reverse repurchase agreement. The resale price reflects the purchase price plus an agreed upon market rate of interest which is unrelated to maturity of the purchased security. A Sub-Fund may enter into repurchase agreements under which it sells a security and agrees to repurchase it at a mutually agreed upon date and price.

A Sub-Fund may enter into a total return swap in order to exchange the exposure of an asset, a basket of assets or an index for an exposure or cashflow generally referring commonly observed cash rates (e.g. SONIA, EURIBOR etc) or vice versa. The terms of the cashflows to be exchanged (paid or received) by a Sub-Fund will be negotiated prior to entering the total return swap and will remain fixed throughout the term of the swap. A Sub-Fund may enter into total return swaps in order to manage market exposure in circumstances where it is not practical or economical to use direct investments or other forms of derivatives such as futures.

A Sub-Fund may lend its securities to brokers, dealers and other financial organisations in accordance with normal market practice. Any gain or loss in the market price of the securities loaned that might occur during the term of the loan would be for the account of the relevant Sub-Fund. That notwithstanding, a Sub-Fund may enter into stock lending programmes organised by generally recognised international central securities depositories systems provided that the programme is subject to a guarantee from the system operator.

The counterparties to such SFTR Techniques may, in addition to any related restrictions disclosed in a Relevant Supplement of a Sub-Fund, be constituted as companies, trusts, partnerships or their equivalent, and will be institutions subject to prudential supervision located globally. In addition, a credit assessment (which may, but is not obliged to, include a minimum credit rating requirement) will be undertaken with respect to each counterparty.

A Sub-Fund may accept collateral in the context of such SFTR Techniques. Such collateral will be of an appropriate type for the given transaction and the particular counterparty, may be in the form of cash or securities (without restriction as to issuer type or location, maturity or liquidity, provided that the collateral must be of an adequate quality and quantity) and must be marked to market daily. It will be transferred, where there is title transfer, to the Depositary (or its delegate) for safekeeping or, where there is no title transfer, it can be held by a third party custodian. A Relevant Supplement of a Sub-Fund may disclose more restrictive requirements applicable to collateral which a Sub-Fund may accept, in which case such more restrictive requirements shall apply with respect to that Sub-Fund.

The collateral received will be appropriately diversified and will be valued by the Manager (or its delegate) in accordance with the terms of the Prospectus (applying appropriate haircuts where the Manager (or its delegate) determines this to be necessary or desirable) and at a frequency determined by the Manager (or its delegate) to be appropriate, taking into consideration the type of collateral and the frequency of the relevant Sub-Fund's Dealing Day.

The risks relating to SFTR Techniques, as well as risks linked to collateral, are described in the "Special Considerations and Risk Factors" section below.

The collateral received pursuant to SFTR Techniques may be re-used by a Sub-Fund, provided that leverage generated thereby is included in considering compliance with the maximum level of leverage set by the Manager and as further described in the Relevant Supplement.

The Manager shall ensure that all revenues arising from SFTR Techniques, net of direct and indirect costs, are returned to the relevant Sub-Fund. To the extent that the Company engages in securities lending in respect of a Sub-Fund (which will be disclosed in the Relevant Supplement for the relevant Sub-Fund), it may appoint a securities lending agent which may receive a fee in relation to its securities lending activities. Any such securities lending agent may be an affiliate of the Depositary. Any operational costs arising from such securities lending activities shall be borne by the securities lending agent out of its fee. In addition, any direct and indirect operating cost arising from such securities lending activities incurred by the Investment Manager shall be reimbursed by the relevant Sub-Fund.

The identity of the counterparties (and any affiliation they may have with the Manager, Depositary or their delegates, if applicable) to SFTR Techniques, as well as information on direct and indirect operational costs and fees incurred by the Sub-Funds in the context of those transactions will be available in the annual accounts.

Unless otherwise disclosed in the Relevant Supplement, no Sub-Fund engages in securities lending.

Additional restrictions applicable to each Sub-Fund will be set out in the Relevant Supplement.

SPECIAL CONSIDERATIONS AND RISK FACTORS

Investment in the Sub-Funds carries with it a degree of risk including, but not limited to, the risks referred to below to which a Sub-Fund may be exposed. While there are some risks that may be common to a number or all of the Sub-Funds, there may also be specific risk considerations which apply to particular Sub-Funds in which case such risks will be specified in the Relevant Supplement for that Sub-Fund. The investment risks described below are not purported to be exhaustive and potential investors should review this Prospectus and the Relevant Supplement(s) in their entirety, and consult with their professional advisers, before purchasing Shares. The levels and bases of, and reliefs from, taxation to which both the Company and Shareholders may be subject, may change. Potential investors' attention is drawn to the section headed "Taxation". There can be no assurance that any Sub-Fund will achieve its investment objective. The Net Asset Value of a Sub-Fund, and the income therefrom, may go down as well as up and investors may not get back the amount invested or any return on their investment.

GENERAL RISKS

Investment Fund Risks

Umbrella Structure of the Company

As the Company is availing of the provisions of the Act, it is intended that each Sub-Fund will have segregated liability from the other Sub-Funds and accordingly, pursuant to Irish law, that the Company should not be liable as a whole to third parties and there should not be the potential for cross contamination of liabilities between different Sub-Funds for the liabilities of each Sub-Fund. However, there can be no categorical assurance that, should an action be brought against the Company courts of another jurisdiction, the segregated nature of the Sub-Funds will necessarily be upheld. Accordingly, it is not free from doubt that the assets of any Sub-Fund may not be exposed to the liabilities of other Sub-Funds. As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Sub-Fund.

No Investment Guarantee Equivalent to Deposit Protection

An investment in the Company is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account.

Limited Operating History; No Reliance on Past Performance

A Sub-Fund may have limited or no operating history upon which prospective investors can evaluate its likely performance. The success of a Sub-Fund depends substantially upon the skill and expertise of the personnel of the Investment Manager (or its delegate) and the ability of the Investment Manager (or its delegate) to develop and successfully implement the investment policy of the Sub-Fund. No assurance can be given that the Investment Manager (or its delegate) will be able to do so. Moreover, decisions made by the Investment Manager (or its delegate) may cause a Sub-Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalised. Shareholders are not permitted to engage in the active management and affairs of a Sub-Fund. As a result, prospective investors will not be able to evaluate for themselves the merits of investments to be acquired by a Sub-Fund prior to their being required to pay for Shares of a Sub-Fund. Instead, such investors must rely on the judgment of the Investment Manager (or its delegate) to conduct appropriate evaluations and to make investment decisions. Shareholders will be relying entirely on such persons to manage the assets of the Company. There can be no assurance that any of the key investment professionals will continue to be associated with the Investment Manager (or its delegate) throughout the life of a Sub-Fund.

Provisional Allotments

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

Swing Pricing

As described in the "**Determination of Net Asset Value**" section, the Directors may, where they so determine, "swing" the Net Asset Value of a Sub-Fund to attempt to mitigate the potentially dilutive effects of dealing on the Net Asset Value on any Dealing Day on which there are net subscriptions or redemptions in the relevant Sub-Fund. In such cases, investors should be aware that swing pricing may not always prevent the dilution of the Net Asset Value through dealing costs and the adjustments made to the Net Asset Value may also benefit certain investors relative to the Shareholders in the Sub-Fund as a whole. For example a subscriber into a Sub-Fund on a day on which the Net Asset Value is swung downwards as a result of net redemptions from the Sub-Fund may benefit from paying a lower Net Asset Value per Share in respect of his subscription than he would otherwise have been charged. In addition, the Sub-Fund's Net Asset Value and short-term performance may experience greater volatility as a result of this valuation methodology.

Portfolio Turnover

When circumstances warrant, securities may be sold without regard to the length of time held. Active trading increases a Sub-Fund's rate of turnover, which may increase brokerage commissions paid and certain other transaction expenses.

Benchmark Outperformance Risk

A Sub-Fund may have an investment objective or policy to outperform a specified benchmark. Any such outperformance target will be calculated gross of the fees of the Manager, the Investment Manager and the Distributor, but net of all other fees and expenses of the Sub-Fund, unless otherwise disclosed in the Relevant Supplement. This outperformance target may be a specific amount expressed in percentage terms.

As such, the return of any investment in a Sub-Fund and consequently, the ability of a Shareholder in that Sub-Fund to realise a return in line with any outperformance targets set for the Sub-Fund against a stated benchmark, will be directly impacted by the level of the Manager, the Investment Manager and the Distributor fees payable by the Sub-Fund.

In addition, certain Sub-Funds may set outperformance targets that are less than the level of the Manager, the Investment Manager and the Distributor fees applicable to certain Classes within such Sub-Funds. This may in some circumstances, result in Shareholders not receiving a positive return on their investment relative to the benchmark, notwithstanding that the Sub-Fund has achieved its stated outperformance target. Investors should also note that there is no guarantee that a Sub-Fund will achieve its stated outperformance target.

Umbrella Cash Collection Accounts and IMR Accounts

Subscription monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in either an IMR Account or an Umbrella Cash Collection Account in the name of the Company. Investors whose monies are in an Umbrella Cash Collection Account will be unsecured creditors of such Sub-Fund with respect to the amount subscribed until such Shares are issued. In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or Company will have sufficient funds to pay unsecured creditors in full.

Investors in either an IMR Account or an Umbrella Cash Collection Account will not benefit from any appreciation in the Net Asset Value of the Sub-Fund or any other Shareholder rights (including distribution entitlement) until such time as Shares are issued.

Payment by the Sub-Fund of redemption proceeds and distributions is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Sub-Fund, and will not benefit from any appreciation in the Net Asset Value of the Sub-Fund or any other Shareholder rights (including further distribution entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Sub-Fund or the Company during this period, there is no guarantee that the Sub-Fund or Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should

therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

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

Trading Errors

Unintended errors in the communication, administration or implementation of trading instructions may, from time to time, arise. Except in the case of negligence, fraud or wilful default of the Investment Manager (or its delegate), losses (if any) arising from such errors will be for the account of the relevant Sub-Fund on the basis that profits from such errors (if any) will also be for the account of the relevant Sub-Fund.

General Economic and Market Risk

The investments of a Sub-Fund are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation or preservation will occur.

The success of a Sub-Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of a Sub-Fund's investments. Volatility or illiquidity could impair a Sub-Fund's profitability or result in losses.

Where a Sub-Fund's assets are invested in narrowly-defined markets or sectors of a given economy, risk is increased by the inability to broadly diversify investments thereby subjecting the Sub-Fund to greater exposure to potentially adverse developments within those markets or sectors. In addition adverse events in any part of the financial markets may have unexpected negative effects on other market segments.

The Sub-Funds may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. In addition, brokerage commissions, custody fees and other costs of investing are higher in certain countries and less developed markets may be less liquid, more volatile and less subject to governmental supervision than elsewhere. Investments in some issuers could be affected by factors such as expropriation, confiscatory taxation, lack of uniform accounting and auditing standards and potential difficulties in enforcing contractual obligations. Securities transactions in some countries are subject to settlement delays or risk of loss.

World financial markets have occasionally experienced extraordinary market conditions, including, among other things, extreme volatility in securities markets and the failure of credit markets to function. When such conditions arise, decreased risk tolerance by investors and significantly tightened availability of credit may result in certain securities becoming less liquid and more difficult to value, and thus harder to dispose of. Such conditions may be exacerbated by, among other things, uncertainty regarding financial institutions and other market participants, increased aversion to risk, concerns over inflation, instability in energy costs, complex geopolitical issues, the lack of availability and higher cost of credit and declining real estate and mortgage markets. These factors, combined with variable commodity pricing, declining business and consumer confidence, increased unemployment and diminished expectations for predictable global financial markets, may lead to a global economic slowdown and fears of a global recession. Neither the duration and ultimate effect of any such market conditions, nor the degree to which such conditions may worsen can be predicted. The continuation or further deterioration of any such market conditions and continued uncertainty regarding markets generally could result in further declines in the market values of potential investments or declines in market values. Such declines could lead to losses and diminished investment opportunities for a Sub-Fund, could prevent a Sub-Fund from successfully meeting its investment objectives or could require a Sub-Fund to dispose

of investments at a loss while such unfavourable market conditions prevail. While such market conditions persist, a Sub-Fund would also be subject to heightened risks associated with the potential failure of brokers, counterparties and exchanges, as well as increased systemic risks associated with the potential failure of one or more systemically important institutions.

Unpredictable or unstable market conditions may result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realise value from a Sub-Fund's existing investments.

Liquidity

Liquidity risk is the risk that positions in a Sub-Fund's portfolio cannot be sold, liquidated or closed at limited cost in an adequately short timeframe and that the ability of the sub-Fund to meet redemptions requests from Shareholders is thereby compromised. For open-ended Sub-Funds in particular, it is intended that the assets of each Sub-Fund comprise mainly realisable investments which can be readily sold in normal market conditions, having appropriate regard to the redemption terms available in a given Sub-Fund. However, not all securities invested in by a Sub-Fund will be listed or rated and consequently liquidity may be low. Also, investments made by the Sub-Funds may subsequently become less liquid in response to market developments or events affecting a relevant securities issuer.

Certain investments and types of investments are subject to restrictions on resale, may trade in the OTC markets or in limited volume, or may not have an active trading market. Investment in debt securities, small and mid-capitalisation stocks and emerging market issuers may be more vulnerable to the risk that during certain periods, the liquidity of particular issuers or industries, or all securities within a particular investment category, will deteriorate suddenly due to adverse economic, market or political events, or adverse market sentiment. Illiquid securities may trade at a discount to more liquid investments and may be subject to wide fluctuations in value. It may be difficult for a Sub-Fund to value illiquid securities accurately.

A Sub-Fund may not be able to dispose of illiquid investments at a favourable time or price. Consequently, the relevant Sub-Fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of a Sub-Fund's assets can have a negative impact on the value of the relevant Sub-Fund and may prevent a Sub-Fund in taking advantage of other investment opportunities.

Liquidity risk also arises due to the ongoing obligation for a Sub-Fund to meet redemption requests from Shareholders in accordance with the terms of its stated redemption policy. To meet redemption requests, a Sub-Fund could be forced to sell investments at an unfavourable time or at unfavourable prices. A Sub-Fund may hold higher levels of liquid assets for defensive purposes in times of actual or anticipated market stress and this can adversely affect the overall investment performance of the Sub-Fund. Where a large proportion of Shares of a Sub-Fund are held by a single or small number of Shareholders, a Sub-Fund is subject to the risk that these Shareholders may redeem Shares in large amounts at short notice.

If there are unusually large or a high volume of redemption requests, or during times of market stress or other uncontrollable factors adversely affecting the level of liquidity within a Sub-Fund's portfolio, the Directors may decide, having regard to the interests of all Shareholders, to defer redemptions, issue in-specie redemptions or impose a temporary suspension on redemptions where appropriate to the circumstances.

Credit Risk and Counterparty Risk

A Sub-Fund will have a credit risk on the issuer of debt securities in which it invests which will vary depending on the issuer's ability to make principal and interest payments on the obligation. Any failure by an issuer to meet its obligations will have adverse consequences for a Sub-Fund and will adversely affect the Net Asset Value per Share in a Sub-Fund.

A Sub-Fund will also have a credit risk on the parties with which it trades including for example, counterparties to repurchase agreements or securities lending contracts. In the event of the insolvency, bankruptcy or default of the seller under a repurchase agreement, a Sub-Fund may experience both delays in liquidating the underlying securities and losses, including the possible decline in the value of securities, during the period while it seeks to enforce its rights thereto, possible sub-normal level of income, lack of access to income during the period and expenses in enforcing its rights. The risks

associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

A Sub-Fund's foreign exchange, futures, forwards, options, options on futures, swaps, swaptions, warrants, credit default swaps, structured notes, hybrid securities, transferable securities with embedded derivatives and other similar transactions also involve counterparty credit risk and will expose the Sub-Fund to unanticipated losses to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to futures contracts and options on futures, the risk is more complex in that it involves the potential default of the clearing house or the clearing broker.

The Sub-Investment Managers will have contractual remedies upon any default pursuant to the agreements related to the transactions. Such remedies could be inadequate, however, to the extent that the collateral or other assets available are insufficient.

Foreign Taxes

The Company may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties concluded between Ireland and other countries.

The Company may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax the Net Asset Value of the Company will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

Cyber Security

The Company, the Manager and the service providers are susceptible to cyber security risks that include, among other things, theft, unauthorised monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorised access to relevant systems, compromises to networks or devices that the Company, the Manager and the service providers use to service; or operational disruption or failures in the physical infrastructure or operating systems that support the Company, the Manager and the service providers. Cyber-attacks against or security breakdowns may adversely impact a Sub-Fund and its Shareholders. The Company, the Manager and the service providers may incur additional costs for cyber security risk management and remediation purposes. In addition, cyber security risks may also impact issuers of securities in which the Underlying Funds invest, which may cause losses. There can be no assurance that the Company, the Manager and the service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.

Force Majeure

The Company and the service providers will not be liable for action taken or failure to take action required under, in the case of the service providers, the relevant material contract, in the event and to the extent that the taking of such action or such failure arises out of or is caused by or directly or indirectly due to a "**Force Majeure**" event which may include war, terrorism, insurrection, riot, civil commotion, act of God, accident, fire, water damage, explosion, mechanical breakdown, computer or system failure or other failure of equipment, or malfunction or failures caused by computer virus, failure or malfunctioning of any communications media for whatever reason, interruption (whether partial or total) of power supplies or other utility of service, strike or other stoppage (whether partial or total) of labour, any law, decree, regulation or order of any government or governmental body (including any court or tribunal) of competent jurisdiction beyond the reasonable control of the Company, the relevant service provider or its delegate, provided that the Company or the relevant service provider shall take reasonable measures to minimise the effect of any such Force Majeure event, including the maintenance at all times, and regular testing of, adequate disaster recovery arrangement and to restore usual services as possible after a Force Majeure event. It is therefore possible that the Company or a Sub-Fund may suffer loss as a result of such a Force Majeure event. The specific Force Majeure events in respect of each service provider are set out in each of the respective material contracts.

Legal and Regulatory

The Company and its service providers are subject to a range of legal and regulatory obligations under Irish and European frameworks. Furthermore, depending on where the Company invests or where its

Shares are marketed or sold, law and regulation in those local markets may apply. The laws and regulations applicable to the Company and/ or any Sub-Fund are continually evolving and changes may arise at any time which may impact the Company, a Sub-Fund or its Shareholders.

Legal and regulatory changes could adversely impact the Company and its Shareholders. For example, this could arise due to the unforeseen application of a law or regulation in any jurisdiction, restriction of access to certain markets or assets or because of costs and resources required to achieve timely and complete compliance with legal and regulatory requirements. Further, in some jurisdictions the interpretation or implementation of laws and regulations and the enforcement of the Company's rights under such laws and regulations may involve significant uncertainties, may not be consistent with those of other jurisdictions and may vary from region to region.

Performance Fee

Where a performance fee is payable by a Sub-Fund, it may be based on net realised and net unrealised capital gains and losses as at the end of each financial period. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

The payment of the performance fee to the Investment Manager (or its delegate) based on the performance of a Sub-Fund may provide the Investment Manager (or its delegate) with an incentive to cause the Sub-Fund to make more speculative investments than might otherwise be the case. The Investment Manager (or its delegate) will have discretion as to the timing and the terms of the Sub-Fund's transactions in investments and may therefore have an incentive to arrange such transactions to maximise its fees

Where a Sub-Fund charges a performance fee, it is possible that the Company may not apply any equalisation per Share method or a series accounting method. Consequently, there could be no guarantee that the performance fee applicable to the Sub-Fund would be equitably borne by the Shareholders in the Sub-Fund and the rateable performance fee to be borne by the Shareholders may be greater than or lesser than the performance fee borne by other Shareholders depending on, among other things, the performance of the Sub-Fund and the payment periods.

Share Class Risk

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

Substantial Redemptions/Subscriptions

In the event of substantial redemptions/subscriptions, the Investment Manager may not be able to liquidate/invest sufficient investments in a single Dealing Day. Some or all of a redemption request may be deferred until a subsequent Business Day (see "Redeeming Shares" below) and a subscription application may be rejected by the Manager (see "Subscriptions for Shares" below). Investors are advised to notify the Investment Manager in advance of substantial redemptions or subscriptions.

ESG Data

In evaluating a security, issuer or index based on sustainability-related characteristics, the Investment Manager (or its delegate) is dependent upon information and data which may be incomplete, inaccurate or unavailable. The Investment Manager (or its delegate) may rely upon data sourced from third-party ESG research and market data providers who may similarly rely on information which is incomplete, inaccurate or unavailable. The wide variety of types, sources and uses of ESG data can produce very different results and the models used by third-party ESG research providers can result in conflicting and subjective assessments. Third-party ESG research and market data providers typically limit or exclude any responsibility or liability with respect to the accuracy, reasonableness or completeness of any sustainability related assessments. Data quality and coverage in relation to investee companies has various challenges across different countries and regions (especially for smaller companies and less

developed markets). Some data may be modelled rather than reported data and data from some companies may be delayed. In addition, not all self-reported data is independently verified. Since the regulation and standards of non-financial reporting is developing, data quality, coverage, consistency and accessibility remains challenging over the near term.

INVESTMENT RISKS

For **China Market Risks**, including **Stock Connect risks**, please see "Appendix V" to the Prospectus.

Borrowing

A Sub-Fund may borrow on a short-term basis to facilitate redemptions, investments, cash management or to cover operating expenses. If a Sub-Fund borrows to finance redemptions of its Shares, interest on that borrowing will negatively affect Shareholders who do not have all of their Shares redeemed by the Sub-Fund, by increasing the Sub-Fund's expenses and reducing any net investment income.

If a Sub-Fund borrows money to finance further investment such borrowing is likely to lead to volatility in the Sub-Fund's Net Asset Value meaning that a relatively small movement, down or up, in the value of the Sub-Fund's assets will result in a magnified movement, in the same direction, of the Sub-Fund's Net Asset Value.

Using borrowings may create leverage which may create special risks and may significantly increase the Sub-Fund's investment risk. Leverage creates an opportunity for greater yield and total return but at the same time, will increase the Sub-Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

All borrowing shall be subject to the relevant conditions and limitations set forth in this Prospectus and the Relevant Supplement.

Concentration

To the extent a Sub-Fund is concentrated in a limited number of securities/issuers, in one or a limited number of industry sectors or in a specific geographical region it will be less diversified and the exposure to equity, credit and market risks associated with such market, region or industry will be increased.

Adverse developments within the relevant industries or regions may affect the value of the securities in which the Sub-Fund invests either directly or indirectly through its investment in other funds. Such adverse developments may include price and supply, competition considerations as well as government regulation, taxes, political risk and environmental considerations which may also affect the value of such securities.

Commodities

Certain Sub-Funds may gain exposure to commodities indirectly, by investing, for example, into eligible products such as commodity-linked notes, commodity related companies, commodity ETFs, exchange traded commodities (ETC's) and/or derivative instruments referencing one or more commodity indices. Commodities prices tend to be highly volatile and may be disproportionately affected by factors such as supply and demand dynamics, geopolitical events, weather conditions, world political and economic events and changes in the interest rates. This volatility can lead to significant price fluctuations, which can impact the value of commodity investments.

Contingent Convertible Securities (CoCos)

The performance of contingent convertible securities ("**CoCos**") is dependent on a number of factors including interest rates, credit and equity performance, and the correlations between factors. As such these securities introduce significant additional risk to an investment in the relevant Sub-Fund.

Generally, convertible securities are subject to the risks associated with both fixed income securities and equities, namely credit risk, interest rate risk and market price risk. Contrary to traditional convertible securities which may be converted into equity by the holder, CoCos may be converted into equity or be forced to suffer a write down of principal upon the occurrence of a pre-determined event (the "**trigger event**"). As such, CoCos expose the holder to specific risks such as trigger risk, write down risk, coupon cancellation, capital structure inversion risk, and call extension risk, as described below.

The trigger event is ordinarily linked to the financial position of the issuer and therefore the conversion is likely to occur as a result of a deterioration of the relative capital strength of the underlying. As a result of the potential trigger event for a conversion of these securities, it is likely that the conversion to equity would occur at a share price, which is lower than when the bond was issued or purchased. In stressed market conditions, the liquidity profile of the issuer can deteriorate significantly and it may be difficult to find a ready buyer which means that a significant discount may be required in order to sell it.

In some cases, the issuer may cause a convertible security to be written down in value based on the specific terms of the individual security if a pre-specified trigger event occurs. There is no guarantee that the Sub-Fund will receive return of principal on CoCos.

Coupon payments may be discretionary and could thus be cancelled at any time, for any reason. As a result, investment in CoCos can carry higher risk than investment in traditional debt instruments/convertibles and, in certain cases, equities; the volatility and risk of loss can be significant. CoCos are typically structurally subordinated to traditional convertible bonds in the issuer's capital structure. In certain scenarios, investors in CoCos may suffer a loss of capital ahead of equity holders or when equity holders do not.

CoCos can be issued as perpetual instruments (i.e., bonds without a maturity date) and may only be callable at predetermined dates upon approval of the applicable regulatory authority. There is no guarantee that the Sub-Fund will receive a return of principal on CoCos.

The valuation of CoCos is influenced by many unpredictable factors such as:

- the creditworthiness of the issuer and the fluctuations in the issuer's capital ratios;
- the supply and demand for CoCos;
- the general market conditions and available liquidity; and
- the economic, financial and political events that affect the issuer, the market it is operating in or the financial markets in general.

CoCos may experience periods of lower liquidity caused by market events, lower new issues during a period or large sales and such events may raise the risk that these securities will not be able to be sold during those periods or may have to be sold at reduced prices. Those events may influence the value of the Sub-Fund, as the lower liquidity in these assets may be reflected in a corresponding reduction in the Net Asset Value of the Sub-Fund.

CoCos are a relatively new instrument and the trigger events are generally untested, therefore it is uncertain how the asset class will perform in stressed market conditions and risk to capital, and volatility could be significant.

Convertible Securities

The market value of convertible debt securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus, may not decline in price to the same extent as the underlying common stock. Convertible securities rank senior to common stock in an issuer's capital structure and consequently entail less risk than the issuer's common stock. In evaluating a convertible security, the Investment Manager will give primary emphasis to the attractiveness of the underlying common stock. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into

the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on a Sub-Fund's ability to achieve its investment objective.

Currency

The Net Asset Value per Share of a Sub-Fund will be computed in its Base Currency whereas the investments of a Sub-Fund may be acquired in other currencies. Unless it is the stated intention of the Sub-Fund to use hedging or other techniques and instruments to mitigate the risk of currency fluctuations between the Base Currency and the currencies of the investments, the performance of the Sub-Fund may be strongly influenced by movements in exchange rates.

In addition, a Class of Shares of a Sub-Fund may be designated in a currency other than the Base Currency of that Sub-Fund. Consequently, the Sub-Fund's investments may be acquired in currencies which are not the Share Class Currency, exposing the investor to currency risk.

Where disclosed in the Relevant Supplement, certain Sub-Funds may take active currency positions using Derivatives with a view to generating investment returns for the Sub-Fund. There can be no assurance that such active currency strategies will be successful. Such active currency positions may differ from the currencies of the securities positions (e.g. equities, fixed income securities) being held by the Sub-Fund and as a result the Sub-Fund may suffer loss even if there is no loss of the value of the securities positions.

Currency exchange rates generally are determined by supply and demand in the foreign exchange markets and the perceived relative merits of investments in different countries. Currency exchange rates can also be affected unpredictably by intervention by government or financial regulators or by currency controls or political developments.

Currency Hedged Share Class

Where disclosed in the Relevant Supplement, the Investment Manager (or its delegate) may employ strategies, as set out under "**Share Class Hedging Methodologies**", aimed at hedging against currency risk at a Share Class level. The methodology adopted for a given currency Hedged Share Class will be specified in the Relevant Supplement. The Investment Manager (or its delegate) may use any of the efficient portfolio management techniques and instruments, including currency options and forward currency exchange contracts described in the "Use of Derivatives" section. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class of Shares from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of a Sub-Fund are denominated. In such circumstances, Shareholders of the Class of Shares of a Sub-Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/loss on and the costs of the relevant financial instruments.

Currency hedging transactions, while potentially reducing the currency risks to which the Sub-Fund would otherwise be exposed, involve certain other risks, including the risk of a default by a counterparty. In addition, where a Sub-Fund enters into "cross-hedging" transactions (e.g., utilising a currency different than the currency in which the security being hedged is denominated), the Sub-Fund will be exposed to the risk that changes in the value of the currency used to hedge will not correlate with changes in the value of the currency in which the securities are denominated, which could result in loss on both the hedging transaction and the Sub-Fund securities.

Derivatives

Derivative instruments (which are instruments that derive their value from another instrument, security, index, interest rate, money market instrument or currency) may be purchased or sold to enhance return (which may be considered speculative), to hedge against fluctuations in securities prices, market conditions or currency exchange rates, or as a substitute for the purchase or sale of securities or currencies. Such transactions may include the purchase or sale of futures contracts on securities, securities and other indices, other financial instruments or currencies, including exotic options; options on futures contracts and stock index futures, exchange-traded and OTC options on securities, indices or currencies, the purchase of put options and the sale of call options on securities held, equity swaps, and the purchase and sale of currency futures, forward foreign currency exchange contracts; warrants; interest rate, total return, credit default and currency swaps. Transactions in derivative instruments involve a risk of loss or depreciation due to: unanticipated adverse changes in securities prices, interest rates, indices, the other financial instruments' prices or currency exchange rates; the inability to close

out a position; default by the counterparty; imperfect correlation between a position and the desired hedge; tax constraints on closing out positions; risks relating to settlement default; legal risk; and portfolio management constraints on securities subject to such transactions. The loss on derivative instruments (other than purchased options) may substantially exceed an investment in these instruments. In addition, the entire premium paid for purchased options may be lost before they can be profitably exercised. Transaction costs are incurred in opening and closing positions. Derivative instruments may sometimes increase or leverage exposure to a particular market risk, thereby increasing price volatility of derivative instruments a Sub-Fund holds. A Sub-Fund's success in using derivative instruments to hedge portfolio assets depends on the degree of price correlation between the derivative instruments and the hedged asset. Imperfect correlation may be caused by several factors, including temporary price disparities among the trading markets for the derivative instrument, the assets underlying the derivative instrument and the Sub-Fund's assets.

OTC derivative instruments involve an enhanced risk that the issuer or counterparty will fail to perform its contractual obligations. Some derivative instruments are not readily marketable or may become illiquid under adverse market conditions. In addition, during periods of market volatility, a commodity exchange may suspend or limit trading in an exchange-traded derivative instrument, which may make the contract temporarily illiquid and difficult to price. Commodity exchanges may also establish daily limits on the amount that the price of a futures contract or futures option can vary from the previous day's settlement price. Once the daily limit is reached, no trades may be made that day at a price beyond the limit. This may prevent the closing out of positions to limit losses. The ability to terminate OTC derivative instruments may depend on the cooperation of the counterparties to such contracts. For thinly traded derivative instruments, the only source of price quotations may be the selling dealer or counterparty. The use of Derivatives are highly specialised activities that involve skills different from conducting ordinary portfolio securities transactions. There can be no assurance that a Sub-Investment Manager's use of derivative instruments will be advantageous to a Sub-Fund.

Foreign exchange traded futures contracts and options thereon may be used only if an Investment Manager (or its delegates) determines that trading on such foreign exchange does not entail risks, including credit and liquidity risks, that are materially greater than the risks associated with trading on CFTC-regulated exchanges.

A put option on a security may be written only if an Investment Manager (or its delegates) intends to acquire the security.

Instrument-specific risks:

- *Futures and Options Contracts* - A Sub-Fund may use futures and options and swaps for efficient portfolio management purposes which includes hedging against market movements, currency exchange or interest rate risks or otherwise, and for investment purposes. An Investment Manager's (or its delegate's) ability to use these strategies may be limited by market conditions, regulatory limits and tax considerations. Use of these strategies involves certain special risks, including (i) dependence on an Investment Manager (or its delegate's) ability to predict movements in the price of securities and movements in interest rates; (ii) imperfect correlation between movements in the securities or currency on which a futures or options contract is based and movements in the securities or currencies in the relevant Sub-Fund or Underlying Fund; (iii) the absence of a liquid market for any particular instrument at any particular time; (iv) the degree of leverage inherent in futures trading, i.e., the low margin deposits normally required in futures trading means that futures trading may be highly leveraged, accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to a Sub-Fund or Underlying Fund; and (v) possible impediments to effective portfolio management or the ability to meet redemption requests or other short-term obligations because of the percentage of a Sub-Fund or Underlying Fund's assets segregated to cover its obligations.
- For derivative instruments other than purchased options, any loss suffered may exceed the amount of the initial investment made or the premium received by a Sub-Fund or Underlying Fund. OTC derivative instruments involve an enhanced risk that the counterparty will fail to perform its contractual obligations. Some derivative instruments are not readily marketable or may become illiquid under adverse market conditions. In addition, during periods of market volatility, a commodity exchange may suspend or limit trading in an exchange-traded derivative instrument which may make the contract temporarily illiquid and difficult to price. Commodity

exchanges may also establish daily limits on the amount that the price of a futures option or futures contract can vary from the previous day's settlement price. Once the daily limit is exceeded, no trades may be made that day at a price beyond the limit. This may prevent a Sub-Fund or Underlying Fund from closing out positions and limiting its losses.

- *Forward Contracts* - A Sub-Fund may enter into forward contracts and options thereon which are not traded on exchanges and are generally not regulated. There are no limitations on daily price moves of forward contracts. Banks and other dealers with whom a Sub-Fund may maintain accounts may require the Sub-Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. A Sub-Fund's counterparties are not required to continue to make markets in such contracts and these contracts can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the difference between the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Investment Manager (or its delegate) would otherwise recommend, to the possible detriment of a Sub-Fund. In addition, disruptions can occur in any market traded by a Sub-Fund due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses to a Sub-Fund. In addition, a Sub-Fund may be exposed to credit risks with regard to counterparties with whom it trades as well as risks relating to settlement default. Such risks could result in substantial losses to such Sub-Fund. An example of a forward contract is a currency forward.
- Structured notes – a Sub-Fund may invest in structured notes which are derivative debt securities, the principal of which is determined by the return of an agreed upon fund or alternative or hedge fund index. The value of the principal of a structured note is determined by reference to changes in the return or value at maturity of a specific fund or alternative or hedge fund index (the "reference instrument"). The principal amount payable upon maturity or redemption may be increased or decreased, depending upon changes in the applicable reference instrument. Structured notes may be positively or negatively indexed, so that an increase in value of the reference instrument may produce an increase or a decrease in the value of the structured note at maturity. In addition, changes in the value of the structured note at maturity may be calculated as a specified multiple of the change in the value of the reference; therefore, the value of such note may be very volatile. Structured notes may entail a greater degree of market risk than other types of debt securities because the investor bears the risk of the reference instrument. Structured notes also may be more volatile, less liquid, and more difficult to accurately price than less complex securities or more traditional debt securities.

Forward currency contracts involve the possibility that the market for them may be limited with respect to certain currencies and, upon a contract's maturity, the possible inability to negotiate with the dealer to enter into an offsetting transaction. There is no assurance that an active forward currency contract market will always exist. These factors restrict the ability to hedge against the risk of devaluation of currencies in which a substantial quantity of securities are being held for a Sub-Fund and are unrelated to the qualitative rating that may be assigned to any particular security.

- *When-Issued and Delayed Delivery Securities* - Each Sub-Fund may purchase securities on a when-issued or delayed-delivery basis for the purposes of efficient portfolio management or for investment purposes. Purchase of securities on such basis may expose a Sub-Fund to risk because the securities may experience fluctuations in value prior to their actual delivery. Income is not accrued for a Sub-Fund with respect to a when-issued or delayed-delivery security prior to its stated delivery date. Purchasing securities on a when-issued or delayed-delivery basis can involve the additional risk that the yield available in the market when the delivery takes place may be higher than that obtained in the transaction itself. There is also a risk that the securities may not be delivered and that the Sub-Fund may incur a loss.
- *Swap Agreements* - The Investment Manager (or its delegate) may enter into swap agreements on behalf of a Sub-Fund. Swap agreements are privately negotiated OTC derivative products in which two parties agree to exchange payment streams that may be calculated in relation to a rate, index, instrument, or certain securities and a particular "notional amount." Swaps can

be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Swaps may be subject to various types of risks, including market risk, liquidity risk, structuring risk, tax risk, and the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. A Sub-Fund may incur a loss if a counterparty were to default on its obligations. However, a Sub-Fund is likely to mitigate much of this risk by receiving collateral with a value at least equal to the exposure of each counterparty. Subject to minimum transaction limits, it is likely that the level of collateral will be updated on each Business Day.

- *Credit Default Swaps* - A Sub-Fund may enter into credit default swap transactions. If a Sub-Fund is a protection buyer under the contract and no credit event occurs, the Sub-Fund will lose its investment and recover nothing. However, if a credit event occurs, the Sub-Fund (as buyer) may receive the full notional value of the reference obligation even if the reference obligation has little or no value. As a seller, a Sub-Fund generally receives a fixed rate of income throughout the term of the contract, which generally is between six months and ten years (depending on the maturity of the underlying reference obligation), provided that there is no credit event. If a credit event occurs, a Sub-Fund (as seller) will be required to pay the full notional value of the reference obligation. Credit default swap transactions may involve greater risks than if a Sub-Fund had invested in the reference obligation directly.

A Sub-Fund may also purchase credit default swap contracts in order to hedge against the risk of a credit event with respect to debt securities it holds. This would involve the risk that the credit default swap may expire worthless and would only generate income in the event of an actual credit event by the issuer of the underlying reference obligation. It would also involve a credit risk that the seller may fail to satisfy its payment obligations to the Sub-Fund in the event of a credit event.

Selling credit default protection creates a synthetic "long" position which may replicate the terms of credit exposure to the referenced cash-market security or index. However, there can be no assurance that the price relationship between the cash-market security or index and the credit derivative will remain constant, and events unrelated to the underlying security or index (such as those affecting availability of borrowed money and liquidity, or the creditworthiness of a counterparty) can cause the price relationship to change. This risk is known as "basis risk." Basis risk may cause a Sub-Fund to realise a greater loss on an investment in synthetic form than might otherwise be the case with a cash-market security. To the extent the Sub-Fund purchases credit default swap protection to hedge risk, basis risk may cause the hedge to be less effective or ineffective.

- *Interest Rate Swaps* - In an interest rate swap, the Sub-Fund and another party exchange the right to receive interest payments. For example, they might swap the right to receive floating rate payments based on a reference rate for the right to receive fixed rate payments. An interest rate swap enables an investor to buy or sell protection against changes in an interest rate. An interest rate swap may be embedded within a structured note or other derivative instrument. Interest rate swaps are subject to interest rate risk and credit risk. An interest rate swap transaction could result in losses if the underlying asset or reference rate does not perform as anticipated. Interest rate swaps are also subject to counterparty risk. If the counterparty fails to meet its obligations, the Sub-Fund may lose money.
- *Total Return Swaps* - In a total return swap transaction, one party agrees to pay the other party an amount equal to the total return on a defined underlying asset or a non-asset reference during a specified period of time. The underlying asset might be a security or asset or basket of securities or assets or a non-asset reference such as a securities or other type of index. In return, the other party would make periodic payments based on a fixed or variable interest rate or on the total return from a different underlying asset or non-asset reference. Total return swaps could result in losses if the underlying asset or reference does not perform as anticipated. Total return swaps can have the potential for unlimited losses. They are also subject to counterparty risk. If the counterparty fails to meet its obligations, the Sub-Fund may lose money.
- *Volatility/Variance Swaps* - A Sub-Fund may enter into types of volatility swaps to hedge the volatility of a particular security, currency, index or other financial instrument, or to seek to increase its investment return. In volatility swaps, counterparties agree to buy or sell volatility at a specific level over a fixed period. For example, to hedge the risk that the value of an asset held by a Sub-Fund may fluctuate significantly over the Sub-Fund's period of investment, a Sub-Fund might enter into a volatility swap pursuant to which it will receive a payment from the

counterparty if the actual volatility of the asset over a specified time period is greater than a volatility rate agreed at the outset of the swap. Alternatively, if the Investment Manager (or its delegate) believes that a particular security, currency, index or other financial instrument will demonstrate more (or less) volatility over a period than the market's general expectation, to seek to increase investment return a Sub-Fund might enter into a volatility swap pursuant to which it will receive a payment from the counterparty if the actual volatility of that underlying instrument over the period is more (or less) than the volatility rate agreed at the outset of the swap. Volatility swaps are subject to credit risks (if the counterparty fails to meet its obligations), and the risk that the Investment Manager (or its delegate) is incorrect in its forecast of volatility for the underlying security, currency, index or other financial instrument that is the subject of the swap. If the Investment Manager (or its delegate) is incorrect in its forecast, the Sub-Fund would likely be required to make a payment to the counterparty under the swap.

- *Swaptions* - A swaption is a contract that gives the holder the right, but not the obligation, to enter into an interest rate swap at a pre-set rate within a specified period of time. In return, the purchaser pays a "premium" to the seller of the contract. The seller of the contract receives the premium and bears the risk of unfavourable changes in the pre-set rate on the underlying interest rate swap.
- *Dollar Roll Transactions* - If the counterparty to whom the Company sells the security underlying a dollar roll transaction becomes insolvent, the Company's right to purchase or repurchase the security may be restricted; the value of the security may change adversely over the term of the dollar roll; the security which the Company is required to repurchase may be worth less than a security which the Company originally held; and the return earned by the Company with the proceeds of a dollar roll may not exceed transaction costs.

Dollar rolls are similar to repurchase agreements because they involve the sale of a security coupled with an agreement to repurchase. Like all borrowings, a dollar roll involves costs to the Company. For example, while the Company receives a fee as consideration for agreeing to repurchase the security, the Company may forgo the right to receive all principal and interest payments while the counterparty holds the security. These payments to the counterparty may exceed the fee received by the Company, thereby effectively charging the Company interest on its borrowing. Further, although the Company can estimate the amount of expected principal prepayment over the term of the dollar roll, a variation in the actual amount of prepayment could increase or decrease the cost of the Company's borrowing.

- *Derivatives on Economic Indices* - A Sub-Fund may trade derivatives on economic data releases, such as, but not limited to, employment, retail sales, industrial production, inflation, consumer sentiment and economic growth to minimise exposure to adverse market movements in response to the release of economic data and to enhance return. Derivatives on economic indices are currently offered in an auction format and are booked and settled as OTC options. Participants buy and sell these options by submitting limit order bids and offers. Auctions take place at least 24 hours prior to the release of the applicable economic data. At the close of the auction, orders are filled at the best available price, but within the parameters of the order. Prices of the options are based on the relative demand for their implied outcome. Derivatives on economic statistics are subject to risks similar to those applicable to the derivative instruments described above but may also be subject to additional liquidity risk.

Liquidity; Requirement to Perform

From time to time, the counterparties with which a Sub-Fund effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, a Sub-Fund might be unable to enter into a desired transaction or to enter into any offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange-traded instruments, forward contracts do not provide a trader with the right to offset its obligations through an equal and opposite transaction. For this reason, entering into forward contracts, the Company may be required to and must be able to perform its obligations under the contract.

Correlation Risk

Although the Investment Manager (or its delegate) believes that taking exposure to underlying assets through the use of Derivatives will benefit Shareholders in certain circumstances, due to reduced operational costs and other efficiencies which investment through Derivatives can bring, there is a risk

that the performance of a Sub-Fund will be imperfectly correlated with the performance which would be generated by investing directly in the underlying assets.

Collateral Re-Use and Reinvestment Risk

To the extent that collateral received by the Company is re-used or reinvested, the Company is exposed to the risk that cash collateral re-use or reinvestment could lead to a reduction of the value of the eligible collateral capital. This, in turn may causes losses to the Company and the relevant Sub-Fund because it is obliged to return collateral to the counterparty.

Necessity for Counterparty Trading Relationships

Participants in the OTC markets typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While it is anticipated that a Sub-Fund will be able to establish the necessary counterparty business relationships to permit the Sub-Fund to effect transactions in the OTC commodities markets and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so or, if it does, that it will be able to maintain such relationships. An inability to continue existing or establish new relationships could limit the Sub-Fund's activities and would require the Sub-Fund to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which a Sub-Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to the Sub-Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

Failure of Brokers, Counterparties and Exchanges

A Sub-Fund will be exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, the Company deals, whether it engages in exchange-traded or off-exchange transactions. A Sub-Fund may be subject to risk of loss of its assets on deposit with a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Sub-Fund, or the bankruptcy of an exchange clearing house. A Sub-Fund may also be subject to risk of loss of its funds on deposit with brokers who are not required by their own regulatory bodies to segregate customer funds. A Sub-Fund may be required to post margin for its foreign exchange transactions either with the Investment Manager (or its delegate) or other foreign exchange dealers who are not required to segregate funds (although such funds are generally maintained in separate accounts on the foreign exchange dealer's books and records in the name of the Sub-Fund).

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, a Sub-Fund deals, or a customer loss as described in the foregoing paragraph, the Sub-Fund might not be able to recover any of its assets held, or amounts owed, by such person, even property specifically traceable to the Sub-Fund, and, to the extent such assets or amounts are recoverable, the Sub-Fund might only be able to recover a portion of such amounts. Further, even if the Sub-Fund is able to recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the Sub-Fund's property, the Sub-Fund may be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of the Sub-Fund. This could result in significant losses to the Sub-Fund.

A Sub-Fund may effect transactions on OTC or "interdealer" markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. To the extent the Sub-Fund invests in swaps, Derivatives or synthetic instruments, or other OTC transactions in these markets, the Sub-Fund may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterised by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which, in turn, may subject the Sub-Fund to the risk that a counterparty will not settle a transaction in accordance with agreed terms and conditions due to, among other things, a dispute over the terms of the contract or a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The inability of the Sub-Fund to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities,

and the absence of a regulated market to facilitate settlement, may increase the potential for losses to the Sub-Fund.

A Sub-Fund may engage in direct or indirect trading of securities, currencies, Derivatives (including swaps, forward contracts, futures, options and Repo Contracts) and other instruments (as permitted by its investment policy) on a principal basis. As such, a Sub-Fund as transferee or counterparty could experience both delays in liquidating the underlying security, future or other investment and losses, including those arising from: (i) the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the Sub-Fund trades, including without limitation, the inability or refusal to timely return collateral posted by the Sub-Fund; (ii) possible decline in the value of any collateral during the period in which the Sub-Fund seeks to enforce its rights with respect to such collateral; (iii) the need to remargin or repost collateral in respect of transferred, assigned or replaced positions; (iv) reduced levels of income and lack of access to income during such period; (v) expenses of enforcing its rights; and (vi) legal uncertainty concerning the enforceability of certain rights under swap agreements and possible lack of priority against collateral posted under the swap agreements. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Sub-Fund to substantial losses. A Sub-Fund will not be excused from performance on any such transactions due to the default of third parties in respect of other trades in which its trading strategies were to have substantially offset such contracts.

Hedging Transactions

Hedging techniques involve a variety of derivative transactions, including futures contracts, exchange-listed and over-the-counter (“**OTC**”) put and call options on securities, financial indices, forward foreign currency contracts, and various interest rate transactions (collectively, “**Hedging Instruments**”). Hedging techniques involve risks different than those of underlying investments. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of a Sub-Fund’s positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets, transactions in certain of these instruments may not be able to be closed out without incurring losses substantially greater than the initial deposit. Although the contemplated use of these instruments should tend to minimise the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in the value of such position. The ability of a Sub-Fund to hedge successfully will depend on the Investment Manager’s ability to predict pertinent market movements, which cannot be assured. The Investment Manager is not required to hedge and there can be no assurance that hedging transactions will be available or, if undertaken, will be effective. Finally, the daily variation margin deposit requirements in futures contracts that may be sold by the Sub-Fund would create an on-going greater potential financial risk than would options transactions, where the exposure is limited to the cost of the initial premium and transaction costs paid by the Sub-Fund.

Leverage

A Sub-Fund may utilise leverage in its investment programme, which will increase its volatility. Leverage may take the form of trading on margin and derivative investments that are inherently leveraged, including among others, forward contracts, futures contracts and swaps. Trading securities on margin, unlike trading in futures (which also involves margin), will result in interest charges and, depending on the amount of trading activity, such charges could be substantial. The amount of leverage or borrowings which the Sub-Fund may have outstanding at any time may be large in relation to its capital. Consequently, the level of interest rates generally, and the rates at which the Sub-Fund can borrow in particular, will affect the operating results of the Sub-Fund. Whether any margin deposit will be required for over-the-counter options and other over-the-counter instruments, such as currency forwards, swaps and certain other derivative instruments, will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated. Low margin deposits are indicative of the fact that any trading in certain derivatives markets typically is accompanied by a high degree of leverage. Low margin deposits mean that a relatively small adverse price movement in a contract may result in immediate and substantial losses to the investor. For example, if at the time of purchase ten percent of the price of a futures contract is deposited as margin, a ten percent decrease in the price of the futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission. Thus, like other leveraged

investments, any purchase or sale of a future, forward or other derivative may result in losses in excess of the amount invested.

Synthetic Short Selling

Where disclosed in the Relevant Supplement, a Sub-Fund may use Derivatives to implement synthetic short positions to, amongst others, achieve short exposure to a particular market or sector, or to adjust a Sub-Fund's overall credit, duration or currency. If the price of the underlying instrument or market which the Sub-Fund has taken a short position increases, then the Sub-Fund may incur a loss. These losses may be potentially unlimited as security prices could potentially rise infinitely, whereas the loss from a cash investment in the security cannot exceed the amount invested. In taking short positions through Derivatives (i.e. synthetic short selling), a Sub-Fund will be seeking the same financial reward, and will be exposed to the same market risks, as if it were entering into physical short sales. Taking short positions through Derivatives involves trading on margin and, accordingly, the leverage provided through margined positions involves greater risk than investments based on physical short sales.

The short selling of investments may be subject to regulatory changes, which could create losses or the inability to continue using short positions as intended or at all.

Emerging Markets

Investing in Emerging Markets, in particular, involves exposure to economic structures that generally are less diverse and mature, and to political systems that have less stability, than those of developed countries. Other characteristics of Emerging Markets that may affect investment include certain national policies that may restrict investment by foreigners and the absence of developed legal structures governing private and foreign investments and private property. Moreover, individual economies of Emerging Market countries may differ favourably or unfavourably from the economies of non-Emerging Market countries in such respects as growth of gross national product, rate of inflation, currency depreciation capital reinvestment, accounting standards, resource self-sufficiency and balance of payments position.

The typically small size of the markets for securities issued by issuers located in Emerging Markets and the possibility of a low or non-existent volume of trading in those securities may also result in a lack of liquidity and in price volatility of those securities. Certain Emerging Market countries are known to experience long delays between the trade and settlement dates of securities purchased or sold. Obtaining prices of portfolio securities of independent sources may be more difficult. In addition, brokerage expenses and other transaction costs generally are higher in Emerging Market countries than in industrialised countries. Securities markets, broker-dealers, and issuers in Emerging Markets generally are subject to less government supervision and regulation than in industrialised countries. Further, disclosure and reporting requirements are minimal and anti-fraud and insider trading legislation is generally rudimentary.

The economies of Emerging Market countries generally are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

With respect to any Emerging Market country, there is the possibility of nationalisation, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of a Sub-Fund's investments in those countries. In addition, it may be difficult to obtain and enforce a judgment in a court in those countries and there may be limitations on the use or removal of funds or other assets of a Sub-Fund, including the withholding of dividends.

Emerging Markets Exchange Control and Repatriation Risk

With respect to investments in Emerging Market countries, it may not be possible for a Sub-Fund to repatriate capital, dividends, interest and other income from certain Emerging Market countries, or it may require government consents to do so. A Sub-Fund could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could

lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

Accounting, Auditing and Financial Reporting Standards

The accounting, auditing and financial reporting standards of many of the countries in which a Sub-Fund may invest may be less extensive than those applicable to US and European Union companies.

Custodial Risk

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Company which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk.

Settlement Risk

The trading and settlement practices and the reliability of the trading and settlement systems of some of the markets or exchanges on which a Sub-Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and / or result in delays in realising investments made by, or disposed of, by a Sub-Fund.

Securities Markets of Emerging Markets Countries

Trading volume in the securities markets of Emerging Markets countries is substantially less than that in industrialised countries. Further, securities of some companies in Emerging Markets are less liquid and more volatile than securities of comparable companies in industrialised countries. As a result, obtaining prices of portfolio securities from independent sources may be more difficult. In addition, brokerage expenses and other transaction costs generally are higher in Emerging Market countries than in industrialised countries. Securities markets, broker-dealers, and issuers in Emerging Markets generally are subject to less government supervision and regulation than in industrialised countries. Further, disclosure and reporting requirements are minimal and anti-fraud and insider trading legislation is generally rudimentary.

Emerging Market Debt Securities

Emerging Market debt securities may be subject to greater risk of loss of principal and interest than debt securities issued by obligors in developed countries and may be considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They may also be generally subject to greater risk than securities issued by obligors in developed countries in the case of deterioration of general economic conditions. Additionally, evaluating credit risk for Emerging Market debt securities may involve greater uncertainty. Because investors generally perceive that there are greater risks associated with Emerging Market debt securities, the yields or prices of such securities may tend to fluctuate more than those for debt securities issued by obligors in developed countries. The market for Emerging Market debt securities may be thinner and less active than that for debt securities issued by obligors in developed countries, which can adversely affect the prices at which Emerging Market debt securities are sold. In addition, adverse publicity and investor perceptions about Emerging Market debt securities and the economies of emerging market countries generally, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such securities.

Sovereign Debt

Investments in sovereign debt securities of Emerging Markets involve special risks. The issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due in accordance with the terms of such debt. Periods of economic uncertainty may result in the volatility of market prices of sovereign debt, and in turn a Sub-Fund's Net Asset Value, to a greater extent than the volatility inherent in developed market debt securities.

A sovereign debtor's willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the sovereign debtor's policy toward principal international lenders and the political constraints to which a sovereign debtor may be subject. Emerging Markets could default on

their sovereign debt. Such sovereign debtors also may be dependent on expected disbursements from foreign governments, multilateral agencies and other entities abroad to reduce principal and interest arrears on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a sovereign debtor's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due, may result in the cancellation of such third parties' commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to service its debts in a timely manner.

The occurrence of political, social or diplomatic changes in one or more countries issuing sovereign debt could adversely affect a Sub-Fund's investments. Emerging Markets are faced with social and political issues and some have experienced high rates of inflation in recent years and have extensive internal debt. Among other effects, high inflation and internal debt service requirements may adversely affect the cost and availability of future domestic sovereign borrowing to finance governmental programs, and may have other adverse social, political and economic consequences. Political changes or a deterioration of a country's domestic economy or balance of trade may affect the willingness of countries to service their sovereign debt.

The ability of Emerging Markets to make timely payments on their sovereign debt securities is likely to be influenced strongly by a country's balance of trade and its access to trade and other international credits. A country whose exports are concentrated in a few commodities could be vulnerable to a decline in the international prices of one or more of such commodities. Increased protectionism on the part of a country's trading partners could also adversely affect its exports. Such events could diminish a country's trade account surplus, if any. To the extent that a country receives payments for its exports in currencies other than hard currencies, its ability to make hard currency payments could be affected.

Investors should also be aware that certain sovereign debt instruments in which a Sub-Fund may invest involve great risk. Sovereign debt obligations issued by Emerging Markets generally are deemed to be the equivalent in terms of quality to securities rated below investment grade by a recognised rating agency. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk. Some of such securities, with respect to which the issuer currently may not be paying interest or may be in payment default, may be comparable to securities rated D by S&P or C by Moody's. A Sub-Fund may have difficulty disposing of and valuing certain sovereign debt obligations because there may be a limited trading market for such securities. Because there may be no liquid secondary market for many of these securities, the Investment Manager (or its delegate) anticipates that such securities could be sold only to a limited number of dealers or institutional investors.

Equity

Equity market risk is the possibility that stock prices overall will decline over short or even extended periods. Equity markets are volatile and tend to move in cycles, with periods of rising and falling stock prices. This volatility in stock prices means that the value of an investor's holding in a Sub-Fund may go down as well as up and an investor may not recover the amount invested. Equities are representatives of companies' capital and expose the investor at the economic risk of the enterprise, so the investor is exposed to the risk of losing completely the money invested in equities.

The prices of individual stocks generally do not all move in the same direction at the same time. For example, "growth" stocks may perform well under circumstances in which "value" stocks in general have fallen. A variety of factors can affect the price of a particular company's stock. These factors may include, but are not limited to: poor earnings reports, a loss of customers, litigation against the company, general unfavourable performance of the company's sector or industry, or changes in government regulations affecting the company or its industry. To the extent that securities of a particular type are emphasised (for example foreign stocks, stocks of small- or mid-cap companies, growth or value stocks, or stocks of companies in a particular industry), fund share values may fluctuate more in response to events affecting the market for those types of securities.

The value of equity securities varies in response to many factors. Factors specific to an issuer, such as certain decisions by management, lower demand for its products or services, or even loss of a key executive, could result in a decrease in the value of the issuer's securities. Factors specific to the industry in which the issuer participates, such as increased competition or costs of production or consumer or investor perception, can have a similar effect. The value of an issuer's stock can also be

adversely affected by changes in financial markets generally, such as an increase in interest rates or a decrease in consumer confidence, that are unrelated to the issuer itself or its industry.

A Sub-Fund may, directly or indirectly, purchase equity-related securities and instruments such as preferred stocks, convertible securities, depositary receipts, warrants, real estate investment trusts, participation notes and equity-linked notes whose value will vary with the movements in the equity market and the performance of the underlying common stock.

Equity-Linked Notes

An equity-linked note is a note, typically issued by a company or financial institution, whose performance is tied to a single stock, a basket of stocks, or a stock index. Generally, upon the maturity of the note, the holder receives a return of principal based on the capital appreciation of the linked securities. The terms of an equity-linked note may also provide for the periodic interest payments to holders at either a fixed or floating rate. Because the notes are equity linked, they may return a lower amount at maturity due to a decline in value of the linked security or securities. To the extent a Sub-Fund invests in equity-linked notes issued by foreign issuers, it will be subject to the risks associated with the debt securities of foreign issuers and with securities denominated in foreign currencies. Equity-linked notes are also subject to default risk and counterparty risk.

Warrants

The value of warrants may decrease or may be zero and thus not be exercised if the market price of the underlying securities remains lower than the specified price at which holders of warrants are entitled to buy such securities, resulting in a loss to a Sub-Fund of the purchase price of the warrant (or the embedded warrant price in the case of securities issued with warrants attached).

Depositary Receipts

A Sub-Fund may purchase sponsored or unsponsored American Depositary Receipts ("**ADRs**"), European Depositary Receipts ("**EDRs**") and Global Depositary Receipts ("**GDRs**") (collectively "**depositary receipts**"). Investment into a given country may be made via direct investments into that market or by depositary receipts traded on other international exchanges to benefit from increased liquidity in a particular security and other advantages. Depositary receipts may be used instead of local shares, where owning the local shares is not possible or is prohibitively expensive. A depositary receipt admitted to listing or traded on a Recognised Market may be deemed an eligible transferable security regardless of the eligibility of the market in which the security to which it relates normally trades.

Depositary receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities traded in the form of depositary receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements for sponsored and unsponsored programs are generally similar, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the depositary receipts. In the event of the suspension or closure of a market(s) on which the underlying securities are traded, the value of the depositary receipt might not closely reflect the value of the relevant underlying securities. Depositary receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted.

Participation Notes

Participation notes (or P-notes) are a type of structured product involving an OTC transaction with a third party. P-notes may be used for indirect investment access to an underlying security, basket of securities, country or market, with the intention of achieving the same effect as holding that investment directly. P-notes may be used, for instance for certain Emerging Markets, where direct access is either restricted or not cost effective. Sub-Funds investing in participation notes are exposed not only to movements in the value of the underlying equity exposures, but also to the risk of counterparty default, which may result in the loss of the full market value of the investment.

Non-Publicly Traded and Rule 144A Securities

Non-publicly traded and Rule 144A Securities may involve a high degree of business and financial risk and may result in substantial losses. These securities may be less liquid than publicly traded securities,

and a Sub-Fund may take longer to liquidate these positions than would be the case for publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realised from these sales could be less than those originally paid by a Sub-Fund. Further, companies whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that would be applicable if their securities were publicly traded. A Sub-Fund's investment in illiquid securities is subject to the risk that should the Sub-Fund desire to sell any of these securities when a ready buyer is not available at a price that is deemed to be representative of their value, the Net Asset Value of the Sub-Fund could be adversely affected.

Small Capitalisation Companies

The investment risk associated with small capitalisation and emerging companies is higher than that normally associated with larger, more established companies due to the greater business risks associated with small size, the relative age of the company, limited product lines, distribution channels and financial and managerial resources. Further, there is typically less publicly available information concerning smaller companies than for larger, more established ones. The securities of small companies are often traded only over-the-counter ("**OTC**") and may not be traded in the volumes typical of trading on a national securities exchange. As a result, in order to sell this type of holding, a Sub-Fund may need to discount the securities from recent prices or dispose of the securities over a long period of time. The prices of this type of security may be more volatile than those of larger companies which are often traded on a national securities exchange.

Mid-Capitalisation Companies

Mid-cap companies are generally companies that have completed their initial start-up cycle, and in many cases have established markets and developed seasoned management teams. While mid-cap companies might offer greater opportunities for gain than larger companies, they also involve greater risk of loss. They may be more sensitive to changes in a company's earnings expectations and may experience more abrupt and erratic price movements than larger companies. Mid-cap companies' securities often trade in lower volumes and in many instances, are traded OTC or on a regional securities exchange, where the frequency and volume of trading is substantially less than is typical for securities of larger companies traded on national securities exchanges. Therefore, the securities of mid-cap companies may be subject to wider price fluctuations and may be less liquid than securities of larger exchange-traded issuers, meaning it might be harder for a Sub-Fund to dispose of those holdings at an acceptable price when it wants to sell them. Mid-cap companies may have less established markets for their products or services and may have fewer customers and product lines than larger companies. They may have more limited access to financial resources and may not have the financial strength to sustain them through business downturns or adverse market conditions. Since mid-cap companies typically reinvest a high proportion of their earnings in their business, they may not pay dividends for some time, particularly if they are newer companies. Mid-cap companies may have unseasoned management or less depth in management skill than larger, more established companies. They may be more reliant on the efforts of particular members of their management team and management changes may pose a greater risk to the success of the business. Securities of unseasoned companies may be particularly volatile, especially in the short term and in periods of market instability, and may have limited liquidity in a declining market. It may take a substantial period of time to realise a gain on an investment in a mid-cap company, if any gain is realised at all.

Fixed Income

Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk).

A Sub-Fund may invest in fixed income securities which are interest rate sensitive. The magnitude of these fluctuations will be greater when the maturity of the outstanding securities is longer. An increase in interest rates will generally reduce the value of fixed income securities, while a decline in interest rates will generally increase the value of fixed income securities. When interest rates are falling the inflow of net new money to a Sub-Fund from the continuous sale of Shares in a Sub-Fund tends to be invested in instruments producing lower yields than the balance of the obligations held by a Sub-Fund, thereby reducing a Sub-Fund's current yield. In periods of rising interest rates the opposite can be expected to occur. The performance of a Sub-Fund will therefore depend in part on the ability of the

Investment Manager (or its delegate) to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximise returns, while attempting to minimise the associated risks to investment capital.

Fixed income securities are also exposed to the risk that their or their issuers' credit ratings may be downgraded, which can cause a significant drop in the value of such securities. S&P, Moody's and Fitch ratings and ratings of other recognised rating agencies are relative and subjective and are not absolute standards of quality. Although these ratings are initial criteria for selection of investments, the Sub-Investment Managers also make their own evaluation of these securities. Among the factors that are considered are the long-term ability of the issuers to pay principal and interest and general economic trends.

The market value of fixed income securities can fluctuate significantly with, among other things, the financial condition of the obligors or issuers of such securities, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry, and changes in prevailing interest rates.

No assurance can be given as to the present or future value of the securities held by a Sub-Fund at any time. Future periods of uncertainty in the world economy and the possibility of increased volatility and default rates in certain financial markets may also adversely affect the price and liquidity of the securities held by a Sub-Fund.

Government Debt

Certain government securities are supported by the full faith and credit of their respective jurisdictions of issue. Others are not supported by the full faith and credit of their respective jurisdictions of issue but are supported by: (i) the right of the issuer to borrow from a government body of the jurisdiction of issue; (ii) the discretionary authority of a governing body of their respective jurisdictions of issue to purchase the issuing body's obligations, or (iii) only the credit of the issuer. No assurance can be given to investors in a Sub-Fund which may invest in such securities that the relevant government will provide financial support in the future to government agencies, authorities or instrumentalities that are not supported by the full faith and credit of their respective governments. Any failure by any such government to meet the obligations of any such agencies, authorities or instrumentalities will have adverse consequences for a Sub-Fund and will adversely affect the Net Asset Value per Share in a Sub-Fund.

A Sub-Fund may invest in debt securities issued by supranational organisations. As supranational organisations do not possess taxing authority, they are dependent upon their members' continued support in order to meet interest and principal payments.

Corporate Debt

Corporate debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Lower rated or unrated securities are more likely to react to developments affecting market and credit risk than more highly rated securities, which react primarily to movements in the general level of interest rates. The Investment Manager (or its delegate) will consider both credit risk and market risk in making investment decisions for a Sub-Fund.

The timing of purchase and sale transactions in debt obligations may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with prevailing interest rates.

Below Investment Grade Debt

An investment in below investment grade securities, meaning securities rated below Baa3 by Moody's or below BBB- by Standard and Poor's, sometimes referred to as "junk bonds", or low credit quality securities involves a higher degree of risk than investment in investment grade debt securities. Issuers of these securities are often highly leveraged, so that their ability to service debt obligations during an economic downturn may be impaired. The lower ratings of securities reflect a greater possibility of adverse changes in the financial condition of the issuer, which may impair the ability of the issuer to make payments of interest and principal. The risk of loss due to default in payment of interest or principal by such issuers is significantly greater than in the case of investment grade securities because such

securities frequently are subordinated to the prior payment of senior indebtedness. In the case of default or winding up of an issuer of below investment grade securities, there is a greater risk that the capital / assets of the issuer will be insufficient to meet all of its liabilities and the holders of below investment grade securities, (who rank as unsecured creditors) could in such circumstances lose their entire investment. An economic downturn or a period of rising interest rates could adversely affect the market for these securities and reduce a Sub-Fund's ability to sell these securities. The market for below investment grade rated securities may be thinner and less active than that for higher quality securities which can adversely affect the price at which securities can be sold. To the extent that there is no regular secondary market trading for certain lower rated securities, there may be difficulties in valuing such securities and in turn a Sub-Fund's assets.

Lower Quality and Lower Rated Debt

Debt securities rated in the fourth highest category by S&P or Moody's or given equivalent credit ratings by other recognised rating agencies, although considered investment grade, may possess speculative characteristics, and changes in economic or other conditions are more likely to impair the ability of their issuers to make interest and principal payments than is the case with respect to issuers of higher grade debt securities.

Generally, medium or lower rated securities and unrated securities of comparable quality offer a higher current yield than is offered by higher rated securities, but also (i) are likely have some quality and protective characteristics that, in the judgement of the rating organisations, are outweighed by large uncertainties or major risk exposures to adverse conditions; and (ii) are predominantly speculative with respect to the issuers capacity to pay interest and repay principal in accordance with the terms of the obligation. The market values of certain of these securities also tend to be more sensitive to individual corporate developments and changes in economic conditions than higher quality bonds. In addition, medium and lower rated securities and comparable unrated securities generally present a higher degree of credit risk. The risk of loss due to default by these issuers, is significantly greater because medium and lower rated securities and unrated securities of comparable quality generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. In light of these risks, the Investment Manager (or its delegate), in evaluating the creditworthiness of an issue, whether rated or unrated, takes various factors into consideration, which may include, as applicable, the issuer's financial resources, its sensitivity to economic conditions and trends, the ability of the issuer's management and regulatory matters.

The market value of securities in lower rated categories is more volatile than that of higher quality securities, and the markets in which medium and lower rated or unrated securities are traded are more limited than those in which higher rated securities are traded. The existence of limited markets may make it more difficult to obtain accurate market quotations for purposes of valuing the securities held by, and calculating the Net Asset Value of, a Sub-Fund. Moreover, the lack of a liquid trading market may restrict the availability of securities for purchase and may also have the effect of limiting the ability of a Sub-Fund to sell securities at their fair value either to meet withdrawal requests or to respond to changes in the economic or the financial markets.

Lower rated debt obligations also present risks based on payment exceptions. If an issuer calls the obligation for redemption, the obligation may have to be replaced with a lower yielding security, resulting in a decreased return for investors. In the event of rising interest rates the value of the securities held by a Sub-Fund may decline proportionately more than higher rated securities. If a Sub-Fund experiences unexpected net withdrawals, higher rated bonds may have to be sold, resulting in a decline in the overall credit quality of the securities held by a Sub-Fund and increasing the exposure of a Sub-Fund to the risks of lower rated securities.

A Sub-Fund may invest in securities which are not investment grade. Such securities may have a higher yield than securities with an investment grade rating, but are more likely to react to developments affecting market and credit risk than such higher rated securities, which primarily react to movements in the general level of interest rates. Lower rated or unrated securities are generally subject to a greater default risk than such higher rated securities.

Zero Coupon Securities

The market prices of zero coupon securities are generally more volatile and more likely to respond to changes in interest rates than the market prices of securities having similar maturities and credit qualities that pay interest periodically. Zero coupon securities are subject to greater market value fluctuations

from changing interest rates than debt obligations of comparable maturities that make current distributions of interest (cash).

Inflation Protected Securities

The value of inflation-protected securities ("**IPS**") generally fluctuates in response to changes in real interest rates. Real interest rates are tied to the relationship between nominal interest rates and the rate of inflation. If nominal interest rates increase at a faster rate than inflation, real interest rates might rise, leading to a decrease in value of IPS. Conversely, if inflation rises at a faster rate than nominal interest rates, real interest rates might decline, leading to an increase in value of IPS.

If a Sub-Fund purchases IPS in the secondary market whose principal values have been adjusted upward due to inflation since issuance, a Sub-Fund may experience a loss if there is a subsequent period of deflation. Additionally, if a Sub-Fund purchases IPS in the secondary market whose price has been adjusted upward due to real interest rates increasing, a Sub-Fund may experience a loss if real interest rates subsequently increase. If inflation is lower than expected during the period a Sub-Fund holds an IPS, a Sub-Fund may earn less on the security than on a conventional bond. If a Sub-Fund sells U.S. TIPS in the secondary market prior to maturity however, a Sub-Fund may experience a loss.

If real interest rates rise (i.e., if interest rates rise for reasons other than inflation (for example, due to changes in currency exchange rates)), the value of the IPS in a Sub-Fund's portfolio will decline. Moreover, because the principal amount of IPS would be adjusted downward during a period of deflation, a Sub-Fund will be subject to deflation risk with respect to its investments in these securities. IPS are tied to indices that are calculated based on the rates of inflation for prior periods. There can be no assurance that such indices will accurately measure the real rate of inflation. Additionally, the market for IPS may be less developed or liquid, and more volatile, than certain other securities markets.

Loan Instruments

Loan assignments involve the transfer of debt, and all the associated rights and obligations, from a lender to a third party. When purchasing loan assignments, the Sub-Fund assumes the credit risk associated with the corporate borrower only.

Loan participations typically will result in a Sub-Fund having a contractual relationship only with the lender, not with the borrower. A Sub-Fund will have the right to receive payments of principal, interest, and any fees to which it is entitled only from the lender selling the participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing participations, a Sub-Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and a Sub-Fund may not directly benefit from any collateral supporting the loan in which it has purchased the participation. As a result, a Sub-Fund will assume the credit risk of both the borrower and the lender that is selling the participation. In the event of the insolvency of the lender selling a participation, a Sub-Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower.

There are some specific risks associated with investment in loans. For example, the specific collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value. Also, many loans are not actively traded, which may impair the ability of a Sub-Fund to realise full value in the event of the need to liquidate such assets.

Furthermore, the liquidity of assignments and participations is limited and the Company anticipates that such securities could only be sold to a limited number of institutional investors. This will also make it more difficult to value a Sub-Fund and calculate the Net Asset Value per Share.

Some loans may incorporate delayed drawdown characteristics, where although the obligation is created prior to investment the amount advanced is drawn down and repaid and/or redrawn in stages. Furthermore, some loans may incorporate revolving credit characteristics, where although the obligation is created prior to investment the amount advanced may be fully drawn down or drawn down in stages, repaid and redrawn over the term of the loan. In each case, the applicable Sub-Fund is committed to supply these amounts at each stage up to the level of such Sub-Fund's full contractual commitment for the period it remains a participant in the loan facility.

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, the applicable Sub-Fund has direct recourse against the corporate

borrower, such Sub-Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.

Secured Loans

A Sub-Fund may invest in secured loans which are subject to various risks. Secured loans carry the risk that the borrower may default on their repayment obligations. While these loans are backed by collateral, there is no guarantee that the value of the collateral will fully cover the outstanding debt in the event of default. This risk is particularly pertinent for borrowers with lower credit ratings or those operating in volatile industries.

The value of the collateral securing a secured loan may fluctuate over time. Factors such as market conditions, economic downturns, or deterioration in the condition of the asset can lead to a decline in collateral value. If the collateral's value falls below the loan amount, the lender may not recover the full amount owed in the event of default. Additionally, different levels of capital structure (e.g., senior vs. mezzanine loans) may have varying degrees of collateral protection, with senior loans typically having stronger claims on collateral.

Many secured loans are privately issued and traded in a secondary market, which can limit their liquidity. This means that investors may face challenges in selling their positions quickly or at favourable prices, particularly during periods of market stress or when demand for such loans decreases. The liquidity of secured loans can also vary based on their position in the capital structure, with senior loans generally being more liquid than subordinated or mezzanine loans.

The valuation of secured loans can be challenging due to a lack of market transparency and readily available pricing information. This can complicate the assessment of investment value, particularly in illiquid markets. Different levels of capital structure may also have varying valuation challenges, with senior loans typically having more established pricing benchmarks compared to mezzanine or subordinated loans.

The management of secured loans involves complexities, including the need to monitor borrower performance and ensure compliance with loan covenants. Inadequate management or oversight can introduce operational risks, which may result in financial losses for the lender or investor.

Private Credit

A Sub-Fund may invest in private credit which is subject to various risks. Private credit often involves lending to companies with limited access to traditional financing, which can increase the likelihood of defaults compared to more established borrowers.

Private credit investments are typically illiquid, meaning they cannot be easily sold or converted to cash without significant loss in value. This lack of liquidity can pose challenges for investors seeking to exit their positions, especially during market downturns.

The valuation of private credit investments can be challenging due to a lack of market transparency and readily available pricing information. This can complicate the assessment of investment value, particularly in illiquid markets. The management of private credit investments involves complexities, including thorough due diligence, ongoing monitoring of borrower performance, and enforcement of loan covenants. Inadequate management or oversight can lead to operational failures and financial losses.

Changes in regulations affecting lending practices, capital requirements, or the broader financial market can impact the performance and valuation of private credit investments. Regulatory shifts may alter loan terms or the ability to enforce rights in the event of default.

Money Market Instruments

Money market instruments are short-term fixed-income securities, which generally have remaining maturities of one year or less. These are normally dealt on money markets, and may include government or supranational debt securities, commercial paper, certificates of deposit, deposit receipts and other similar instruments. A Sub-Fund may invest in money market instruments as a core element of its investment policy, or for liquidity management or defensive purposes. Money market instruments, while typically of shorter duration, are exposed to broadly similar risks as apply to fixed income securities generally, including credit risk and counterparty risk and liquidity risk. Money market instruments held by a Sub-Fund may subsequently become difficult to sell without a substantial discount because of

reduced liquidity conditions. Such conditions could include a wider stress event affecting liquidity across money markets generally or an adverse credit event or credit ratings downgrade specific to an issuer.

Distressed and in Default Securities

A Sub-Fund may purchase debt securities that are distressed or in default. Distressed debt securities are issued by companies or governments experiencing significant financial challenges but may not yet be in default. While in-default debt securities are those where the issuer of the debt security fails to make interest or principal payments within a specified period. These securities can involve a high risk of loss, as the issuer is likely to be in severe financial distress. Such securities may be subject to lower liquidity, higher volatility and greater risks of loss of principal and interest than high-rated debt securities. They may be subject to extensive legal actions (such as bankruptcy or liquidation of the issuer) whose outcome is quite uncertain.

Frontier Markets

Investments in Emerging Market countries involve risks described above under "Emerging Markets". Investments in Frontier Markets involve risks similar to investments in Emerging Markets but to a greater extent since Frontier Markets are even smaller, less developed, and less accessible than other Emerging Markets. Frontier Markets may also experience greater political and economic instability and may have less transparency, less ethical practices, and weaker corporate governance compared to other Emerging Markets and the relevant Sub-Fund may be adversely impacted. Such markets are also more likely to have investment and repatriation restrictions, exchange controls and less developed custodial and settlement systems than other Emerging Markets. The countries that comprise Frontier Markets include the lesser developed countries located in Africa, Asia, the Middle East, Eastern Europe and Latin America. As a result, the relevant Sub-Fund may be adversely impacted.

Index-Tracking Sub-Fund

In order to meet its investment objective, an Index-Tracking Sub-Fund may seek to achieve a return which reflects the return of its Benchmark as published by the relevant index provider.

While index providers do provide descriptions of what each index is designed to achieve, index providers do not provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of their indices, nor any guarantee that the published indices will be in line with their described index methodologies. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and will be corrected at a Sub-Fund's expense. An Index-Tracking Sub-Fund relies solely on the relevant index provider for information as to the composition and/or weighting of index securities. If the Investment Manager, or the relevant Sub-Investment Manager, is unable to obtain or process such information in relation to any Benchmark on any Business Day for an Index-Tracking Sub-Fund, then the most recently published composition and/or weighting of that Benchmark may be used for the purpose of all adjustments. This may result in an increase in tracking error.

In addition, apart from scheduled rebalances, index providers may conduct additional ad hoc rebalances or adjustments to their indices in order to, for example, correct an error in the selection of index constituents. Where a Benchmark is rebalanced or adjusted and an Index-Tracking Sub-Fund in turn rebalances or adjusts its portfolio, any transaction costs arising from such portfolio rebalancing or adjustment will be borne by the Index-Tracking Sub-Fund and, by extension, its Shareholders. Therefore, errors and additional ad hoc rebalances and adjustments carried out by an index provider to the Benchmark may increase the costs of an Index-Tracking Sub-Fund.

There is no assurance that the Benchmark will continue to be calculated and published on the basis described in the Relevant Supplement or that it will not be amended significantly. The past performance of the Benchmark or any Index-Tracking Sub-Fund is not a guide to future performance.

While an Index-Tracking Sub-Fund seeks to replicate or track the performance of its Benchmark, through replication, optimising or stratified sampling strategies as applicable, there is no guarantee that an Index-Tracking Sub-Fund will achieve this objective. An Index-Tracking Sub-Fund will be subject to tracking error risk, which is the risk that its returns may not match those of the Benchmark, from time to time. This tracking error may result from an inability to hold the exact constituents of the Benchmark which the Index-Tracking Sub-Fund may seek to do as part of its replication, optimising or stratified sampling strategy, for example where there are local market trading restrictions, and/or where the regulations limit

exposure to the constituents of the Benchmark. The holding of Ancillary Liquid Assets for liquidity management purposes may also contribute to higher levels of tracking error.

Changes to the composition and/or weighting of Benchmark will ordinarily require an Index-Tracking Sub-Fund to make corresponding adjustments or rebalancings to its investments in order to seek to track the Benchmark. The Investment Manager relies on the relevant Sub-Investment Manager to rebalance or adjust the composition and/or weighting of the securities held by an Index-Tracking Sub-Fund or to which that Index-Tracking Sub-Fund is exposed from time to time to the extent practicable and possible to conform to changes in the composition and/or weighting of the Benchmark. If any component, or its weighting, within the Benchmark breaches or exceeds any limits applicable to the Index-Tracking Sub-Fund, the Investment Manager shall direct the relevant Sub-Investment Manager to adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.

There can also be no assurance that the provider of any Benchmark will compile the relevant index accurately, or that the index will be determined, composed or calculated accurately. There is also no assurance that the Manager will be able to determine that there has been an error in the Benchmark unless notified by the index provider. In the event of an error in connection with a Benchmark, the Manager will consider the nature, extent and likely duration of the error and any regulatory considerations and determine whether the Index-Tracking Sub-Fund should continue to track or otherwise use that Benchmark having regard to the best interests of Shareholders, or whether the Index-Tracking Sub-Fund's exposures should be altered in order to seek to deliver the exposure which the Benchmark would have delivered had it not been for the error. Investors should note that any such determination will be subject to market risk and there can be no guarantee that the Sub-Fund will not suffer a loss as a result.

Optimisation or Stratified Sampling Risk

It may not be practical or cost efficient for certain Index-Tracking Sub-Funds to replicate their respective Benchmarks fully. Index-Tracking Sub-Funds using optimisation or stratified sampling techniques may potentially be subject to increased tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmarks, when compared to using a full replication index-tracking methodology.

LDI Strategies

Sub-Funds that pursue liability driven investment ("LDI") strategies are often used by pension funds that typically have liabilities that are sensitive to long dated fixed interest rates and/or expected inflation. Such Sub-Funds are often leveraged and highly concentrated in government debt securities and Derivatives. This has the potential to make the return of these Sub-Funds volatile and inappropriate to non-pension fund investors. Pension fund investors should ensure that they have reviewed their allocation to LDI funds in light of their liabilities, taking advice as necessary. In addition, investors should be aware that the Sub-Fund may in some circumstances act to reduce leverage to protect the value of the Sub-Fund in stressed market conditions. This is likely to lead to the Sub-Fund not performing as expected relative to the liabilities.

Furthermore, the use of Derivatives introduces counterparty risk and may amplify losses in adverse market conditions. Additionally, during periods of market stress, the value of derivatives may fluctuate significantly, which can amplify losses if the hedge becomes less effective or if collateral requirements increase unexpectedly. This situation may necessitate the Sub-Fund to take steps to deleverage its positions, such as reducing derivative exposure, liquidating assets, or increasing collateral, potentially at unfavourable prices.

Regulatory changes may also impact the effectiveness or appropriateness of the LDI strategy.

The Investment Manager and/or the Sub-Investment Managers of such Sub-Funds may enter into long-term investments on behalf of the Sub-Funds and if a Shareholder redeems their Shares from the Sub-Funds prior to maturity, this may require securities or Derivatives to be closed out prematurely. This will result in transaction costs for the Sub-Funds which will be reflected in the return of the Sub-Funds. The Sub-Funds may have provisions for an anti-dilution levy which may be levied on redemptions before the ultimate maturity of the Sub-Funds.

Additionally, the Sub-Funds may hold trading positions in markets that are volatile and of limited liquidity. Timely divestiture or sale of trading positions can be impaired by decreased trading volume, increased price volatility, concentrated trading positions, limitations on the ability to transfer positions in highly specialised or structured transactions to which it may be a party, changes in industry and government regulations, and overall position size. It may be impossible or costly for the Sub-Funds to liquidate positions rapidly particularly if there are other market participants seeking to dispose of similar assets at the same time or the relevant market is otherwise moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise.

An investment in such Sub-Funds involves a high degree of risk, including the risk that the entire amount invested may be lost. Such Sub-Funds may invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of individual securities, the risks of leverage, the potential illiquidity of Derivatives and the risk of loss from counterparty defaults.

Quantitative Strategies

The investment strategy of certain Sub-Funds may involve quantitative algorithms and models that rely heavily on the use of proprietary and non-proprietary data, software and intellectual property that may be licensed from a variety of sources. The quality of the resulting analysis and investment selections produced by the portfolio construction process depends on various factors including the accuracy and quality of data inputs into the models used in the investment process, the mathematical and analytical underpinnings of the coding, the accuracy in translating those analytics into program code, the speed that market conditions change and the successful integration of the various quantitative models in the portfolio selection process. To a significant extent, the performance of a strategy that utilises quantitative investment techniques will depend on the success of implementing and managing the investment models that assist in the asset allocation and investment selection process.

Models formulated on the basis of past market data may not be predictive of future price movements. Models may not be reliable if unusual or disruptive events cause market moves the nature or size of which are inconsistent with the historic performance. Models may have hidden biases or exposure to broad structural or sentiment shifts. If actual events fail to conform to the assumptions underlying such models, losses could be incurred.

Quantitative investment techniques also present the risk that errors may occur and such errors may be extremely hard to detect. In some cases, an error can go undetected for a long period of time. In many cases it is not possible to fully quantify the impact of an error given the dynamic nature of the quantitative models and changing markets. Analytical errors, software errors, development errors and implementation errors as well as data errors are inherent risks. Quantitative investment techniques often require timely and efficient execution of transactions. Inefficient execution of trades can eliminate the ability to capture the pricing differentials that the strategy seeks to capture.

REITs

A Sub-Fund may invest in REITs which are pooled investment vehicles that invest primarily in either real estate or real estate related loans. There are particular risks associated with the direct ownership of real estate by REITs in which a Sub-Fund may invest. For example, real estate values may fluctuate as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighbourhood values, changes in how appealing properties are to tenants and increases in interest rates. As well as changes in the value of their underlying properties, the value of REITs may also be affected by defaults by borrowers or tenants.

Furthermore, REITs are dependent on specialised management skills. Some REITs may have limited diversification and may be subject to risks inherent in financing a limited number of properties. REITs depend generally on their ability to generate cash flows to make distributions to shareholders or unitholders, and may be subject to defaults by borrowers and to self-liquidations. In addition, the performance of a U.S. regulated REIT may be adversely affected if it fails to qualify for tax-free pass-through of income under U.S. tax law or if it fails to maintain exemption from registration under the U.S. Investment Company Act 1940, as amended.

Repurchase and Reverse Repurchase Agreements

A Sub-Fund may buy securities subject to reverse repurchase agreements. Reverse repurchase agreements may be entered into for cash management purposes, such as when anticipating large redemptions or seeking investment opportunities. In a reverse repurchase transaction, the Sub-Fund buys a security from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the securities at a mutually agreed-upon date and price. The resale price exceeds the purchase price by an amount that reflects an agreed-upon interest rate effective for the period during which the reverse repurchase agreement is in effect.

A repurchase agreement is the sale of a debt obligation to a party for a specified price, with the simultaneous agreement to repurchase it from that party on a future date at a higher price. Similar to a borrowing, repurchase agreements provide a Sub-Fund with cash for investment and operational purposes. Repurchase agreements that the Sub-Fund may engage in also create leverage. When a Sub-Fund engages in repurchase agreements, changes in the value of a Sub-Fund's investments will have a larger effect on its share price than if it did not engage in these transactions due to the effect of leverage. Repurchase agreements create fund expenses and require that a Sub-Fund have sufficient cash available to repurchase the debt obligation when required.

Repurchase agreements also involve the risk that the market value of the debt obligation that is the subject of the repurchase agreement could decline significantly below the price at which a Sub-Fund is required to repurchase the security. A Sub-Fund will identify liquid assets on its books to cover its obligations under repurchase agreements until payment is made to the other party.

In the event the other party to a Repo Contract becomes subject to a bankruptcy or other insolvency proceeding or such party fails to satisfy its obligations thereunder, the Company could (i) experience delays in recovering cash or the securities sold (and during such delay the value of the underlying securities may change in a manner adverse to the Company) or (ii) lose all or part of the income, proceeds or rights in the securities to which the Company would otherwise be entitled.

Russian Markets

There are significant risks inherent in investing in Russia. There is no history of stability in the Russian market and no guarantee of future stability. The economic infrastructure of Russia is poor and the country maintains a high level of external and internal debt. Tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary or onerous taxes. Banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings. Bankruptcy and insolvency are a commonplace feature of the business environment. Foreign investment is affected by restrictions in terms of repatriation and convertibility of currency.

The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner.

Equity securities in Russia are issued only in book entry form and ownership records are maintained by registrars who are under contract with the issuers. Although a Russian sub-custodian will maintain copies of the registrar's records ("**Share Extracts**") on its premises, such Share Extracts may not, however, be legally sufficient to establish ownership of securities. Further, a quantity of forged or otherwise fraudulent securities, Share Extracts or other documents are in circulation in the Russian markets and there is therefore a risk that a Sub-Fund's purchases may be settled with such forged or fraudulent securities.

A Sub-Fund may invest in bonds which are listed or traded in Russia. A Sub-Fund may be affected unfavourably by sanctions, political developments, social instability, changes in government policies, and other political and economic developments. The Russian securities markets is smaller, less liquid and more volatile than the securities markets in principal developed markets. It may be difficult for a Sub-Fund to buy or sell some securities because of the poor liquidity. There is the potential for unfavourable action such as expropriation, dilution, devaluation, default or excessive taxation by the Russian government or any of its agencies or political subdivisions with respect to investments in Russia by or for the benefit of foreign entities. It is possible that a Sub-Fund's ownership rights could be lost through fraud or negligence. Since Russian banking institutions and registrars are not guaranteed by

the state, a Sub-Fund may not be able to pursue claims on behalf of the Shareholders. Furthermore, the standard of corporate governance and investor protection in Russia may not be equivalent to that provided in developed markets.

Specifically, following Russia's actions in Crimea and Ukraine, as at the date of this Prospectus, the European Union, the United States, the United Kingdom and other countries have imposed sanctions on Russia, which have impacted the value, liquidity and transferability of Russian securities and adversely affect the Russian economy, the Russian currency and/or Russia's credit rating. It has become difficult to continue investing in Russia and/or to liquidate Russian investments and expatriate funds out of Russia and in many instances existing Russian positions have been valued to zero as a consequence. Counter measures taken by the Russian government include freezing or seizing Russian assets of non-Russian individuals.

Securities Lending

A Sub-Fund may engage in securities lending. A Sub-Fund may have a credit risk exposure to the counterparties to any securities lending contract. Sub-Fund investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of a Sub-Fund. To the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), a Sub-Fund will have a credit risk exposure to the counterparties to the securities lending contracts.

Securitised Debt

Securitised debt, including mortgage-backed securities ("**MBS**") and asset-backed securities ("**ABS**"), as well as other types of collateralised debt securities, can involve a number of risks including prepayment and extension risks, liquidity, and credit risk.

MBS including collateralised mortgage obligations ("**CMOs**"), are debt securities which may be agency (issued by quasi US government agencies) and non-agency (issued by private institutions) that are backed by mortgages, including residential and commercial mortgages. ABS which can include collateralised debt obligations ("**CDOs**") or collateralised loan obligations ("**CLOs**"), are structured like MBS but are backed by assets like auto loans, credit card receivables, or leases of real and personal property.

Throughout the lifespan of ABS and MBS, principal and interest payments from the underlying pool of assets are passed through to the holders of these securities. This can result in prepayment and or extension risks. Falling interest rates tend to increase prepayment rates, shortening the average life of the underlying pool of assets. Conversely, rising interest rates tend to decrease prepayment rates, lengthening the average life. As a consequence, reinvestment of prepayments may occur at higher or lower interest rates than the original investment, thus affecting the overall yield.

The credit quality of most of the asset back securities, including MBS, depends primarily upon the credit quality of the underlying pool of assets and may be lower compared to other debt securities. To the extent that the debts underlying such securities go into default or become non-collectable, the securities based on those debts will lose some or all of their value.

Securitised debt can be subject to liquidity risk. This means that these securities may be more difficult to buy or sell in the market compared to other types of investments. The liquidity of securitised debt can be influenced by factors such as market conditions, investor demand, and the complexity of the underlying assets.

CMOs, CLOs and CDOs

CMOs, CDOs and CLOs carry similar risks to those of MBS and ABS as described above. The underlying pool of assets of these securities are typically separated into tranches representing different degrees of credit quality. Lower-rated tranches, often referred to as subordinated or equity tranches, carry higher credit risk compared to higher-rated tranches, as they are the first to absorb any losses in the event of defaults or delinquencies on the underlying loans.

Agency MBS

MBS may be issued by government agencies, notable examples are MBS issued by the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac), each of which are US government sponsored agencies. Although agency MBS are backed by government-sponsored entities these still carry an element of credit risk.

Interest Only Securities

The yield to maturity on interest only securities and principal only securities that are purchased at a substantial premium or discount generally are extremely sensitive not only to changes in prevailing interest rates but also to the rate of principal payments (including prepayments) on the related underlying mortgage assets, and a rapid rate of principal payments may have a material adverse effect on such securities' yield to maturity. If the underlying mortgage assets experience greater than anticipated prepayments of principal, a Sub-Fund may fail to fully recoup its initial investment in these securities even if the securities have received the highest rating by a nationally recognised statistical rating organisations.

Sukuk Investment

Price fluctuations in Sukuk are influenced primarily by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Sukuk prices could fall when capital market interest rates rise, and the prices could increase when capital market interest rates falls. The price changes also depend on the term or residual time to maturity of the Sukuk.

Sukuk are also subject to credit risk. Credit risk refers to the probability that an asset or loan becomes irrecoverable due to a default or delay in settlements. Sukuk are issued, for the most part, in emerging markets where counterparties possess less sophisticated risk management mechanisms. Lack of case law and legal precedent with respect to default for effective enforcement means there is uncertainty as to whether Sukuk certificate holders will be able to enforce their contractual rights in the relevant courts should there be a default. Furthermore, the rescheduling of debt at a higher markup rate is not possible due to the prohibition of charging interest for Islamic investments. Consequently, counterparties would be more inclined to default on their commitments.

The Sukuk offering documents typically have provisions for the termination of the certificate in the event of a default by the obligor. If the obligor fails to discharge its obligations under the Sukuk, the Sukuk certificate holder can exercise the right to nullify the contract and force the obligor to buy back the assets. Furthermore, in the event that the obligor fails to reimburse the principal amount, the Sukuk certificate holder can exercise the right to take legal action and force the obligor to enter into debt-rescheduling proceedings.

For sovereign Sukuk, the governmental entity that controls the payment or redemption of sovereign Sukuk may not be able or willing to pay the principal and/or return when due in accordance with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of payment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund. Sovereign Sukuk holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such debt by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment).

Sustainable Investing

The application of binding sustainability criteria including exclusions for a Sub-Fund may cause the Sub-Fund to perform differently to other funds that invest in similar assets but do not apply such sustainability criteria in choosing investments. While the Investment Manager believes such sustainability criteria can improve long term risk and return outcomes for investors, there can be no assurance this will be successful and the relevant Sub-Funds may underperform the market or their peers which are not similarly constrained.

Sustainability Risks

Sustainability Risks can have a material impact on long-term risk and return outcomes. The severity and probability of Sustainability Risks will vary across Sub-Funds depending on a range of factors including but not limited to the nature of the investment strategy, the asset class, any sectoral or regional focus for the strategy or the anticipated investment horizon. From an asset class perspective, equities will typically have greater exposure to Sustainability Risks than other asset classes such as sovereign debt, however such Sustainability Risks may vary considerably according to region or industry. For example, energy or utilities companies may be more susceptible to risks associated with climate change and the transition to a low-carbon economy. Emerging Markets may also have greater sensitivity to physical risks associated with climate change such as natural disasters and the degradation of natural resources.

Trade Finance

Investing in trade finance as an asset class carries several risks similar to those of investing in fixed income generally. These include credit risk from counterparty defaults. Investing in this asset class will often rely on specialist sourcing providers to source the volume and range of financing opportunities to underlying businesses and to engage in day-to-day management of those relationships including the collection of payments. Returns can depend on the performance of such sourcing providers and could be substantially adversely affected by their unfavourable performance. Sourcing providers may play an important role in the on-going cash and collateral management as well as in the monitoring of investments. The failure of a sourcing provider to fulfil such tasks may cause losses. In addition, purchase orders, invoices or receivables presented for financing may be fake or duplicative or may have been altered in which case finance would be advanced without acquiring a valid asset and this may result in a loss. Suppliers may have already assigned or pledged receivables to another party in which case, finance may be advanced without acquiring a valid asset. Additionally, trade finance may involve increased operational risks from documentation errors, errors in automated processing, legal and jurisdictional complexities in cross-border enforcement, liquidity constraints due to limited secondary markets in trade finance investments, and geopolitical or macroeconomic disruptions that can impact trade flows and repayment reliability.

Underlying Funds

Sub-Funds investing in Underlying Funds including ETFs will be subject to the risks associated with the investments of those Underlying Funds and will bear a pro rata portion of the Underlying Funds expenses, in addition to the costs and expenses associated with the Sub-Fund. Where disclosed in the Relevant Supplement the Underlying Funds may be unregulated. Investors should note that unregulated funds will generally not have an equivalent level of investor protection to that provided under Irish laws, regulations and conditions governing collective investment schemes.

The manager of an Underlying Fund may use proprietary investment strategies which may involve risks under some market conditions that are not anticipated by the Investment Manager. Investment decisions of the Underlying Funds are made by the managers of those Underlying Funds entirely independent of the Investment Manager, and of each other. As a result, at any particular time, one Underlying Fund may be purchasing securities of an issuer whose securities are being sold by another Underlying Fund. Consequently, a Sub-Fund could incur indirectly certain transaction costs without accomplishing any net investment result.

A Sub-Fund may invest in Underlying Funds which provide limited redemption facilities. Such investments may restrict the ability of a Sub-Fund to meet large redemption requests as a Sub-Fund's ability to meet redemption requests is dependent upon a Sub-Fund's ability to redeem its investment from an Underlying Fund.

The Underlying Funds in which a Sub-Fund may invest may utilise leverage in their investment programs. Such leverage may take the form of loans for borrowed money, trading on margin, derivative instruments that are inherently leveraged, including among others forward contracts, futures contracts, swaps and repurchase agreements, and other forms of direct and indirect borrowings, increasing the volatility of the Underlying Fund's investments. The use of leverage by the Underlying Funds may substantially increase the adverse impact to which the investment portfolios of the Underlying Funds may be subject.

For information about the net asset value and portfolio composition of an Underlying Fund, the Investment Manager will be dependent on information provided by the Underlying Funds, which, if

inaccurate, could adversely affect the Investment Manager's ability to manage the assets of the Sub-Fund in accordance with its investment objective, and to value accurately the Net Asset Value of a Sub-Fund. Shareholders have no individual rights to receive information about Underlying Funds or the managers of those Underlying Funds, will not be investors in the Underlying Funds and will have no rights with respect to or standing or recourse against, the Underlying Funds, the managers of the Underlying Funds, or any of their affiliates. In addition, as ETFs are traded on stock exchanges, they may not necessarily trade at the net asset value of their underlying holdings. As a result, their market price may be above or below the value of the underlying portfolio.

To the extent that any of the Underlying Funds invest in other collective investment schemes, investors will be subject to higher fees arising from the layered investment structure as fees may arise at three levels; a Sub-Fund, the Underlying Fund and the funds in which the Underlying Fund invests. This investment structure may also result in a lack of transparency with respect to investments in which a Sub-Fund has an indirect interest.

Alternative Investment Strategies

A Sub-Fund may have exposure to alternative investment strategies, and this may be achieved through investing in Underlying Funds. Alternative investment strategies, which can include hedge funds, may utilise leverage and complex trading techniques and may engage in higher risk investment practices that can increase the risk of investment loss.

Underlying Funds using alternative investment strategies may be exposed to increased liquidity risks and, where investing mostly in private securities without readily available market pricing, there may be associated risk and uncertainty to the valuation of the Underlying Fund. Underlying Funds with alternative investment strategies can often charge higher fees, including performance-based fees applied to unrealised gains.

Feeder Funds

Where provided for in the Relevant Supplement, a Sub-Fund may be constituted as a feeder fund and, as such, will invest substantially all of its net assets in a single underlying fund ("**Master Fund**") (excluding any holding of ancillary liquid assets and/or Derivatives for hedging purposes).

Where a Sub-Fund invests as a feeder, it depends upon the Master Fund for its investment performance and is exposed to similar risks as those applicable at the level of the Master Fund. In addition to fees and expenses arising directly at the level of the feeder Sub-Fund, fees and expenses will arise at the level of the Master Fund. A feeder Sub-Fund may, in aggregate, be subject to higher fees and expenses than would apply to a directly trading portfolio approach.

Where the Master Fund in which a feeder Sub-Fund invests applies liquidity management tools (such as deferring redemptions or temporary dealing suspensions), the feeder will likely also have to apply similar measures given the reliance on the Master Fund for dealing and liquidity. Master Funds may be permitted to redeem their interests in-kind. Thus, upon a Sub-Fund's withdrawal of all or a portion of its interest in a Master Fund, the feeder Sub-Fund may receive securities that are illiquid or difficult to value. In these circumstances, the Sub-Fund would seek to dispose of these securities in an appropriate manner.

Since a feeder Sub-Fund may make investments in or effect withdrawals from a Master Fund only at certain times pursuant to limitations set forth in the governing documents of the Master Fund, the feeder Sub-Fund from time to time may have to invest a greater portion of its assets temporarily in money market securities than the Investment Manager (or its delegate) otherwise might wish to invest, the feeder Sub-Fund may not be able to withdraw its investment in an Master Fund promptly after it has made a decision to do so, and the feeder Sub-Fund may have to borrow money to pay redemption proceeds. This may adversely affect the feeder Sub Fund's investment return.

Fund of Property Funds

Although the Investment Manager expects to receive detailed information from the investment manager of each REIT regarding its investment performance on a regular basis, the Investment Manager may have limited access to the specific underlying holdings of the property funds and little ability to independently verify the information that is provided by the investment managers of the REITs.

Since a Sub-Fund may make investments in or effect withdrawals from a property fund only at certain times pursuant to limitations set forth in the governing documents of the property fund, a Sub-Fund from time to time may have to invest a greater portion of its assets temporarily in money market securities than they otherwise might wish to invest, a Sub-Fund may not be able to withdraw its investment in a property fund promptly after it has made a decision to do so and a Sub-Fund may have to borrow money to pay redemption proceeds. This may adversely affect a Sub-Fund's investment return.

CHINA MARKET RISKS

Please see Appendix II.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company. Prospective Shareholders should read this entire Prospectus and Relevant Supplement(s) and consult with their own advisers before deciding whether to invest in the Company.

AVAILABLE SHARE CLASSES

The Directors have authority to effect the issue of Shares in any Sub-Fund or Class in respect of a Sub-Fund and to create new Series or Classes of Shares on such terms as they may from time to time determine in relation to any Sub-Fund. The Directors may decide to create within each Sub-Fund, different Share Classes with specific features such as different currencies, distribution policies, currency hedging and different levels of fees and expenses. See "**Share Class Features**" below for information on the possible combination of Share Class features.

Details of all available Share Classes for each Sub-Fund may be requested from the Manager. The creation of new Share Classes in respect of a Sub-Fund will be effected in accordance with the requirements of the Central Bank.

The Directors offer various Classes of Shares for investment in the Sub-Funds. In addition to the information in this Prospectus, certain information regarding the Classes of Shares available for each Sub-Fund and information relating to dealing in such Shares is contained in the Relevant Supplement.

Investor Eligibility and Minimum Subscription

Investment in Shares is limited to Qualifying Investors.

To be entered on the register of Shareholders investors must: (i) apply for or acquire Shares in the Company with an aggregate value not less than €100,000 (or its foreign currency equivalent); and (ii) certify in writing that they are Qualifying Investors and that they are aware of the above average risk involved in investment in the Company and of the fact that inherent in the investment is the potential to lose all of the sum invested. The Company shall not accept subscriptions from persons that group amounts of less than €100,000 for individual investors. In addition, certain Knowledgeable Investors may also invest in the Company. Knowledgeable Investors will not be subject to the minimum subscription requirements or minimum net worth requirements applicable to other investors.

Initial Offer of Shares

All Classes of Shares which have not already been issued may be offered at the applicable initial offer price and during the initial offer period as disclosed in the Relevant Supplement. The initial offer period for unlaunched Classes of Shares will run for the initial offer period specified in the Relevant Supplement unless shortened or extended by the Directors at their discretion. The initial offer period for a Class of Shares may end on any earlier date on which the Company receives the first application for subscription in the relevant Class or such other dates as the Directors may determine (the "**Closing Date**").

The application for Shares must be made by 1:00 pm (Irish time) or by such other time on a Closing Date as may be set out in the Relevant Supplement as the deadline for receipt of applications for Shares. An Application Form must be completed and submitted to the Administrator in accordance with the procedures described under the "**Making an Investment**" section below in the case of subscriptions and, unless otherwise provided in a Relevant Supplement, the subscription proceeds must be received no later than two Business Days (subject to any other time set out in a Relevant Supplement) following the relevant Closing Date (or such other time as the Directors may determine from time to time).

Following the Closing Date of the relevant Share Class, any subsequent issues of new Shares for the Class will be made with effect from a Dealing Day in accordance with the subscription terms and procedures described under the "**Making an Investment**" section below, unless otherwise specified in a Relevant Supplement. The Net Asset Value per Share will be calculated separately for each Class of Shares (see "**Determination of Net Asset Value**" section below for more information).

Share Class Types and Eligibility Criteria

The Manager may offer various Classes of Shares for investment in the Sub-Funds. As of the date of this Prospectus, the types of Classes of Shares that are available across the various Sub-Funds, including applicable eligibility requirements, are set out below (save that additional Class types beyond

those listed below may be available for a Sub-Fund where so disclosed in a Relevant Supplement ("Share Class Type").

Class A Shares: are available to all investors that are qualified to hold Shares in the Sub-Funds.

Class B Shares: are for clients of the Investment Manager or its affiliates who pay a Manager Fee representing the aggregated fees of the Manager and the anticipated fees associated with the Sub-Investment Managers and Underlying Fund managers as appropriate.

Class E Shares: are only available to clients of the Investment Manager or its affiliates pursuant to a separate contractual arrangement in respect of additional distribution or advisory services provided.

Class I Shares: are only available in respect of certain Sub-Funds, details of which will be disclosed in the Relevant Supplement

Class X and Y Shares: are only available to clients of the Investment Manager or its affiliates pursuant to a separate contractual arrangement.

Class Z Shares: are offered primarily to clients of the Investment Manager or its affiliates pursuant to an investment management agreement. The Sub-Funds of the Company and any other fund for which the Manager or any of its affiliates may serve as manager or investment manager may also invest in Class Z Shares.

Share Class Features

The Directors may offer Share Classes with different features within each of the available Share Class Types for each Sub-Fund in accordance with the requirements of the Central Bank. The available Share Class Types for a particular Sub-Fund, and additional information on features of such Class Type to the extent not addressed specifically herein, will be set out in the Relevant Supplement.

The Share Class naming convention will describe the features of the particular Share Class through a combination of letters and numbers used to denote each feature or combination of features. Please refer to the table below for an illustration of how the Share Class Type, fees and other features are denoted with reference to the Share Class naming convention. This naming convention shall apply to a Class unless stated otherwise in the Relevant Supplement.

Sample Share Class 1 "A17-H-0.5200-GBP-P"

Sample Share Class 2 "A3-0.22-D-EUR"

	Class Type	Class Number	Class Currency Hedging	Mgmt. Fee	Distribution Policy	Class Currency	Performance fee
#1	A	17	H	0.52%		GBP	P
#2	A	3		0.22%	D	EUR	

Feature	Description
Class Type	See above under " Share Class Types and Eligibility " for the different Share Class Types available.
Class Number	The Directors may, at their discretion, launch new Share Classes within the same Share Class Type but with differing Management Fee levels, provided such Management Fee does not exceed the maximum percentage per annum Management Fee applicable to the Share Class Type as set out in the Relevant Supplement. Information on launched Share Classes across each Share Class Type for a Sub-Fund, including the applicable Management Fees per Share Class, is available on request from the Manager.

Feature	Description
	<p>A Class Number may be used to differentiate between Classes within each Share Class Type. For illustration, two separate type A Classes are set out below with differing Management Fees; Class "A11" designation has a Management Fee of 0.32%, Class "A17" designation has a Management Fee of 0.52%. These Classes would be named as follows:</p> <p>A11-H-0.3200-D-GBP</p> <p>A17-H-0.5200-D-GBP</p>
Class Currency Hedging	<p>Share Classes may be hedged or unhedged. Save where otherwise provided in a Relevant Supplement, for Share Classes where hedging is applicable ("Partially Hedged Share Classes" and "Hedged Share Classes"), "Hedged" or "H" will appear in the Share Class name, otherwise the Share Class should be considered to be an unhedged Share Class.</p> <p>Where disclosed in the Relevant Supplement, the Investment Manager (or its delegate) may employ strategies aimed at hedging against currency risk at a Share Class level. Currency hedging is undertaken for the benefit of the Hedged Share Classes and the fees and related liabilities and/or benefits shall accrue solely to the relevant Hedged Share Classes.</p> <p>Differing Share Class hedging methodologies may be applied in relation to Hedged Share Classes, as more fully set out below under "Share Class Hedging Methodologies" (or as may be otherwise set out in a Relevant Supplement).</p>
Management Fee	<p>Save where otherwise provided in a Relevant Supplement, the applicable Management Fee levied in respect of a Class will form part of the Class nomenclature and will be reflected by a number of up to five digits in the Share Class name.</p> <p>Save where otherwise provided in a Relevant Supplement, the Manager shall charge a Management Fee to each Share Class of a Sub-Fund up to a maximum percentage per annum per Share Class Type as set out in the Relevant Supplement. Save where otherwise provided in a Relevant Supplement, the number included in the Share Class name represents the actual Management Fee charged to the relevant Share Class as a percentage per annum (which will be the same or lower than the maximum Management Fee permitted for the Share Class Type). See the "Fees and Expenses" section for further details in relation to the Management Fee.</p>
Distribution Policy	<p>A Sub-Fund may issue Accumulating Share Classes and/or Distributing Share Classes. Each Share Class which has "D" or "Distributing" in its name denotes a Distributing Share Class, otherwise the Share Class should be considered to be an Accumulating Share Class.</p> <p>For all Accumulating Share Classes, the Directors intend to automatically retain all income and do not intend paying distributions. For Distributing Share Classes, a Sub-Fund will pay a distribution to the Shareholders of income net of all expenses in accordance with the distribution schedule in the Relevant Supplement. Please see the "Distribution Policy" section below for more information.</p>
Class Currency	<p>The currency of denomination of the relevant Share Class (also known as the Class Currency) is represented by either a three letter currency code or a currency symbol in the Class name.</p> <p>Save where otherwise provided in a Relevant Supplement, each Share Class will be available in the Base Currency for a given Sub-Fund, and also in the following additional currencies:</p>

Feature	Description
	<p>U.S. Dollar (USD), Sterling (GBP), Euro (EUR), Swedish Krona (SEK), Norwegian Krone (NOK), Danish Krone (DKK), Japanese Yen (JPY), Canadian Dollar (CAD), Australian Dollar (AUD), Swiss Franc (CHF), New Zealand Dollar (NZD), Singapore Dollar (SGD), Hong Kong Dollar (HKD), Mexican Peso (MXN), South African Rand (ZAR), Chinese Yuan Renminbi (CNH) (together referred to in a Relevant Supplement as the "Standard Currency Options").</p> <p>Investors should refer to the Relevant Supplement for the currencies available for Share Classes for a particular Sub-Fund.</p>
Performance fee	Where a performance fee is applicable to a Share Class, "P" will appear in the Share Class name.

Share Class Hedging Methodologies

A Sub-Fund may offer Hedged Share Classes and such Classes may use a hedging methodology of the type described below, subject to any other model which may be disclosed in the Relevant Supplement. For Classes of Shares denominated in a currency other than the Base Currency of the Sub-Fund and which are not identified as Hedged Share Classes, these Classes are unhedged, and a currency conversion will take place on subscription, switching, redemption and distributions in relation to those Classes at prevailing market exchange rates. The value of Shares of a non-Base Currency unhedged Share Class will be subject to exchange rate risk in relation to the Base Currency.

Exposure Hedging: The Investment Manager (or its delegate) will seek to hedge the relevant Class Currency against any investments held in the Sub-Fund which are denominated in a currency other than the Class Currency. This is to ensure that Shareholders in the Hedged Share Classes receive a return in the relevant Class Currency which is not materially affected by changes between the value of the relevant Class Currency and the currency or currencies in which the assets of the Sub-Fund are denominated, although there is no guarantee that the Investment Manager (or its delegate) will be successful in this regard.

It may not be practical or efficient to hedge the foreign currency exposure of a Class exactly to the currency or currencies in which all the assets of the Sub-Fund are denominated. Accordingly, in devising and implementing its hedging strategy, the Investment Manager (or its delegate) may hedge the foreign currency exposure of the Shares to the major currencies in which the assets of the Sub-Fund are, or are expected to be, denominated. In determining the major currencies against which the foreign currency exposure of the relevant Class should be hedged, the Investment Manager (or its delegate) may have regard to any index which is expected to closely correspond to the assets of the Sub-Fund.

While this type of Hedged Share Class will hedge an investor's currency exposure from a decline in the value of the currencies in which the investments of the Sub-Fund are denominated against the Class Currency, investors will not generally benefit when the Class Currency of the relevant Hedged Share Classes appreciates against the currencies in which the investments of the Sub-Fund are denominated.

NAV Hedging: Under this model, a Hedged Share Class which has a Class Currency other than the Base Currency of the Sub-Fund, will be hedged against the Base Currency of the relevant Sub-Fund. The intention of this model is to allow Shareholders to receive a return in the currency of their Hedged Share Class substantially in line with the investment objective of the Sub-Fund and its Base Currency performance, although there is no guarantee that the Investment Manager (or its delegate) will be successful in this regard. Shareholders of this type of Hedged Share Class will still be exposed to fluctuations in foreign exchange rates to the extent the Sub-Fund does not hedge against currency fluctuations at a portfolio level.

Partial Hedging: Under this model, the Investment Manager (or its delegate) will seek to hedge only a portion of the Hedged Share Class Net Asset Value against either the Sub-Fund's Base Currency or the Sub-Fund's investments, depending on particular methodology. Where a Hedged Share Class uses a partial hedging model, details of the specific partial hedging model applicable to the relevant Sub-Fund will be set out in the Relevant Supplement.

Additional information on Hedged Share Classes: As foreign exchange hedging will be utilised solely for the benefit of Hedged Share Classes, transactions will be clearly attributable to the relevant Hedged Share Classes and costs and related liabilities and/or benefits will be for the account of the relevant Hedged Share Classes only.

It is not intended that a Hedged Share Class should be leveraged as a result of the use of hedging techniques and instruments. While not the intention, over-hedged or under-hedged positions may arise due to factors outside the control of the Investment Manager (or its delegate). Foreign exchange hedging will not be used for speculative purposes in respect of the Hedged Share Classes.

The Investment Manager (or its delegate) will seek to ensure that over-hedged positions do not exceed appropriate limits (such as 105% of Net Asset Value attributable to the relevant Class or any other limit set out in a Relevant Supplement) and that under-hedged positions do not fall short of the limits determined and applied by the Investment Manager in relation to the Hedged Share Class (which will usually be 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged or such other limit specified in a Relevant Supplement). The Investment Manager (or its delegate) will review and seek a rebalancing of over-hedged/under-hedged positions where these are outside of appropriate limits and tolerances and may seek to rebalance positions from month to month, or at such other frequency as is appropriate in the circumstances of the given Sub-Fund and Class, and as may be specified in a Relevant Supplement.

Purchasers of Hedged Share Classes should note that there are various risks associated with foreign exchange hedging strategies. Please see the "**Currency Hedged Share Class**" and "**Currency**" risk in the "**Special Considerations and Risk Factors**" section above.

DISTRIBUTION POLICY

The Company may make Distributing Share Classes available in respect of a Sub-Fund. For Distributing Share Classes, the Company shall distribute and / or accrue capital gains / losses and income (and subject to the Articles and any terms in a Relevant Supplement on basis of calculation of distributable amounts) to each Shareholder in that Distributing Share Class relative to their participation in the relevant Class for the relevant Sub-Fund.

For all other Classes of Shares, these will be Accumulating Share Classes and the Directors intend to automatically retain income and do not intend paying distributions.

Distributions, if any, shall be declared on such dates and at such frequency as the Directors may determine. The Relevant Supplement shall disclose the scheduled distribution dates applicable for a Sub-Fund or Class. The Directors (or their delegate) may determine to vary the scheduled distribution date or may, at their discretion, from time to time declare ad hoc distribution date(s). Such changes shall be notified in advance to affected Shareholders. Distributions shall be equal to substantially all of the net income arising on the Distributing Share Classes, and shall be calculated and determined in accordance with the Articles.

Distributions will be paid by electronic transfer and, as far as practicable, it is intended that payments will be within one month of the relevant declaration date (or within such other period as may be specified in the Relevant Supplement). Save where specified in a Relevant Supplement that distributions are only made in cash, each holder of Distributing Shares has the option to take distributions in cash or to reinvest in the Sub-Fund by the allotment of additional Shares at the relevant Net Asset Value per Share. A Sub-Fund's default position will be to reinvest distributions into the Shares of the Sub-Fund. Those Shareholders wishing to have their distribution automatically paid in cash should elect for such method when completing the Application Form.

No distribution shall bear interest against the relevant Sub-Fund or the Company. All unclaimed distributions may be invested or otherwise made use of for the benefit of the relevant Sub-Fund until claimed. Any distribution unclaimed after six years from the date when it first became payable shall be forfeited automatically, without the necessity for any declaration or other action by the Company.

A Sub-Fund may operate income equalisation arrangements in relation to Distributing Share Classes with a view to ensuring that the level of distributions payable on those Shares is not affected by the issue

or redemption of those Shares during an accounting period. When a Sub-Fund operates income equalisation, the price at which Shares are bought by a Shareholder may be deemed to include an amount of net accrued income and the first distribution which a Shareholder receives from that Sub-Fund may therefore include a repayment of capital.

The Directors may at their discretion change the distribution policy in respect of a Sub-Fund or Class and upon advance notification to affected Shareholders. In such circumstances, the updated distribution policy will be disclosed in an amended Prospectus and/or Relevant Supplement as applicable.

Shareholders should note that where distributions are paid out of capital, the capital of such Shares will be eroded. Such dividends will be achieved by foregoing the potential for future capital growth and that this cycle may be continued until all capital in respect of the Shares are depleted. Such Shareholders should also be aware that the payment of distributions out of capital by a Sub-Fund may have different tax implications for them as opposed to distributions of income and Shareholders should seek tax advice in this regard.

MANAGEMENT AND ADMINISTRATION

The Company has appointed the Manager as AIFM of the Company. The Manager has delegated portfolio management responsibilities to the Investment Manager. The Investment Manager may, in turn, appoint Sub-Investment Managers in respect of each of the Sub-Funds. The Investment Manager (or its delegate) has responsibility for investing and managing the assets of the relevant Sub-Funds according to their investment objectives. Details of any Sub-Investment Managers will be disclosed in the Relevant Supplement for the relevant Sub-Fund, which will be available on request from the Investment Manager and will be contained in the periodic reports issued in relation to each Sub-Fund. The fees of the Sub-Investment Managers will either be paid out of the fees of the Investment Manager or paid from the assets of the relevant Sub-Fund.

The Manager has retained the Administrator to prepare and maintain the books and records of the Company and each Sub-Fund and to provide related administration and accounting services. The Company has appointed the Depositary as depositary of the Company with responsibility for the safe-keeping of the assets of each Sub-Fund and the settlement of transactions for each Sub-Fund. The Depositary may employ a global sub-custodian or various sub-custodians outside Ireland. The Manager has appointed the Distributor as distributor of each Class of Shares in the Sub-Funds. See “The Investment Manager and Distributor” below.

The Directors

The Directors are responsible for managing the business affairs of the Company. The Directors have delegated certain of their powers, duties, discretions and/or functions to the Manager, which will in turn delegate the management of the assets and investments of each Sub-Fund to the Investment Manager. The Investment Manager may further delegate the management of the assets to such Sub-Investment Manager or Sub-Investment Managers as shall be specified in the Relevant Supplement. The Manager has delegated the day-to-day administration of the Company’s affairs, including the calculation of the Net Asset Value and the Net Asset Value per Share, shareholder registration and transfer agency duties to the Administrator. The Manager has also delegated the marketing, distribution and sale of Shares to the Distributor.

The Directors are listed below with their principal occupations. The Company has granted indemnities to the Directors in respect of any loss or damages which they may suffer save where this results from the Directors’ negligence, default, breach of duty or breach of trust in relation to the Company. The Articles do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The address of the Directors is the registered office of the Company.

Susan Dargan (Irish) is an independent non-executive director with a focus on funds servicing, insurance and life assurance. She has worked in the financial services industry for over 30 years with experience in fund administration, custody and alternative asset servicing. She spent over 15 years working with State Street. Her most recent role was Executive Vice President - Co Head of European Fund Administration with responsibility for Ireland and Luxembourg. Other roles with State Street included Ireland Country Head and COO. For over 7 years she worked with Bank of Ireland Securities Services serving as a director with a focus on client service delivery. She was also active in the development of the financial services industry in Ireland as Chair of Financial Services Ireland, a member of the government’s International Financial Services 2020 working group and as a director of the European Institutional Money Market Fund Association. Previous roles included working with The Northern Trust Co and Mitsubishi Bank in London. She started her career working with AIB in Ireland.

Michael Aherne (Irish) is CEO of Mercer Global Investments Management Limited (MGIM) and has over 25 years’ experience in the Financial Services Industry. Michael began his career with Hibernian Investment Managers (Aviva Investors) in 1998 where he held various roles including Portfolio Risk Manager and Equity Fund Manager. He joined Mercer’s Investment Solutions business in 2013 and has served as Chief Risk Officer and Chief Compliance Officer for its MiFID authorised firm, Mercer Global Investments Europe Limited. He has also previously served as Chief Compliance Officer, Designated Person for Regulatory Compliance and Money Laundering Reporting Officer for MGIM. During his tenure with Mercer, Michael led the dedicated second line Risk & Compliance teams responsible for delivering sustainable, scalable and risk controlled growth across multiple markets and client segments through

the design and implementation of robust governance and risk management frameworks. Michael holds a B.Sc. in Airgeadais, Ríomhaireacht & Fiontraíocht (Finance, Computing & Enterprise) from Dublin City University taught through the medium of Irish. He also holds an MSc Master's degree with honours from Dublin City University in Investments and Treasury Management, which he gained in 2002.

Gráinne Alexander (Irish) is an independent non-executive director. A Fellow of the Society of Actuaries in Ireland, she has worked in the investment industry for over thirty years with experience as a senior executive in fund management, investment strategy, investment consultancy and company management. She was a European partner at Mercer Investment Consulting and following that, CEO at F&C Management's Irish asset management firm, F&C Ireland. She was also a director of the Irish Association of Investment Managers and a director of Cayman listed funds. Gráinne is currently a non-executive director of a broad range of investment fund complexes with investment managers Goldman Sachs, Neuberger Berman and Mercer Europe. She has a Diploma in Company Direction from the Institute of Directors. Gráinne completed the Chartered Alternative Investment Analyst Association Certificate in the Fundamentals of Alternative Investments in 2021 and was awarded a Certificate in Responsible & Sustainable Finance by University College Dublin in 2022.

Carmel Jordan (Irish) is the Global Chief Operating Officer for Growth & Propositions for Mercer's Investment Solutions business. Carmel began her career with Price Waterhouse and gained experience through a series of senior roles in a number of professional and financial services organisations and now has over 30 years' experience across a broad range of disciplines. During her ten-year tenure with Mercer, Carmel led the Mercer Investment Operations and Technology teams responsible for the design and implementation of investment solutions across multiple market and client segments. Carmel has also held the role of Global Transformation Officer within Mercer's Investment Solutions business. In that role, Carmel laid the foundations for the transformation of Mercer Investment Solutions data, digital and technology infrastructure. Most recently, Carmel was CEO of Mercer Global Investments Management Ltd. Carmel holds a B.A. in Finance from Dublin City University and is a fellow of the Institute of Chartered Accountants Ireland. She also holds an MSc. in Business Administration from Trinity College Dublin.

Jimmy Furlong (Irish) is the Head of Solutions and Analytics for Mercer's Investment Solutions business. Jimmy leads a team of investment professionals who are responsible for understanding the needs of Mercer's varied client base, and for designing solutions using the best combination of Mercer's investment decision-making, implementation and analytics capabilities. He leads a Portfolio Analytics team that provides a wide range of portfolio intelligence and investment insights to some of Mercer's largest and most sophisticated clients, while also being responsible for the investment risk management of all Mercer Irish funds and discretionary client portfolios. Jimmy has been in his current role since 2020 having joined in 2011 as Head of Investment Risk. Prior to joining Mercer, he led the Investment Solutions team for Bank of Ireland Asset Management (which was acquired by SSgA). Previously, during his time working with another large Irish investment manager, he was a portfolio manager covering, at various times, Eurozone bonds, international bonds, Japanese equities and Pacific Basin ex-Japan equities. He subsequently established and led a Risk Budgeting team which oversaw the portfolio construction and risk management of a wide range of client portfolios. Jimmy graduated from University College Dublin in 1986 with an honours Degree in Commerce, and gained a Master's Degree in Management Science the following year.

Liam Miley (Irish) is an independent non-executive director of a number of investment management, fund and other financial services companies. He has over 40 years' experience in the financial services sector. Between January 2012 and May 2015, he served with BlackRock Inc. both in an executive role as a managing director within the Financial Markets Advisory Group EMEA region, and as a non-executive director of BlackRock Asset Management Ireland Limited. Prior to joining BlackRock, Mr Miley served with LBBW Asset Management (Ireland) plc ("LBBWI") for 12 years, initially as head of credit, and from 2002 as managing director. LBBWI was a licenced bank until 2008 when it was converted to a MiFID authorised firm, involved in the provision of investment management, risk analytics, valuations and administration services to funds and conduit structures. Prior to joining LBBWI, he held a variety of positions with Industrial Credit Corporation, Barclays Bank-BZW and Smurfit Paribas Bank over a period of 18 years. Mr Miley is a Fellow of the Association of Chartered Certified Accountants, a graduate of the Advanced Management Program in Harvard Business School and is a Chartered Director.

Helen O'Beirne (Irish) is Director – Implementation Services for the Investment Manager and has over 25 years' experience in the financial services industry having previously worked in Asset Management, Investment Banking and Wealth Management. Prior to joining Mercer, Helen was a Director at BlackRock and worked closely with a number of BlackRock's European domiciled fund management companies whilst leading a team which supported the global distribution of BlackRock's EU domiciled funds. Helen was Designated Person with responsibility for the oversight of distribution for the Manager and also BlackRock Asset Management Ireland Limited. Prior to joining BlackRock, she held a variety of positions with indigenous Irish asset management and wealth management firms including Bank of Ireland Asset Management. Following her election to the role in 2024, Helen currently serves on the Members Council of Irish Funds. Helen holds a B. Comm. and Masters in Business Studies (First Class) from University College Dublin. Helen is a member of the Institute of Directors in Ireland (IOD) and the Chartered Governance Institute (CGI).

The Company Secretary

The company secretary of the Company is Wilton Secretarial Limited (the “**Company Secretary**”).

The Manager

The Manager of the Company is Mercer Global Investments Management Limited, which was incorporated in Ireland as a private limited company on 8 March 2006 under registration number 416689 and is authorised by the Central Bank of Ireland as a UCITS management company and as an AIFM. The authorised share capital of the Manager is €100,000,000 divided into 100,000,000 ordinary shares of €1.00 each. The issued share capital of the Manager is €1 which is held by Mercer Ireland Holdings Limited and is fully paid. Mercer Global Investments Management Limited is an indirect wholly owned subsidiary of the Marsh McLennan Group and a member of the Mercer Global Investments group (“**Mercer**”). Mercer has offices in Boston, New York, Chicago, Dublin, London, Toronto, Montreal, Melbourne and Sydney and Mercer professionals apply their experience and expert knowledge of investment managers to offer a series of multi-manager products to investors worldwide.

The Manager is engaged in the business of providing management and administrative services to collective investment schemes. The Manager is also manager of MGI Funds plc, Mercer UCITS Common Contractual Fund, Mercer PIF Fund plc and Mercer QIF CCF (the “**Mercer Funds**”). Michael Aherne is the CEO of the Manager. The directors of the Manager are Susan Dargan, Michael Aherne, Gráinne Alexander, Carmel Jordan, Jimmy Furlong, Liam Miley and Helen O'Beirne, details of whom are set out above. The company secretary of the Manager is Wilton Secretarial Limited.

The Manager covers potential professional liability risks resulting from those activities which it carries out pursuant to the AIFMD Regulations through additional own funds which are appropriate to cover potential liability risks arising from professional negligence.

Under the Management Agreement, the Manager has been appointed as AIFM to the Company and will provide or procure the provision of management, administration, accounting, transfer agency, registration and distribution services to the Company.

The Management Agreement provides that in the absence of negligence, wilful default, fraud or bad faith, the Manager shall not be liable for any loss or damage arising out of the performance of its duties. The Management Agreement provides further that the Company shall indemnify the Manager (and each of its directors, officers, servants, employees and agents) for any proceedings taken or loss or damage suffered (including costs and expenses) in the performance or non-performance of its duties except for such loss as arises out of or in connection with any negligence, wilful default, fraud or bad faith by the Manager in the performance or non-performance of its duties.

The Management Agreement shall continue in force unless and until either party terminates the agreement upon ninety days prior written notice to the other party. The Management Agreement may be terminated by either party at any time in the event of the other party (i) committing any material breach at any time which is either incapable of remedy or has not been remedied within thirty days of notice requiring the remedying of the default, (ii) being unable to perform its duties under the Management Agreement due to any change in law or regulatory practice; (iii) being unable to pay its debts as they fall due or otherwise becoming insolvent or entering into any composition or arrangement

with or for the benefit of its creditors, (iv) being the subject of any petition for the appointment of an examiner or similar officer to it, (v) having a receiver or examiner appointed over all or any substantial part of its undertaking, assets or revenues, (vi) being the subject of an effective resolution for its winding up (except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other parties), or (vii) being the subject of a court order for its winding up. The Company may terminate the Management Agreement at any time by notice in writing to the Manager in the event that the Manager's tax certificate under Section 734 of the TCA is revoked or that notice of intention to revoke such tax certificate is received by the Manager or if the Manager is otherwise no longer permitted to perform its obligations under any applicable law.

The Investment Manager and Distributor

The Investment Manager and Distributor of the Company is Mercer Global Investments Europe Limited, which was incorporated in Ireland as a private limited company on 8 March 2006 under registration number 416688 and is authorised by the Central Bank as a MiFID investment firm to provide investment management and related services. The authorised share capital of the Investment Manager is €100,000,000 divided into 100,000,000 ordinary shares of €1.00 each. The issued share capital of the Investment Manager is €1.00 which is held by Mercer Ireland Holdings Limited and is fully paid. Mercer Global Investments Europe Limited is a wholly owned subsidiary of the Marsh McLennan Group and a member of Mercer's Investments business. The Investment Manager is engaged in the business of providing discretionary investment management services to institutional clients, including collective investment schemes, and also provides investment services, such as discretionary and/or advisory investment management solutions to institutional clients of Mercer.

Terms of the Investment Management Agreement

Under the Investment Management Agreement, the Investment Manager will provide or procure the provision of discretionary portfolio management services to the Company.

The Investment Management Agreement provides that neither the Investment Manager nor any of its shareholders, directors, officers, employees or agents shall be liable to the Manager or any of its shareholders, directors, officers, employees or agents for any loss or damage suffered or incurred by them arising out of the performance by the Investment Manager of its duties under the Investment Management Agreement, unless such loss or damage arose out of or in connection with the negligence, wilful default, bad faith or fraud of or by the Investment Manager.

The Manager is obliged to indemnify and keep indemnified the Investment Manager and each of its shareholders, directors, officers, employees or agents, from and against all actions, proceedings, claims, demands, liabilities, losses, damages, costs and expenses (including legal and professional fees and expenses arising therefrom) which may be made or brought against or directly suffered or incurred by the Investment Manager arising out of or in connection with the performance by the Investment Manager of its duties thereunder other than due to the negligence, wilful default, bad faith or fraud of or by the Investment Manager in the performance of its duties thereunder.

The Investment Management Agreement may be terminated by either party upon ninety days prior written notice to the other party. The Investment Management Agreement may be terminated by either party at any time by notice in writing if the other party shall (i) commit any material breach of the Investment Management Agreement which is either incapable of remedy or has not been remedied within thirty days of notice requiring the remedying of the default; (ii) be the subject of any petition for the appointment of an examiner or similar officer to it; (iii) be unable to pay its debts as they fall due; (iv) have a receiver appointed; or (v) be the subject of an effective resolution for its winding up.

Under the Investment Management Agreement, the Investment Manager may, subject to the prior approval of the Manager and the Central Bank, appoint one or more Sub-Investment Managers from time to time to perform and/or exercise all or any of its functions, powers, discretions, duties and obligations under the Investment Management Agreement. Where appropriate, the Investment Manager may pay the fees of any such Sub-Investment Manager out of its own fees.

Terms of the Distribution Agreement

The Manager has also appointed the Distributor to act as the distributor of the Fund pursuant to the Distribution Agreement. Under the Distribution Agreement, the Distributor shall be responsible for the distribution, placing and sale of Shares of such of the Sub-Funds of the Company as may be agreed in writing between the parties from time to time in jurisdictions in which the Shares may legally be offered for sale.

Pursuant to the Distribution Agreement, the Distributor indemnifies the Manager and the Company from and against all actions, proceedings, claims, demands, liabilities, losses, damages, costs and expenses arising from the Distributor's breach, negligence, wilful, fraud or bad faith in the performance or non-performance of its obligations.

Under the Distribution Agreement, the Manager shall indemnify the Distributor and each of its shareholders, directors, officers, employees or agents, from and against all actions, proceedings, claims, demands, liabilities, losses, damages, costs and expenses which may be made against or suffered or incurred by the Distributor arising out of or in connection with the performance by the Distributor of its duties under the Distribution Agreement other than due to the negligence, wilful default, bad faith or fraud of or by the Distributor in the performance of its duties under the Distribution Agreement.

The Distributor may terminate the Distribution Agreement by ninety (90) days' notice in writing to the Manager. The Distribution Agreement may be terminated by the Manager at any time upon notice to the Distributor. Either party may terminate the Distribution Agreement immediately by notice in writing to the other if the other party shall at any time (i) commit any material breach of the Distribution Agreement or commit persistent breaches of the Distribution Agreement which is or are either incapable of remedying or have not been remedied within thirty days of the terminating party serving notice upon the defaulting party requiring it to remedy same; (ii) be incapable of performing its obligations or duties under the Distribution Agreement; (iii) be unable to pay its debts as they fall due or otherwise becoming insolvent or entering into any composition or arrangement with or for the benefit for its creditors or any class thereof; (iv) be the subject of any petition for the appointment of an examiner, administrator, trustee, official assignee or similar officer appointed to it or in respect of its affairs or assets; (v) have a receiver appointed over all or any substantial part of its undertaking, assets or revenues; (vi) be the subject of an effective resolution for its winding up except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party; (vii) be the subject of a resolution or a court order for its winding up; or (viii) fail to observe or perform any representation, warranty or undertaking given by the defaulting party under the Distribution Agreement.

Under the Distribution Agreement, the Distributor may, subject to the prior approval of the Manager, appoint one or more sub-distributors from time to time to perform and/or exercise all or any of its functions, powers, discretions, duties and obligations under the Distribution Agreement. Where appropriate, the Distributor may pay the fees of any such sub-distributor out of its own fees.

The Sub-Investment Managers

The Sub-Funds may be managed on a multi-manager or manager of managers basis with the Sub-Investment Managers selected and supervised by the Investment Manager. The Investment Manager is responsible for the initial and ongoing selection of a Sub-Investment Manager and, as applicable, for determining their allocation of a Sub-Fund's assets. The appointment of each Sub-Investment Manager, pursuant to a delegation by the Investment Manager, is subject to the Manager's approval.

Information relating to the Sub-Investment Managers appointed by the Investment Manager is available upon request to the Investment Manager. Furthermore, details of all Sub-Investment Managers will be disclosed in the most recent financial reports of the Company. The fees of the Sub-Investment Managers will normally be paid out of the assets of the relevant Sub-Fund and as such, the Relevant Supplement shall identify and disclose the Sub-Investment Managers appointed in respect of a Sub-Fund. In all other cases, the fees of a Sub-Investment Manager will be met by the Investment Manager out of investment management fees received from either the Manager or, if permitted, out of the assets of a Sub-Fund.

Any further delegation by any appointed Sub-Investment Manager(s) is subject to prior approval of the Investment Manager and the requirements of the Central Bank. Any further delegation will typically only

be permitted by the Investment Manager where it is within the same corporate group as the Sub-Investment Manager and where the fees of any further delegate are met by the Sub-Investment Manager.

Terms of Appointment

The Investment Manager appoints each Sub-Investment Manager pursuant to a sub-investment management agreement (which may be amended from time to time) which meets the requirements of the Central Bank. Sub-investment management agreements will be negotiated at arms' length, having regard to the regulatory framework applicable and the requirements of the Central Bank and with the aim of achieving appropriate and customary terms to govern the services of the Sub-Investment Manager. The terms in place with any specific Sub-Investment Manager may vary, however, the Investment Manager aims to ensure that the sub-investment management agreements applicable for Sub-Investment Manager appointments shall provide for:

- termination of the Sub-Investment Manager by notice in writing with or without cause (and which will typically correspond to the termination provisions under the Investment Management Agreement); and
- rights of recovery for the Investment Manager (and ultimately for the benefit of the relevant Sub-Fund) for losses directly arising due to the negligent performance or non-performance of duties on the part of the Sub-Investment Manager.

The Sub-Investment Managers will, through the sub-investment management agreement, customarily be granted indemnity rights against the assets of the relevant Sub-Fund for losses and liabilities incurred in the proper performance of their role and services. Such indemnity rights will generally correspond to those provided under the Investment Management Agreement.

The Depositary

The Depositary is a limited liability company incorporated in Ireland on 22 May 1991 with registered number IE174330 and is ultimately owned by the State Street Corporation. The Depositary is regulated by the Central Bank. The Depositary's principal business is the provision of custodial and depositary services for collective investment schemes and other portfolios.

The Depositary has been entrusted with the following main functions:

- (i) ensuring that each Sub-Fund's cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription of Shares of the Sub-Funds have been received;
- (ii) safekeeping the assets of the Sub-Funds, which includes (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary ("**financial instruments held in custody**"); and (b) for other assets, verifying the ownership of the relevant Sub-Fund or the Manager acting on behalf of that Sub-Fund of such assets and maintain a record accordingly (collectively the "**Safekeeping Function**");
- (iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Sub-Fund are carried out in accordance with applicable Irish law and the Articles;
- (iv) ensuring that the value of the Shares of each Sub-Fund is calculated in accordance with the applicable laws and the Articles;
- (v) carrying out the instructions of the Company and the Manager, unless they conflict with the applicable Irish law or the Articles;
- (vi) ensuring that in transactions involving each Sub-Fund's assets any consideration is remitted to the relevant Sub-Fund within the usual time limits; and

- (vii) ensuring that the Sub-Funds' income is applied in accordance with the applicable Irish law and the Articles.

Terms of Appointment

The Depositary Agreement contains provisions governing the responsibilities of the Depositary, including its functions referred to above. The Depositary is obliged to enquire into the conduct of the Company in each financial year and to report thereon to the Shareholders whether, in the Depositary's opinion, the Company and each Sub-Fund has been managed in that period in accordance with the limitations imposed on the investment and borrowing powers of the Company and each Sub-Fund and the Depositary by the Memorandum and Articles of Association and the Act and otherwise in accordance with the Memorandum and Articles of Association and the Act.

Pursuant to the Depositary Agreement, the Depositary shall exercise due care and diligence in the discharge of its duties. Other than in respect of the loss of financial instruments held in custody, in respect of which the Depositary is liable to return to the relevant Sub-Fund a financial instrument of identical type or the corresponding amount, the Depositary shall be liable to the Company and the Shareholders for any loss arising from the Depositary's negligence or its intentional failure to properly fulfil its obligations pursuant to the AIFMD, the AIFMD Regulations and the Depositary Agreement. The Depositary shall not, however, be liable to the Company or to any other person if it can provide that the loss of financial instruments 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, in accordance with the AIFMD. The Manager shall inform the Shareholders without delay of any changes with respect to the Depositary's liability.

The Depositary may, in the future and with the prior written consent of the Company and the Manager, discharge itself of liability for loss of financial instruments held in custody in certain circumstances. The Depositary has not to date contractually discharged itself of liability but in time may. The Company or the Manager will inform investors before they invest, of any arrangement made by the Depositary to contractually discharge itself of any liability. The Company or the Manager will also inform Shareholders of any changes with respect to the Depositary's liability without delay.

Under the terms of the Depositary Agreement, the Depositary may appoint sub-custodians in respect of the Safekeeping Function. Save as provided in the Depositary Agreement, the Depositary's liability shall not be affected by any delegation of its Safekeeping Function to any third party. In order for the Depositary to meet its responsibility in respect of delegation to third parties, the delegation must not be with the intention of avoiding the requirements of the AIFMD and the Depositary must be able to demonstrate that there is an objective reason for the delegation. The Depositary must exercise all due skill, care and diligence in the selection and the appointment of a third party, must continue to exercise all due skill, care and diligence in the periodic review and on-going monitoring of a third party and of the arrangements of that third party in respect of the matters delegated to it, and must ensure that the third party at all times complies with the conditions set down in the Depositary Agreement.

The Depositary has entered into a written agreement with State Street Bank and Trust Company (the "**Sub-Custodian**") under which it has delegated the performance of its Safekeeping Function in respect of certain investments (the "**Sub-Custodian Agreement**"). Details of any written agreements entered into by the Sub-Custodian with its own sub-custodians (which shall be entities within the State Street group), under which the Sub-Custodian has delegated the performance of any of its obligations under the Sub-Custodian Agreement, shall be available to Shareholders and prospective investors on request.

Pursuant to the Depositary Agreement, the Company undertakes to hold harmless and indemnify the Depositary against all direct third party actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments of the Company) and against all reasonable costs, demands and reasonable expenses (including reasonable legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Depositary by reason of the performance of the Depositary's duties under the terms of the Depositary Agreement, save where any such direct third party actions, proceedings, claims, reasonable costs, demands or reasonable expenses arise as a result of the Depositary's negligence, intentional failure to perform its obligations, wilful default, fraud, bad faith or recklessness.

The Depositary Agreement may be terminated by any of the parties on giving ninety (90) days' prior written notice to the other parties. Any party may also terminate the Depositary Agreement by notice in writing to the other parties if at any time: (a) the party notified is unable to pay its debts as they fall due or goes into liquidation or receivership or an examiner shall be appointed; (b) the party notified commits any material breach of the provisions of the Depositary Agreement if it has not remedied that breach within thirty (30) days after the service of written notice requiring it to be remedied; or (c) if any of the representations, warranties, covenants or undertakings contained in the Depositary Agreement cease to be true or accurate in any material respect in relation to the party notified. The Depositary Agreement may also be terminated by the Company if the Depositary is no longer permitted to act as a depositary or trustee by the Central Bank.

Pursuant to the Depositary Agreement, the Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor depositary has been appointed in accordance with the Memorandum and Articles of Association provided such appointment and successor depositary is approved in advance by the Central Bank.

If the Depositary shall have given to the Company notice of its desire to retire from its appointment or the appointment of the Depositary is terminated pursuant to the terms of the Depositary Agreement and no successor shall have been appointed in accordance with the Articles within ninety (90) days' from the giving of such notice, an extraordinary general meeting shall be convened at which an Ordinary Resolution to wind up the Company shall be considered, so that Shares in the Company may be repurchased or to appoint a liquidator who shall wind up the Company and thereafter the Company shall apply to the Central Bank to revoke the Company's authorisation whereupon the Depositary's appointment shall terminate.

The Depositary will comply with applicable laws, including the provisions of the AIFMD that relate to depositary roles and responsibilities in relation to each Sub-Fund.

The Administrator

The Manager has appointed State Street Fund Services (Ireland) Limited to act as administrator and registrar and transfer agent to the Company with responsibility for performing the day-to-day administration of the Company and for providing accounting services for the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Class of Shares.

The principal activity of the Administrator is to act as administrator for collective investment schemes. The Administrator is regulated by the Central Bank. The Administrator is a private limited company incorporated in Ireland on 23 March 1992 and is ultimately owned by State Street Corporation.

Terms of Appointment

The Administrator has been appointed pursuant to the Administration Agreement. The Administration Agreement will continue in full force and effect unless and until terminated by either party by giving the other party ninety (90) days' prior written notice of termination. Either party may terminate the Administration Agreement by giving notice in writing to the other party if at any time: (i) the party notified shall go into liquidation or receivership or an examiner shall be appointed pursuant to the Act (except for a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the notifying party) or be unable to pay its debts as they fall due; (ii) the party notified shall commit any material breach of the provisions of the Administration Agreement and shall not have remedied that within 30 days after the service of written notice requiring it to be remedied; or (iii) the party notified shall no longer be permitted by the Central Bank to perform its duties and obligations under the Administration Agreement.

The Administrator shall exercise reasonable care in the performance of its duties under the Administration Agreement and shall not be liable for any loss of any nature whatsoever suffered by the Manager or the Shareholders in connection with the performance of its obligations under the Administration Agreement, except where that loss results directly from negligence, fraud, bad faith, wilful misconduct, recklessness or wilful default on the part of the Administrator. The Administrator shall not be liable for any indirect, special or consequential loss howsoever arising out of or in connection with the Administration Agreement.

Pursuant to the Administration Agreement, the Manager undertakes to hold harmless and indemnify the Administrator out of the assets of the Company on its own behalf and on behalf of its permitted delegates, servants and agents against all direct third party actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments of the Company or Shares) and against all reasonable costs, demands and expenses (including reasonable legal and professional expenses) (properly vouched) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, servants or agents in the proper performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given in the case of the Administrator's, its delegates', servants' or agents' negligence, fraud, bad faith, wilful misconduct, recklessness or wilful default in the proper performance or non-performance of its duties under the Administration Agreement.

Subject to the requirements of the Central Bank, the Administrator shall have full power to delegate or sub-contract any administrative functions it deems necessary to perform its obligations under the Administration Agreement, including, without limitation, the valuation of Shares provided, however, that the Administrator shall not delegate or sub-contract any such functions to any person without the prior written consent of the Manager. Except in the case of affiliated delegates or sub-contractors, the Administrator shall not be liable to the Manager for any loss of whatsoever nature occasioned by any act or omission of any delegate appointed pursuant to the Administration Agreement provided that the Administrator has taken all reasonable steps to satisfy itself as to the ability and competence of the delegate or sub-contractor to discharge the duties delegated to it. The Administrator shall remain liable to the Manager for the performance of any duties or functions so delegated or sub-contracted by the Administrator to any affiliated delegates or sub-contractors and shall be liable for the acts and omissions of such affiliated delegates or sub-contractors as if such acts or omissions were those of the Administrator.

Paying Agents

Local regulations in certain countries may require the appointment of paying agents or representatives and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Shareholders who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary entity rather than directly to or from the Depositary bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary and (b) redemption monies payable by such intermediate entity to the relevant investor. Fees of paying agents and representatives will be borne by the Company and will be at normal commercial rates.

Conflicts of Interest

The Manager and the Investment Manager and Distributor are wholly-owned subsidiaries of the Marsh McLennan Group ("the **Group**"). The Company and the Manager have identified the potential for conflicts of interest to arise between the Manager's responsibility to the Group's interests and the Manager's duty to act in the best interest of the Shareholders of the Sub-Funds. The Company and the Manager have a conflicts of interest policy which details the measures in place to ensure conflicts of interest are identified and managed appropriately. The Manager and its Group affiliates are subject to a detailed conflicts of interest statement that explains how Mercer manages conflicts of interest it may face, which is available at <https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporatepolicies.html>

The Directors, the Depositary, the Manager, the Administrator, the Investment Manager, the Sub-Investment Managers and the Distributor and their delegates may from time to time act as manager, registrar, administrator, transfer agent, trustee, depositary, investment manager, alternative investment fund manager or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company or any Sub-Fund. It is, therefore, possible that any of them may, in the due course of their business, have potential conflicts of interests with the Company or any Sub-Fund. Each will at all times have regard in such event to its obligations under the Articles and/or any agreements to which it is party or by which it is bound in relation to the Company or any Sub-Fund and, in particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any investments where conflicts of interest may

arise and they will each respectively endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager (and its delegates) has agreed to act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Company or the Sub-Funds as appropriate.

Each of the Manager, Investment Manager, Depositary, Administrator and Distributor also acts as manager, investment manager, depositary, administrator and distributor respectively of other Mercer Funds. The terms upon which each of the Investment Manager, the Administrator and Distributor act for those other Mercer Funds are materially similar to the terms on which they act in respect of the Company.

The Articles provide that the Administrator may accept the estimate of a competent person, approved by the Depositary, when determining the probable realisation value of unlisted securities. The Administrator may accept an estimate provided by the Investment Manager (or its delegate), or any other affiliate of the Manager for these purposes and investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated probable realisation value of the security, the higher the fees payable to the Manager and the Investment Manager (or its delegate).

There is no prohibition on dealing in the assets of the Company by entities related to the Depositary, the Manager, the Investment Manager, the Sub-Investment Managers and the Administrator, and / or any of their delegates or associated or group companies, provided that such transactions are negotiated at arm's length and in the best interests of the Shareholders. Transactions permitted are subject to: (a) a certified valuation by a person approved by the Depositary (or by the Directors in the case of transactions involving the Depositary) as independent and competent; or (b) execution on best terms on organised investment exchanges under their rules; or (c) where (a) and (b) are not practical, transactions executed on terms which the Depositary is satisfied (or by the Directors in the case of transactions involving the Depositary) conform to the principles set out above.

In placing orders with brokers and dealers, who may in some cases be an affiliate of the Investment Manager (or its delegate), to make purchases and sales for the Sub-Funds, the Sub-Investment Managers will make all reasonable efforts to obtain best execution for the Sub-Funds. In determining what constitutes best execution, each such Sub-Investment Manager may consider factors it deems relevant, including, but not limited to, the breadth of the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer and the reasonableness of the commission, if any, for the specific transaction, on a continuing basis. When consistent with the objectives of best price and execution, business may be placed with broker-dealers who furnish investment research or services to the Sub-Investment Managers. The commissions on such brokerage transactions with investment research or services may be higher than another broker might have charged for the same transaction in recognition of the value of research or services provided. Such research or services include advice, both orally and in writing, as to the value of securities; the advisability of investing in, purchasing, or selling securities; the availability of securities, or purchasers or sellers of securities; as well as analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts. In addition, for the Investment Manager, such research or services may include advice concerning the allocation of assets among Sub-Investment Managers and the suitability of Sub-Investment Managers. To the extent portfolio transactions are effected with broker-dealers who furnish research and/or other services to the Investment Manager (or its delegate), the Investment Manager (or its delegate) receives a benefit, not capable of evaluation in dollar amounts, without providing any direct monetary benefit to the Company from these transactions. Such research or services provided by a broker-dealer through whom the Investment Manager (or its delegate) effects securities transactions for a Sub-Fund may be used by the Investment Manager (or its delegate) in servicing all of its accounts. In addition, the Investment Manager (or its delegate) may not use all of the research and services provided by such broker-dealer in connection with a Sub-Fund. The Sub-Investment Managers may pay any amount of commission for effecting a securities transaction in excess of the amount of commission another member of an exchange, broker, or dealer would have charged for effecting that transaction, if they determine in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such member, broker, or dealer, viewed in terms of either that particular transaction or its overall responsibilities with respect to the Sub-Fund and/or other accounts over which the Sub-Investment Managers or their affiliates exercise investment discretion. The benefits provided

under any soft commission arrangements must assist in the provision of investment services to the relevant Sub-Fund. Any soft commission arrangements will be disclosed in the periodic reports of the relevant Sub-Fund.

A Director may be a party to, or otherwise interested in, any transaction or arrangement in which the Company is interested. At the date of this Prospectus other than as disclosed under the heading “The Directors” above, no Director nor any connected person of a Director has any interest, beneficial or non-beneficial, in the Company or any material interest in any agreement or arrangement relating to the Company. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

Remuneration Policies and Practices

The Manager is subject to remuneration policies, procedures and practices (together, the “**Remuneration Policy**”). The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed not to encourage risk-taking which is inconsistent with the risk profile of the Sub-Funds. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Manager, the Company and the Sub-Funds, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to personnel whose professional activities have a material impact on the risk profile of the Manager, the Company or the Sub-Funds, and ensures that no individual will be involved in determining or approving their own remuneration. The Remuneration Policy will be reviewed annually.

DECISION-MAKING PROCESS

Decision-Making Process of the Manager

The board of Directors of the Company, as a whole, is responsible for the management of the Company. The board of the Company has appointed the Manager to act as the Company’s AIFM.

The board of directors of the Manager (the “**Board**”), as a whole, is responsible for the management of the Sub-Funds as set out in the Manager’s programme of activities. The Board has delegated responsibility for each of the managerial functions to a particular designated person, as set out in the programme of activities. The designated persons identified in the programme of activities are responsible for ensuring that issues arising within the scope of their areas of responsibility are escalated to the full Board as required.

The Board will exercise its functions by considering relevant reports from appropriate service providers or delegates on a regular basis.

Any Board member may convene a Board meeting to consider any of the matters raised in the reports. The Board may address material matters by, among other things, (i) permitting the relevant delegate to attend to the issue and to conduct a “watching brief,” or (ii) nominating one or more directors to become directly involved with the delegate to pro-actively pursue and resolve the issue.

The Board will not fetter its discretion by pre-determining its response to any particular matter. Moreover, the Board will pay close attention to any matter that may have material financial consequences for investors, reputational issues for the Mercer Group or a significant regulatory impact.

Decisions of the Board will be recorded in the minutes of the Board meetings or by way of written resolution of the Board. The Board will ensure that any decisions taken by it are implemented, inter alia, by requiring from the Company’s delegates ad hoc written reports, or verbal reports at Board meetings, as necessary. These action items are followed up at subsequent Board meetings to ensure that all decisions have been implemented.

There are, at a minimum, quarterly board meetings held in Ireland. Delegates and others are invited to attend these board meetings. Delegates are required to attend board meetings where material issues have arisen with respect to the functions delegated to them.

The Company Secretary will liaise with the Board and the delegates with regard to the agenda and preparation of the board papers for meetings and will ensure that they are sent out on a timely basis in advance of each board meeting.

MAKING AN INVESTMENT

Subscriptions for Shares

Applications for Shares may be made on any Dealing Day in writing by completing an Application Form and submitting the completed and signed Application Form to the Distributor or a sub-distributor for onward transmission to the Administrator, or directly to the Administrator. All documentation required in connection with anti-money laundering procedures must be received prior to account opening.

Under certain circumstances, the Directors may suspend Share transactions, as described more fully below under the heading "Temporary Suspension of Dealings".

The initial subscriptions for Shares will not be processed until the duly completed Application Form has been received by the Administrator and all anti-money laundering procedures have been completed. Amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation.

Orders for Shares of all Classes of the Sub-Fund that are received and accepted by the Administrator at the address specified in the Application Form prior to the time specified in the Relevant Supplement on or in respect of the relevant Dealing Day (the "**Dealing Deadline**") will be processed at the Net Asset Value per Share (plus duties and charges if applicable) determined in respect of that Dealing Day. If a subscription request is received after the Dealing Deadline applicable to any Dealing Day, the subscription request will not be processed and will instead be dealt with on the next Dealing Day. Applications once received shall be irrevocable provided however that the Directors reserve the right to reject in whole or in part any application for Shares. Orders to subscribe for Shares received and accepted by the Administrator after the Closing Date or Dealing Deadline for the Sub-Fund will be processed at the Net Asset Value determined in respect of the next Dealing Day.

It is the responsibility of the Distributor and financial intermediaries as appointed in accordance with the requirements of the Central Bank, to ensure that orders placed through them are transmitted onwards to the Administrator on a timely basis.

The Manager may, in its discretion and on an exceptional basis only, waive the Dealing Deadline either generally or in relation to any specific subscription provided that applications are received prior to the time at which the Net Asset Value is calculated for that particular Dealing Day.

Minimum Subscriptions

Subject to the minimum initial subscription for Shares in the Company set out in the Prospectus, the Directors may, at their discretion, determine the minimum initial subscription and subsequent subscriptions for Shares in respect of a particular Sub-Fund, and such minimums shall be set forth in the Relevant Supplement for the relevant Sub-Fund. The Directors and/or the Investment Manager, in their discretion, may waive any of the minimum initial or incremental investment requirements, except that the minimum initial subscription for Shares will always equal or exceed €100,000 or the foreign currency equivalent thereof (save in the case of permitted Knowledgeable Investors).

Subsequent Purchases

Subsequent purchases may be made in writing or electronically in such form as the Directors may from time to time determine and should be posted or sent by facsimile or by electronic transmission to the address, fax number or electronic transmission address as specified in the Application Form and will be deemed effective at the relevant Net Asset Value per Share for the relevant Dealing Day after receipt and acceptance by the Administrator, subject to the discretion of the Directors to refuse any application for Shares.

Shareholders are not obliged to submit original subscription documentation on subsequent applications for Shares unless requested or where the Application Form has changed since the initial purchase of Shares or if any information relating to an applicant is required to be updated.

Payment for Shares

Payment for Shares must be made as specified in the Relevant Supplement for the relevant Sub-Fund. The Sub-Fund shall not issue Shares, or if issued shall cancel such Shares, if the payment for the Shares is not made by the applicable settlement time or, at the discretion of the Directors, within a reasonable time after the settlement deadline specified in the Relevant Supplement.

Unless otherwise specified in a Relevant Supplement, payment for Shares should be made by electronic transfer to the account specified in the Application Form so as to arrive no later than two clear Business Days following the relevant Dealing Day (or Closing Date, where applicable) (subject to such other settlement time as may be specified in a Relevant Supplement for a Sub-Fund) or such earlier or later time as the Directors may determine from time to time (the "**settlement deadline**"). No interest shall be payable on funds received by the Company in advance of the settlement deadline for receipt of subscription monies.

Applicants may be required to compensate the Company at the discretion of the Directors for any loss resulting from late settlement or a failure or default in connection with the settlement of a purchase order for Shares. Payment for Shares must be in the relevant Class Currency or such other currency as may be specified in a Relevant Supplement, unless the Directors otherwise agree to accept subscriptions in any freely convertible currency approved by the Manager, in which case such subscriptions will be converted into the relevant Class Currency or such other currency as will be specified in a Relevant Supplement at the rate of exchange available to the Manager or the Administrator as its delegate and the cost of conversion will be deducted from the subscription monies. Payment for Shares should be made to the account specified in the original subscription form.

Where the Administrator has received a duly completed Application Form by the Closing Date or Dealing Deadline, as applicable, but the Company, or the Depositary for the account of the Company, has not received the cleared subscription monies by the Closing Date or Dealing Deadline, as applicable, the Directors may, in their sole discretion, accept the subscription, and provisionally allot Shares, subject to the receipt of the cleared subscription monies by the settlement deadline specified in the Relevant Supplement. If subscription monies are not received by the Company, or the Depositary for the account of the Company, before the relevant Closing Date or Dealing Deadline, as applicable, but pursuant to the above discretion, the subscription is accepted, the Company may temporarily borrow an amount equal to the subscription monies and invest such monies in accordance with the investment objective and policies of the Sub-Fund. Once the subscription monies are received the Sub-Fund will use such subscription monies to repay the relevant borrowings and, where the subscription monies are not received by the applicable settlement deadline, the Sub-Fund reserves the right to charge that investor interest on such outstanding subscription monies at normal commercial rates. In addition, the investor shall indemnify the Company for any losses, costs or expenses suffered directly or indirectly by the Company or the Sub-Fund as a result of the investor's failure to pay for Shares applied for by the due date set forth in the Prospectus and the Relevant Supplement. The Directors reserve the right to cancel the provisional allotment of the relevant Shares in those circumstances. In computing any losses covered under this paragraph, account shall be taken, where appropriate, of any movement in the price of the Shares concerned between the transaction date and cancellation of the transaction or redemption of the Shares, and of the costs incurred by the Company or the Sub-Fund in taking proceedings against the applicant.

Fractional Shares may be issued where any part of the subscription monies for Shares represents less than the offer price of a Share, provided however, that fractions shall not be less than .0001 of a Share. Subscription monies representing less than .0001 of a Share will not be returned to a Shareholder, but will be retained for the benefit of the relevant class of the Sub-Fund.

Certain distributors or other financial intermediaries may impose certain conditions or charges on their clients which are in addition to those described in this Prospectus. Any such conditions or charges shall be imposed only after written agreement with respect thereto has been reached between the distributor or financial intermediary and its client. The Company will not be responsible for any such charges or conditions imposed.

In circumstances where an applicant does not provide subscription monies in accordance with the timelines set out in the Relevant Supplement and the applicant is or becomes a Shareholder, the

Company may redeem or sell all or part of that Shareholder's Shares and use the proceeds to satisfy and make good any loss, cost, expense or fees suffered by the Company or any Sub-Fund as a result of the applicant's failure to transmit the subscription monies in a timely fashion.

Subscription into a Sub-Fund must be paid into the relevant Umbrella Cash Collection Account or the relevant IMR Account, and applicants should note the information in relation to the operation of the IMR Accounts and to the operation and risks associated with the Umbrella Cash Collection Accounts set out in this section in the section headed "Special Considerations and Risks". The Manager will arrange for an applicant to be notified in advance as to which bank account to direct their subscription monies.

Confirmation of Ownership

Unless otherwise specified in a Relevant Supplement in relation to any Class, all Shares issued will be in registered form and written confirmation of ownership will be sent to Shareholders within ten days of registration (such confirmation may be sent or otherwise made available electronically). Share certificates will not be issued. The number of Shares issued will be rounded to four decimal places and any surplus amounts will be retained for the benefit of the relevant Sub-Fund.

Anti-Money Laundering Provisions

Due to anti-money laundering and prevention of terrorist financing requirements operating within various jurisdictions and within Ireland, the Administrator, the Distributor or the Company (as the case may be) will require identification and verification of underlying investors and may require further information as to source of wealth and beneficial ownership before an application may be processed. Depending on the circumstances of each application, a detailed verification might not be required where (i) the applicant is a regulated credit or financial institution or (ii) the application is made through a regulated financial intermediary. These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised by Ireland as having equivalent anti-money laundering and prevention of terrorist financing regulations and are made at the sole discretion of the Company's money laundering reporting officer. The Company and the Manager reserve the right in their sole discretion to refuse any application for Shares where the applicant is or is an immediate family member or close associate of a politically exposed person ("**PEP**") namely an individual who is or has at any time in the preceding 12 month period been, entrusted with a prominent public function.

By way of example an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with two items of evidence of his/her address such as a utility bill or bank statement and date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors.

On an ongoing basis during any period during which Shares are held, the Company, the Manager or the Administrator may require further identification and verification of the Shareholder, any underlying investor and/or beneficial owners.

Shares cannot be applied to an account unless full details of registration and anti-money laundering formalities have been completed. Shares cannot be sold from an account unless they have been previously applied to such account. No redemption payment may be made until the original signed Application Form has been received and all documentation required by the Company or the Administrator (including any documents in connection with anti-money laundering and prevention of terrorist financing procedures) and the relevant anti-money laundering and prevention of terrorist financing procedures (including those relating to ongoing monitoring) have been completed.

Each applicant for Shares will be required to make such representations as may be required by the Directors in connection with anti-money laundering and prevention of terrorist financing programmes, including, without limitation, representations that such applicant is not a prohibited individual or entity or resident in a prohibited country or territory listed on the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and the official list of persons, groups and entities subject to United Nations ("**UN**") or EU financial sanctions, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC, UN or EU sanctions

programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene applicable laws and regulations, including international financial sanctions and anti-money laundering and prevention of terrorist financing laws and regulations.

The Company, the Manager, the Distributor and the Administrator each shall be held harmless and indemnified by the applicant against any loss arising as a result of a failure to process a subscription or application if such information as has been requested by the Company, the Manager, the Distributor or the Administrator has not been provided by any sub distributor or the applicant.

The Company, the Manager or the Administrator on its or their behalf reserves the right to refuse to accept any application for Shares or to make any redemption payment or distribution to a Shareholder if any of the Directors, the Manager or the Administrator suspects or is advised that the source of subscription monies or the payment of any redemption or distribution monies to such Shareholder might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure the compliance by the Company, its Directors, the Manager or the Administrator with any such laws or regulations in any relevant jurisdiction.

Limitations on Purchases

The Company, the Manager, the Distributor and the Administrator reserve the right to reject an application, for any reason, in whole or in part in which event the application monies or any balance thereof will be returned to the applicant (without interest) by transfer to the applicant's designated account or by post at the applicant's risk.

The Directors will not knowingly issue, or approve the transfer of any Shares to any U.S. Person. Each applicant for Shares will be required to provide such representations, warranties or documentation as may be required by the Directors and/or the Manager to ensure that these requirements are met prior to the issue of Shares.

Subscription in specie

The Directors or the Manager or the Administrator as their delegate, may issue Shares in exchange for assets in which the Company may invest in accordance with the particular investment objective and policies of the relevant Sub-Fund. No Shares may be issued in exchange for such assets unless the Directors are satisfied that (i) the number of Shares issued in the relevant Sub-Fund will not be more than the number which would have been issued for settlement in cash having valued the assets to be exchanged in accordance with the valuation provisions set out in the Articles and summarised herein; (ii) all fiscal duties and charges arising in connection with the vesting of such assets in the Depositary for the account of the relevant Sub-Fund are paid by the person to whom the Shares in such Sub-Fund are to be issued or, at the discretion of the Directors, partly by such person and partly out of the assets of such Sub-Fund; (iii) the terms of such exchange shall not materially prejudice the Shareholders in the relevant Sub-Fund; and (iv) the assets have been vested in the Depositary or its nominees or agents.

INVESTOR MONEY ACCOUNTS AND UMBRELLA CASH COLLECTION ACCOUNTS

Investor Money Account – Subscriptions

The Manager has established a number of investor money collection accounts (designated by currency) in the name of the Manager (the “**IMR Account(s)**”) for the benefit of the Company. Subscription monies which are received into the relevant IMR Account will thereafter be moved to the relevant Umbrella Cash Collection Account (as defined below) upon reconciliation by the Administrator of the monies received against the related subscription instruction.

Subscription monies held in the IMR Accounts to which investors are beneficially entitled will qualify for the protections afforded by the IMR Regulations, are kept separate from assets of the Manager and of the Company and the Sub-Funds, and will be protected from the insolvency of the Manager and the Sub-Fund.

Umbrella Cash Collection Account – Subscriptions, Redemptions and Distributions

The Company has also established a number of collection accounts (designated by currency) at umbrella level in the name of the Company (the “**Umbrella Cash Collection Account(s)**”). Subscriptions into Sub-Funds and all redemptions and distributions due from the Sub-Funds will be paid into the relevant Umbrella Cash Collection Account, except for those subscriptions that are required to be routed first to an IMR Account.

Monies in the Umbrella Cash Collection Accounts, including early subscription monies received in respect of a Sub-Fund, do not qualify for the protections afforded by the IMR Regulations. Pending the issue of Shares, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the Sub-Fund in respect of amounts paid by or due to it.

Subscriptions (including subscriptions received in advance of the issue of Shares) attributable to a Sub-Fund will be channelled and managed through either the relevant IMR Account and / or the relevant Umbrella Cash Collection Account. All redemptions, dividends or cash distributions payable from the Sub-Funds will be channelled and managed through the relevant Umbrella Cash Collection Account.

Subscription amounts entering an Umbrella Cash Collection Account (including those routed through an IMR Account and then transferred to an Umbrella Cash Collection Account) will be paid into the relevant Sub-Fund account in the name of the Manager on behalf of the relevant Sub-Fund on the contractual settlement date. Where subscription monies are received in an IMR Account and/or an Umbrella Cash Collection Account without sufficient documentation to identify the applicant or the relevant Sub-Fund, such monies shall be returned to the applicant within 5 business days. Investors should note that the return of monies in such circumstances may be subject to an administrative charge imposed by the relevant credit institutions.

Redemptions and distributions, including blocked redemptions or distributions, will be held in the relevant Umbrella Cash Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Shareholder.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends is at the applicant’s risk.

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

The Company and the Depositary have agreed operating procedures in respect of the Umbrella Cash Collection Accounts and the IMR Accounts, which identify the participating Sub-Funds of the Company, the procedures and protocols to be followed in order to transfer monies from and between both the Umbrella Cash Collection Accounts and the IMR Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Sub-Fund due to late payment of subscriptions, and / or transfers to a Sub-Fund of monies attributable to another Sub-Fund due to timing differences.

Privacy Information

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

Any information furnished in the Application Form or in connection with the investment in the Company shall be held and processed by the Company. The Company will use this information for the purposes of processing the Application Form and managing and administering any of the services provided in relation to the investment in the Company (including any statutory reporting obligations). Such information may be processed on behalf of the Company by the Manager and the Administrator. This information may also be disclosed to the Manager, the Investment Manager, a Sub-Investment

Manager, the Distributor and the Depository for the purposes of them providing services to the Company in relation to the investment pursuant to their contracts with the Company. The information may also be processed and disclosed as necessary to meet legal and regulatory requirements which may include disclosure to the Central Bank, foreign regulators and auditors.

REDEEMING SHARES

Shareholders may redeem their Shares in one of three ways – by mail, by facsimile or electronically. Redemption requests once received shall be irrevocable by a Shareholder. Shareholders may request the Company to redeem their Shares on and with effect from any Dealing Day at a price based on the relevant Net Asset Value per Share on such Dealing Day less any applicable duties and charges. Redemption requests received electronically will only be processed if the redemption proceeds are to be paid to the account of record of the redeeming Shareholder.

Please consult the Relevant Supplement for further information regarding redeeming Shares.

The Manager maintains a liquidity risk management policy to monitor the liquidity risk of the Sub-Funds, which includes, among other tools and methods of measurement, the use of stress tests under both normal and exceptional liquidity conditions. The liquidity management systems and procedures employed by the Manager allow the Manager to apply various tools and arrangements necessary to respond appropriately to redemption requests. In normal circumstances, redemption requests will be processed as set out in this section.

Other arrangements may also be used in response to redemption requests (as set out below) which, if activated, will restrict the redemption rights from which Shareholders benefit in the ordinary course. The Company may also temporarily suspend redemptions in certain circumstances as set out below under the section headed “Temporary Suspension of Dealings”.

Investors may apply to withdraw the whole of their investment at any time. Unless a Redemption Notice specifies a particular number of Shares to be redeemed it will be deemed to apply in respect of the total holding of the Shareholder.

Settlement

Unless otherwise specified in a Relevant Supplement, redemption proceeds will be paid by electronic transfer (at the Shareholder’s risk and expense) The settlement period applicable to redemptions of Shares for a Sub-Fund will be specified in the Relevant Supplement. For daily-dealing Sub-Funds, normally, this will be two Business Days after the Dealing Day (subject to any different settlement period set out in a Relevant Supplement) and in any event within a maximum period of ten Business Days of the Dealing Day on which redemptions are effected. Longer settlement periods may apply for some Sub-Funds as set out in a Relevant Supplement subject to the requirements of the AIF Rulebook.

A Sub-Fund is permitted, but not obliged, to pay redemption proceeds within a shorter settlement timeframe than the standard set out herein or in the Relevant Supplement, at the discretion of the Investment Manager acting in the interests of all Shareholders. Redemption proceeds will be paid to the account designated by the Shareholder in the Application Form (as may be amended from time to time on a written request by a Shareholder in accordance with the Manager’s procedures and requirements (and/or those of Administrator) including those pertaining to fraud and financial crime prevention. The Manager does not permit the payment of redemption proceeds to third party accounts.

In the case of some Sub-Funds, not limited to those investing in Underlying Funds, and as permitted by the AIF Rulebook, there may be circumstances where it is necessary to delay full settlement and to retain a portion of redemption proceeds, such as due to the redemption policy of any Underlying Fund holdings. More information is available in a Relevant Supplement where applicable. Where rights to delay settlement and/or retain redemption proceeds are exercised, Shareholders will not have any claim or entitlement to interest on redemption proceeds.

Redemption in specie

Redemption proceeds may also be paid, at the discretion of the Directors, by a distribution in specie of assets of the Company to the Shareholder, provided that the Depositary is satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to the remaining Shareholders and provided the Shareholder consents to the distribution in specie. The nature and type of assets to be transferred shall be determined by the Directors on such basis as they and the Depositary deem equitable and not prejudicial to the interests of the remaining Shareholders. Any such asset allocation is subject to the approval of the Depositary. Shareholders who receive redemption proceeds *in specie* will be responsible for liquidating any securities received, including bearing any transaction costs involved in the sale of such securities. A determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of Shares that represent 5% or more of the Net Asset Value and in such case the Company will, if requested by the Shareholder, facilitate the redemption in specie on behalf of the Shareholder with the cost of sale being charged to the Shareholder.

Deferral of redemptions

Subject to and in accordance with the AIF Rulebook, an open-ended Sub-Fund is expected to redeem when requested at least 10% of Net Asset Value on a monthly basis or at least 25% of Net Asset Value on a quarterly basis.

Notwithstanding the foregoing, pursuant to the Articles if outstanding redemption requests from Shareholders of a particular Sub-Fund on a Dealing Day total in aggregate 10% or more of the Net Asset Value of the Sub-Fund on that Dealing Day, the Directors may, in their discretion, elect to restrict the total number of Shares repurchased to 10% or more of the Net Asset Value, in which case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed provided the Company shall not be obliged to redeem more than 10% of the total Net Asset Value of the particular Sub-Fund outstanding on a Dealing Day. Such deferred repurchase requests will have priority over repurchase requests received on subsequent Dealing Days.

Restrictions on the ability of the Manager, as set out in the preceding paragraph, to restrict the total number of Shares repurchased in a Sub-Fund on any Dealing Day may be set out in the Relevant Supplement.

Compulsory Redemption and Total Redemption

The Directors may compulsorily redeem all of the outstanding Shares in any Sub-Fund at the then prevailing Net Asset Value per Share, if the Depositary has served notice of its intention to retire under the terms of the Depositary Agreement (and has not revoked such notice) and no new depositary has been appointed by the Company with the approval of the Central Bank within 90 days of the date of service of such notice.

All outstanding Shares in any Sub-Fund may be redeemed by the Company by not less than four weeks' notice in writing to the appropriate Shareholders if at any time following the first issue of Shares in the Sub-Fund, the Net Asset Value of the Sub-Fund on any Dealing Day falls below an amount which the Directors, on the advice of the Investment Manager or the Administrator or other service providers at the Directors' discretion, believe is economically viable for the relevant Sub-Fund. The amount in respect of each Sub-Fund below which a total redemption of Shares may take place is currently set at twenty-five (25) million Euro (or its equivalent in the Base Currency of the Sub-Fund) or such other amount as may be specified in the Relevant Supplement or notified to Shareholders from time to time. In such circumstances, the Administrator will issue a redemption notice ("**Redemption Notice**") and the Shares will be redeemed as of the Dealing Day specified in the Redemption Notice. In order to receive the redemption proceeds, Shareholders will be required to acknowledge to the Administrator receipt of the Redemption Notice describing their shareholdings.

Shareholders are required to notify the Company immediately in the event that they become U.S. Persons or hold Shares for the account or benefit of U.S. Persons, they become Irish Residents or cease to be Exempt Investors, or the Declaration made by or on their behalf is no longer valid. Shareholders

are also required to notify the Company immediately in the event that they hold Shares for the account or benefit of Irish Residents or Irish Residents who cease to be Exempt Investors and in respect of which the Declaration made on their behalf is no longer valid or if they otherwise hold Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, pecuniary, tax or material administrative disadvantage for the Company or the Shareholders as a whole.

Where the Directors become aware that a Shareholder (a) is a U.S. Person or is holding Shares for the account or benefit of a U.S. Person in contravention of the relevant provisions of the Articles; or (b) is holding Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, pecuniary, tax or fiscal consequences for the Company or the Shareholders; the Directors shall either (i) direct the Shareholder to dispose of the relevant Shares to a person who is qualified or entitled to own or hold such Shares or (ii) redeem the relevant Shares at the Net Asset Value per Share as at the Valuation Point immediately following the date of notification of such mandatory redemption to the Shareholder.

Under the Articles, any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer his Shares, or who fails to make the appropriate notification to the Company, shall indemnify and hold harmless each of the Directors, the Company, the Manager, the Depositary, the Administrator, the Investment Manager, the Sub-Investment Managers and the other Shareholders (each an "**Indemnified Party**") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

Umbrella Cash Collection Account

All redemption and dividend proceeds shall be paid through the Umbrella Cash Collection Accounts, and applicants should note the information in relation to the operation of and risks associated with the Umbrella Cash Collection Accounts set out in the section headed "Special Considerations Risks".

Fractional balances

For a redemption of Shares, any residual balance representing less than a fractional share will not be returned to a Shareholder but will be retained by the Company at the discretion of the Directors (or their delegates) or the Manager.

Minimum Holding

Where a Shareholder submits a redemption request for part of its holding in a Sub-Fund or Class such that any remaining holding would be less than the Minimum Holding, the application may be treated, at the discretion of the Directors (or their delegates) or the Manager, as an application for the redemption of all of that Shareholder's Shares in the relevant Fund or Class, save where the Shareholder, subject to any applicable dealing cut-off, instructs an amendment or withdrawal its original request.

If a Shareholder holds less than the Minimum Holding in a Sub-Fund or Class (otherwise than due to performance reasons), the Company may redeem the whole of that Shareholder's holding at the discretion of the Directors (or their delegates) or the Manager.

Open-ended with limited liquidity/closed-ended Sub-Funds

A Sub-Fund which offers redemption and/or settlement facilities on less than a quarterly basis or which provides for a period of greater than 90 calendar days (or 95 for a fund of funds) between the applicable dealing deadline for redemptions and the payment of redemption proceeds, will, in accordance with the AIF Rulebook, state in the Relevant Supplement that it is an open-ended Sub-Fund with limited liquidity.

Specific terms for the redemption and exchange of Shares in Sub-Funds that are open-ended with limited liquidity or closed-ended may be set forth in the Relevant Supplement. Where provided for in the Relevant Supplement, such open-ended with limited liquidity or closed-ended Sub-Funds may provide for notice periods for redemptions, lock-up periods or impose additional or more restrictive conditions around redemptions than those relevant to open-ended Sub-Funds as provided for in this Prospectus.

HOW TO EXCHANGE OR TRANSFER SHARES

Exchanges within the Company

Generally, Shareholders may exchange Shares in a Sub-Fund for Shares of such Class or Classes in another Sub-Fund of the Company as may be determined by the Directors from time to time. An exchange request will be treated as an order to redeem the Shares held prior to the exchange and a purchase order for new Shares with the redemption proceeds. The original Shares will be redeemed at their Net Asset Value per Share and the new Shares will be issued at the Net Asset Value per Share of the corresponding Class of the applicable Sub-Fund. Exchange requests for Shares must be made through the Distributor in accordance with such detailed instructions regarding exchange procedures as are furnished by the Distributor.

No exchange fee will be charged by the Company or the Manager.

Other Exchanges

Shareholders may request a switch of Shares from one Sub-Fund or class of Shares of the Company to another sub-fund or class of shares of any other funds in Mercer's Irish fund range, which as of the date hereof includes the Mercer Funds. Such switch request will be treated as a redemption of Shares and a simultaneous purchase of shares in the other Mercer Fund. Consequently, any Shareholder requesting such switch must comply with the procedures of redemption and subscription as well as all other requirements, notably relating to investor qualifications and minimum investment and holding thresholds applicable to each of the funds or classes of shares concerned in the other Mercer Fund.

Switches must be effected by request in writing (in a medium acceptable to the Company and the relevant Mercer Fund). Unless otherwise requested in writing, redemption proceeds will not be paid to the Shareholder's bank account outlined on the Application Form and will instead be paid to the appropriate bank account for the Mercer Fund in which the Shareholder wishes to subscribe. The Directors or their delegates may decline to register any switch of Shares unless the request in writing is deposited at the registered office of the Company, or such other place as the Directors or their delegates may reasonably require, accompanied by such other evidence as the Directors, the Manager (or the Administrator on their behalf) may reasonably require.

Shareholders should note that while receipt of verification documents are pending, transactions may be rejected or delayed.

A Shareholder must satisfy the eligibility requirements applicable to the classes of shares or units of the relevant Mercer Fund (for example, a Shareholder seeking to switch into MGI Funds plc should note that this Mercer Fund is a UCITS). All costs (including potential tax liability which might be applicable because of the country of citizenship, residence or domicile of the relevant Shareholder) associated with such switch will be borne by the relevant Shareholder.

No exchange fee will be charged by the Company or the Manager.

Transfers

Transfers of Shares must be effected by submission of an original Stock Transfer Form. Every form of transfer must state the full name and address of each of the transferor and the transferee and must be signed by or on behalf of the transferor. The Directors (or the Administrator on their behalf) may decline to register any transfer of Shares unless the transfer form is deposited at the registered office of the Company, or such other place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register of Shareholders. A transfer of Shares will not be registered unless the transferee, if not an existing Shareholder, has completed an Application Form (and has provided any documents in connection with anti-money laundering procedures) to the satisfaction of the Directors or their delegates and the anti-money laundering procedures have been completed.

For additional information concerning exchanges and restrictions thereon, please consult the section under the heading “Investing in Shares” in this Prospectus.

Shares are freely transferable and may not be subject to any transfer restrictions or compulsory redemption save where the holding of such Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or its Shareholders as a whole. To avoid such regulatory, pecuniary, legal, taxation or material administrative disadvantage for the Company or its Shareholders as a whole, transfers of Shares are subject to the prior approval of the Directors or the Administrator on their behalf. A proposed transferee may be required to provide such representations, warranties or documentation as the Directors may require in relation to the above matters. In the event that the Company does not receive a Declaration in respect of a transferee, the Company will be required to deduct appropriate tax in respect of any payment to the transferee or any sale, transfer, cancellation, redemption, repurchase, cancellation or other payment in respect of the Shares as described in the section headed “Taxation” in this Prospectus.

SIDE POCKETS

From time to time, a portion of the Company’s assets may consist of one or more illiquid investments (including investments that are illiquid at the time of purchase) that the Directors determine, in their sole discretion, to be subject to practical, regulatory, contractual or legal restrictions on disposition (each such investment or portfolio of investments is referred to herein as a “**Side Pocket Investment**”). Upon identifying an investment or portfolio of investments as a Side Pocket Investment, a pro-rata portion of each existing Shareholder’s shares (and, if such Shareholder holds more than one class of shares, pro-rata according to such Shareholder’s holdings of such shares) will be converted to Shares of a new side pocket, without any obligation on the Shareholders or the Company to take any other action and without the requirement for any notice to be served on such Shareholder. This may include the conversion of Shares in respect of which a suspension or a partial suspension of redemptions is in effect on the date on which such redemption and re-issue occurs and the entire holding of any relevant Shareholders on the Dealing Day prior to the implementation of the suspension or partial suspension of redemptions may be taken into account in calculating the pro rata portion of shares held by such Shareholder which are to be redeemed and re-issued. Each separate class of side pocket Shares will represent a separate Sub-Fund. Shareholders who purchase shares after a Sub-Fund acquires a Side Pocket Investment are not entitled to receive any Shares or to participate in the gain, loss or income relating to such Side Pocket Investment.

FEES AND EXPENSES

The assets of each of the Sub-Funds are subject to some or all of the fees and expenses set out below subject to any additional information regarding fees and expenses of a Sub-Fund which may be contained in the Relevant Supplement or the Articles.

Directors' Fees

Under the Articles, the Directors are entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' remuneration in any one year shall not exceed €200,000 unless otherwise notified to Shareholders. The Directors' remuneration in respect of daily dealing Sub-Funds will accrue daily, and be paid monthly in arrears, and in respect of monthly dealing Sub-Funds, will accrue monthly and be paid up to one month in arrears. The Directors and any alternate Directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or Shareholders or any other meetings with regulatory authorities or professional advisers or otherwise in connection with the business of the Company.

Management Fee

The Manager shall charge a Management Fee to each Share Class of a Sub-Fund up to a maximum percentage per annum for each Share Class Type as set out in the Relevant Supplement. The Management Fees are calculated based on the Net Asset Value for each Dealing Day of the Sub-Fund attributable to the relevant Share Class, will accrue daily and are payable monthly in arrears to the Manager and will be payable in the Base Currency of the Sub-Fund.

The Management Fee comprises two components: a Manager Fee and a Hedging Fee, where applicable. Both the Manager Fee and the Hedging Fee may be less than the maximum percentage per annum set out in the Relevant Supplement. The actual Management Fee charged to a Share Class (Manager Fee plus Hedging Fee if applicable) will be reflected in the Share Class nomenclature as described under "Share Class Features" unless stated otherwise in the Relevant Supplement.

Manager Fee: The Manager Fee remunerates the Manager for its services to the Sub-Funds. Unless otherwise provided in a Relevant Supplement, the Manager shall be responsible for discharging the fees of the Investment Manager and Distributor. The Manager Fee may vary from class to class within a Sub-Fund based on factors such as the size and nature of the investment, investor type and relationship and any additional distribution services or portfolio management services being provided. In certain circumstances, an Investor may agree a fee pursuant to a separate commercial arrangement with the Manager and/or the Investment Manager which will be reflected in the Manager Fee applied to a Share Class and the level of that Manager Fee may be uniform across a range of Sub-Funds in which that Investor invests, irrespective of investment strategy.

The Manager, at its discretion, may waive or rebate some, or all, of the Manager Fee at any time to any Shareholders.

In respect of Class B Shares, the portion of Sub-Investment Manager fees and Underlying Fund Management Fees (where applicable) attributable to the relevant B Share Class shall be paid by the Manager out of the Manager Fee. The Manager Fee for Class B Shares will be set at a level to reflect the aggregated fees of the Manager and the anticipated fees associated with the Sub-Investment Managers and Underlying Fund managers.

Hedging Fee: For Hedged Share Classes, the Manager collects a fixed Hedging Fee up to a maximum percentage per annum as set out in the Relevant Supplement. The Hedging Fee is payable to the Manager and is used by the Manager to discharge the variable costs of any delegate or service provider who may be engaged to perform currency hedging for Hedged Share Classes.

Sub-Investment Manager Fees

The Investment Manager employs a manager of manager investment approach, appointing specialist Sub-Investment Managers to manage some or all of the assets of a Sub-Fund. The Sub-Investment Managers' fees compensate the appointed Sub-Investment Managers for the day-to-day investment management of their assigned segments of the Sub-Funds and is charged in addition to the Management Fee.

The Sub-Investment Managers' fees shall be paid out of the assets of the relevant Sub-Fund or by the Investment Manager. Where Sub-Investment Managers' fees are paid out of the assets of a Sub-Fund, the Sub-Investment Managers' fees shall accrue daily on the Net Asset Value for each Dealing Day of the relevant Sub-Fund and be payable quarterly in arrears. The Sub-Investment Managers' fees applicable to a Sub-Fund will not exceed the percentage per annum set out in the Relevant Supplement. For the avoidance of doubt, should the actual Sub-Investment Managers' fee incurred be less than the maximum amount for Sub-Investment Manager fees stated in the Relevant Supplement, only the Sub-Investment Manager's fees actually incurred are charged. By exception to the above, the portion of Sub-Investment Managers' fees attributable to Class B Shares shall be paid by the Manager out of the Manager Fee.

Performance Fees

Details of any performance fees which may be paid to the Manager and/or Sub-Investment Managers will be set out in the Relevant Supplement where applicable to a Sub-Fund.

Operating Expenses

Certain fees, costs and expenses (including any value added tax or similar charge) incurred in the operation of a Sub-Fund, other than those expressly assumed by the Manager, will be borne out of the assets of the relevant Sub-Fund, including without limitation:

- Administrator fees (which shall accrue daily and be payable monthly in arrears);
- Depositary fees (which shall accrue daily and be payable monthly in arrears) and custody safekeeping and transaction fees and charges (fees and charges of sub-custodians will be charged at normal commercial rates);
- establishment costs associated with the formation of a Sub-Fund will be paid out of the assets of the relevant Sub-Fund and are detailed in the Relevant Supplement together with the applicable period over which those costs will be amortised;
- fees of the Directors (which shall accrue daily and be payable quarterly in arrears);
- distribution costs including but not limited to registration fees and other expenses relating to the regulatory, supervisory or fiscal authorities in various jurisdictions; and fees and expenses of paying agents, information agents and other similar representatives appointed in connection with distribution of any of the Sub-Funds (which will be at normal commercial rates) and any other sales and marketing literature;
- regulatory costs (including but not limited to expenses incurred in connection with the collection, processing and maintenance of regulatory data and the preparation, modification, maintenance, publication and distribution (including translation) of the Prospectus, the Articles, any Relevant Supplement, annual and periodic reports and any other regulatory reporting required by the Central Bank or any other regulatory authority);
- ESG factor costs where relevant (including but not limited to screening, voting monitoring and reporting costs);
- index licensing and benchmark fees, where applicable;

- professional services fees and expenses incurred for the benefit of a Sub-Fund (including but not limited to costs of audits, legal services, tax and valuation advisory services);
- securities lending fees (including but not limited to costs of the agent's fees and oversight of the programme);
- Shareholder reporting costs (including but not limited to expenses incurred in connection with the collection, processing and maintenance of data required for Shareholder reporting and the preparation, modification, publication and distribution (including translation) of information to Shareholders);
- portfolio-level currency management fees;
- other costs, charges, fees and expenses as permitted in accordance with the terms of the Articles (including, but not limited, to: insurance premiums; association and membership dues; research costs; any out-of-pocket expenses of the Manager, Investment Manager, Distributor, Directors, Administrator, Depository and Sub-Investment Managers where reasonable and properly incurred); and
- any other fees and expenses relating to the management and administration of the Company or a Sub-Fund.

Expenses will be allocated to the Sub-Fund or Sub-Funds to which, in the opinion of the Manager (or its delegate), they relate. If an expense is not readily attributable to any particular Sub-Fund, the expense will be allocated to all Sub-Funds pro rata to their respective Net Asset Values in accordance with the Articles. The Manager may, at its discretion, contribute directly towards the expenses attributable to the establishment and/or operation of the Company or any particular Sub-Fund and/or the marketing, distribution and/or sale of Shares.

Operating Expense Cap

The Manager may undertake to limit the Operating Expenses (as set out above) attributable to certain Sub-Funds, or certain Classes within a Sub-Fund, where so set out in the Relevant Supplement, save for any excluded fees and expenses. For the avoidance of doubt, should the actual Operating Expenses incurred in relation to a Sub-Fund be less than the maximum level stated in the Relevant Supplement, only the Operating Expenses actually incurred are charged.

To achieve this operating expense cap, the Manager will absorb (either directly by waiving a portion of its Manager Fees or by reimbursement to the relevant Sub-Fund) any Operating Expenses over the applicable operating expense cap that may arise. As the operating expense cap has been agreed to by the Manager on a voluntary basis, the Manager may withdraw the operating expense cap at any time or increase or decrease operating expense cap in respect of any particular Sub-Fund from time to time. Where the Manager withdraws, increases or decreases the operating expense cap, the Manager will notify affected Shareholders of the relevant Sub-Fund.

Where an operating expense cap applies, save where expressly provided to the contrary in a Relevant Supplement, it shall include Operating Expenses (as set out above) and exclude:

- Management Fees;
- Sub-Investment Manager fees;
- performance fees;
- fees and expenses as set out below under "**Costs of investing in Underlying Funds**"; and
- fees and expenses as set out below under "**Other fees and expenses not included in any of the above**".

Costs of Investing in Underlying Funds

Where a Sub-Fund invests in Underlying Funds (including a Sub-Fund which invests as a feeder fund in a master fund), each Underlying Fund will have its own offering, establishment, organisational and operating expenses, including any administration and custody fees, and management fees and expenses, including hedging costs and performance and incentive fees, payable to the manager and/or investment manager of the Underlying Fund pursuant to the Underlying Fund's offering documents and material contracts. The Sub-Fund will indirectly bear a pro-rata portion of the fees and expenses of each Underlying Fund as an investor in that Underlying Fund. The Sub-Fund may also bear any subscription fee, redemption fee or other dealing charge payable in respect of its investment in an Underlying Fund. However, in the case of investments in Underlying Mercer Funds, no subscription, conversion or redemption charges will be imposed on an investing Sub-Fund.

Subject to anything further specified in a Relevant Supplement, for any Sub-Fund which is expressly permitted under its Relevant Supplement to invest in Underlying Funds, the maximum level of management fee chargeable at the level of any Underlying Funds is not expected to exceed 3% of the net assets of the relevant Underlying Fund. Such Underlying Funds may also be subject to performance fees, which are generally not expected to exceed 30% of the outperformance of the relevant Underlying Fund (which, for example, could be based on performance above a performance benchmark or above a high watermark).

Any commission, including rebated commission, received by the Manager by virtue of an investment in Underlying Funds will be paid into the property of the investing Sub-Fund.

Other fees and expenses not included in any of the above

For the avoidance of doubt, in addition to the types of fees and expenses referenced above, a Sub-Fund may also bear other fees and expenses, as permitted by the Articles, including, but not limited, to:

- all transaction costs incurred in respect buying or selling the assets of a Sub-Fund (except for custody transaction fees);
- costs of borrowing including interest, negative interest on cash balances and fees and expenses for arranging or drawdown of credit facilities;
- taxes, not limited to; stamp duties or other forms of transfer taxes, levies, capital gains taxes, withholding taxes and similar charges imposed in respect of a Sub-Fund; and
- expenses of an extraordinary, unforeseen or non-recurring nature not limited to Company or Sub-Fund litigation liabilities or expenses (including without limitation, legal costs reasonably incurred in pursuing or defending actions or claims, and the costs for meeting litigation and/or indemnification-related claims).

Allocation Policy

The Company's standard policy is for Sub-Funds to charge fees and expenses to income. Unless otherwise indicated in a Relevant Supplement, fees and expenses are only charged to capital where there is insufficient income available to cover fees and expenses.

Certain Sub-Funds may, where disclosed in the Relevant Supplement, charge Management Fees and other fees and expenses to the capital, rather than the income, of the Sub-Fund, in order to maximise distributions of the Sub-Fund.

Shareholders should note that charging fees and expenses to capital will have the effect of lowering the capital value of an investment. The effect of maximising income will be achieved by foregoing or constraining the potential for future capital growth and will result in a reduction of the Net Asset Value per Share. This means that on redemption of holdings, Shareholders may not receive back the full amount they initially invested.

DETERMINATION OF NET ASSET VALUE

Calculation of Net Asset Value per Share

The Net Asset Value per Share in any Sub-Fund shall be calculated by the Administrator in the Base Currency of that Sub-Fund (which shall be so specified in the Relevant Supplement) to the nearest two decimal places as at each Valuation Point in accordance with the valuation provisions set out in the Articles and summarised below. The Net Asset Value of a Sub-Fund shall be calculated by ascertaining the value of the assets of the relevant Sub-Fund and deducting from such amount the liabilities of the Sub-Fund, which shall include all fees and expenses payable and/or accrued and/or estimated to be payable out of the assets of the Sub-Fund as specified in the Relevant Supplement.

The Net Asset Value per Share of a Class of Shares in a Sub-Fund shall be calculated by establishing the number of Shares issued in the Class on the relevant Valuation Day and allocating the relevant fees and Class expenses to the Class and making appropriate adjustments to take account of distributions, if any, paid out of the Sub-Fund and apportioning the Net Asset Value of the Sub-Fund accordingly.

The Net Asset Value per Share in respect of any Dealing Day with respect to each Sub-Fund will be calculated at the time set out in the Relevant Supplement. The Net Asset Value per Share will be available promptly on request from the office of the Administrator. The Manager shall be responsible for the valuation of the assets of the Fund and the publication of the Net Asset Value. For the avoidance of doubt, the time at which the Net Asset Value is calculated will always be after the Dealing Deadline.

Share Classes are distinguished based of different levels of Management Fee and/or other fees and expenses applicable to the relevant Share Class. The Net Asset Value per Share for one Class will differ from the other Classes reflecting these differing fee levels or, as applicable, reflecting different Class Currencies and, in some cases, due to the initial offer price per Share differing from the Net Asset Value per Share of other Classes already in issue in the relevant Sub-Fund.

Valuation Point

The "Valuation Point" as at which prices shall be used when valuing the assets of a Sub-Fund shall be as defined in the Relevant Supplement or such other time as the Directors may determine from time to time and notify to Shareholders. The Valuation Point for any Dealing Day shall always be a time which is after the Dealing Deadline.

Publication of Net Asset Value per Share

The Manager shall be responsible for the valuation of the assets of the Company and the publication of the Net Asset Value. The Net Asset Value per Share in respect of any Dealing Day with respect to each Sub-Fund will be calculated at the time set out in the Relevant Supplement.

The Net Asset Value per Share in respect of a Dealing Day with respect to a Sub-Fund will be calculated with reference to the Valuation Point for that Dealing Day and is normally published the following Business Day, subject to any other time set out in a Relevant Supplement.

To the extent the Net Asset Value per Share for a Sub-Fund is published, this will be via the following website: www.bloomberg.com and/or on, or through, such other media as the Manager may from time to time determine.

The Net Asset Value per Share is available to Shareholders on request from the Administrator. The historical performance of each of the Sub-Funds shall be available on request from the Administrator.

Determination of Net Asset Value

The Manager is responsible for the valuation function in respect of the Company. A valuation policy in respect of the Company has been agreed between the Investment Manager, the Administrator and the Manager in accordance with the Articles and this Prospectus and the requirements of the AIFMD Regulations and has been adopted by the Manager in respect of the Company (the "**Valuation Policy**").

The purpose of the Valuation Policy is to ensure: (a) a consistent framework and methodology for the determination, validation, approval, regular monitoring and review of pricing; (b) that fair, correct and transparent pricing models and valuation systems are utilised; (c) that the calculation of the Net Asset Value of the Company is accurately effected, on the basis of the accounting and that subscription and redemption orders can be properly executed at the Net Asset Value; and (d) the proper and accurate valuation of the assets and liabilities of the Company in accordance with the valuation rules as set out in the AIFMD Regulations.

The Manager shall undertake the valuation function impartially and will exercise due skill, care and diligence in its discharge. In carrying out this function, the Manager shall make use of safeguards set out in its Valuation Policy in order to ensure that the valuation function is functionally independent from the portfolio management function.

The Investment Manager has responsibility for the ongoing monitoring of investments within each of the Sub-Funds. This includes, but is not limited to, reviewing information on stale and static prices, suspended securities and securities in liquidation and securities valued at cost. If the Investment Manager has reasonable belief that a particular security's valuation may not reflect fair market value, the fair value pricing committee of the Investment Manager will consider the security in question and its appropriate value. The Investment Manager may then make recommendations to the Manager, which may take this recommendation into account in determining fair value pricing.

In accordance with the Valuation Policy, the Manager may further develop the Valuation Policy and fair value assets in conjunction with the Investment Manager, and is responsible for the development, implementation and oversight of the Valuation Policy. The Manager's Remuneration Policy and other measures shall also ensure that conflicts of interest are mitigated and that undue influence upon employees is prevented.

The Manager has appointed the Administrator with responsibility for calculating the Net Asset Value and for each class of Shares as of each relevant Dealing Day. The calculation and publication of the Net Asset Value shall be undertaken by the Administrator in accordance with the Administration Agreement and the Valuation Policy.

The Manager is permitted to delegate the performance of certain valuation functions to an External Valuer in accordance with the requirements of the AIFMD. The Manager does not currently intend on delegating the performance of its valuation functions to any such External Valuer. In the event that the Manager delegates any of its valuation functions to an External Valuer in the future, Shareholders shall be notified.

The Manager shall be responsible for the proper valuation of the Company's assets and the Manager's liability towards the Company and its Shareholders will not be affected by the appointment of an External Valuer. The appointment of an External Valuer (if any) by the Manager shall be notified to the Central Bank. Any External Valuer appointed by the Manager shall not be permitted to delegate the valuation function to a third party, and shall, irrespective of any contractual arrangements providing otherwise, be liable to the Manager for any losses suffered by the Manager as a result of the External Valuer's negligence or intentional failure to perform its tasks.

The assets of a Sub-Fund will be valued to the nearest two decimal places as at the Valuation Point as follows:-

- (i) equity, fixed income and money market assets listed or traded on a Recognised Market (other than those referred to at (v) and (ix) below) for which market quotations are readily available shall be valued at the last traded price on the principal exchange or market for such investment provided that the value of any investment listed on a Recognised Market but acquired or traded at a premium or at a discount outside or off the relevant Recognised Market may be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Depository must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. If for specific assets the last traded prices do not, in the opinion of the Manager or the External Valuer (as relevant), reflect their fair value, or are not available the value shall be estimated with care and in good faith by the Manager in consultation with the relevant Sub-Investment Manager or by an External Valuer

with a view to establishing the probable realisation value for such assets as at the Valuation Point;

- (ii) if the assets are listed or traded on several Recognised Markets, the last traded price (in the case of equity assets) or the latest mid-market price (in the case of fixed income and money market assets) on the Recognised Market which, in the opinion of the Manager or an External Valuer, constitutes the main market for such assets, will be used;
- (iii) in the event that any of the investments are not listed or traded on any Recognised Market, such securities shall be valued at their probable realisation value as at the Valuation Point estimated with care and in good faith by the Manager in consultation with the relevant Sub-Investment Manager or by an External Valuer;
- (iv) cash and other liquid assets will be valued at their face value with interest accrued, where applicable, up to the Valuation Point;
- (v) units or shares in open-ended and closed-ended collective investment schemes not valued in accordance with (i) above will be valued at the latest available net asset value as published by the collective investment schemes as at the Valuation Point, or, if unavailable at the probable realisation value, as estimated with care and in good faith and as may be recommended by the Manager or an External Valuer;
- (vi) the Manager or an External Valuer (as relevant) may adjust the value of any investment if it considers such adjustment is required to reflect the fair value thereof in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant with the approval of the Depositary;
- (vii) any value expressed otherwise than in the Base Currency of the relevant Sub-Fund (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Manager or an External Valuer deems appropriate in the circumstances;
- (viii) exchange traded derivative instruments will be valued at the settlement price for such instruments on such market as at the Valuation Point; if such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Manager or an External Valuer. OTC derivative instruments will be valued on each Dealing Day at the settlement price as at the Valuation Point as provided by the counterparty on a weekly basis and verified at least on a monthly basis by the Manager or an External Valuer (being independent from the counterparty). Forward foreign exchange contracts shall be valued with reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken; and
- (ix) money market instruments held by a Sub-Fund with a remaining maturity or interest rate reset of 1 year or less will be valued, where possible, by vendor pricing. Where vendor pricing is not possible the amortised cost method, which approximates market value, will be used. There may be periods during which the stated value of an instrument determined under the amortised cost method of valuation is higher or lower than the price which the Sub-Fund would receive if the instrument were sold, and the accuracy of the amortised cost method of valuation can be affected by changes in interest rates and the credit standing of issuers of the Sub-Fund's investments.

In the event of it being impossible, impractical or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out in paragraphs (i) to (ix) above, or if such valuation is not representative of the securities fair market value, the Manager or an External Valuer, if it deems it necessary, is entitled to adopt an alternative valuation method which has been approved by the Depositary in order to reach a proper valuation of that specific investment, and the rationale or methodologies used shall be clearly documented.

Where a Class is designated in a currency other than the Base Currency, the Net Asset Value of Shares in that Class shall be calculated in the Base Currency and converted into the currency of designation of

that Class at the rate (whether official or otherwise), which the Administrator deems appropriate in the circumstances. Changes in the exchange rate between the Base Currency of a Sub-Fund and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency.

Dividends, interest and capital gains (if any) which the Company receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Company, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

Swing Pricing

Notwithstanding the above provisions, on any Dealing Day on which there are net subscriptions into or net redemptions out of a Sub-Fund, the actual cost of acquiring or disposing of assets on behalf of the relevant Sub-Fund, for example due to factors including dealing charges, taxes, or any spread between acquisition and disposal prices of assets, may be such as to affect the Net Asset Value of the Sub-Fund to the detriment of Shareholders in the Sub-Fund as a whole. The adverse effect that these costs could have on the Net Asset Value is known as “dilution”.

In order to seek to mitigate the effect of dilution the Directors may determine, at their discretion, to “swing” the Net Asset Value to counter the possible negative effects of dilution. Where they so determine, the Administrator will calculate the Net Asset Value for the relevant Sub-Fund, as described above, and then adjust (“**swing**”) the Net Asset Value by a percentage factor determined by the Directors from time to time at their sole discretion. The direction of the swing will depend on whether there are net subscriptions or redemptions in the relevant Sub-Fund on the relevant Dealing Day, while the magnitude of the swing will be based on a percentage factor determined by the Directors at their discretion, for example considering the average trading costs in the relevant asset class(es) in which the Sub-Fund is invested and the level of costs which may be incurred in the circumstances as a result of having to acquire or dispose of assets for the portfolio, as relevant, following dealing in Shares of the relevant Sub-Fund.

For example, if the relevant Sub-Fund is experiencing net inflows, its Net Asset Value will be swung upwards, so that the incoming Shareholders are effectively bearing the costs of the dealing that their subscriptions generate by paying a higher Net Asset Value per Share than they would otherwise be charged. Conversely, where there are net redemptions in the Sub-Fund, the Net Asset Value will be swung downwards, so that the outgoing investors are effectively bearing the costs of the dealing that their redemptions generate by receiving a lower Net Asset Value per Share than they would otherwise receive. These swings are intended to protect non-dealing Shareholders from the impact of trading-related costs triggered by dealing investors.

The determination to swing the Net Asset Value in respect of a Sub-Fund will be made following a consideration of the dealing activity (i.e. level of subscriptions and redemptions) in the relevant Sub-Fund on a Dealing Day, in accordance with criteria set by the Directors from time to time. These criteria will include for example whether the costs of investing or divesting the net inflows into or outflows from a Sub-Fund on a Dealing Day will create, in the Directors’ opinion, a material dilutive impact. Swing pricing will only be exercised for the purpose of reducing dilution in the interests of the Shareholders in a Sub-Fund as a whole and will be applied consistently in respect of a Sub-Fund and in respect of all assets of that Sub-Fund.

Anti-Dilution Levy

In calculating the subscriptions and redemption price for the Sub-Funds the Directors may in their discretion, on a Sub-Fund by Sub-Fund basis and on any Dealing Day when there are net subscriptions or redemptions, adjust the subscription or redemption price by adding or deducting an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the respective Sub-Funds. Each Shareholder may be subject to an anti-dilution levy of up to 3% of the subscription proceeds or redemption proceeds, as applicable. The anti-dilution levy will be paid to the Sub-Fund for

the benefit of all Shareholders and will not be paid to the Manager or Investment Manager. The anti-dilution levy will be deducted from subscription proceeds and will correspondingly reduce the number of Shares purchased by the investor or will be deducted from redemption proceeds and will correspondingly reduce the amounts received by a Shareholder upon redeeming its Shares from the Sub-Fund. Investors should note that the anti-dilution levy will only be paid on net subscriptions and redemptions on any Dealing Day. Details of any such anti-dilution levy (where applicable) will be notified to relevant Shareholders in advance of such levy being charged. In addition, while relevant Shareholders will be notified of the details of any such anti-dilution levy prior to settlement of their subscription or redemption (as applicable), notification will be provided after the point where such Shareholders can cancel their trade.

TEMPORARY SUSPENSION OF DEALINGS

The Directors may at any time, with prior notification to the Depositary, temporarily suspend the issue, valuation, sale, purchase, redemption, repurchase and exchange of Shares in any Sub-Fund during:

- (i) any period when any Recognised Market on which a substantial portion of the investments for the time being comprised in the relevant Sub-Fund are quoted, listed or dealt in is closed otherwise than for ordinary holidays, or during which dealings in any such Recognised Market are restricted or suspended;
- (ii) any period where, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Company, the disposal or valuation of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interest of Shareholders;
- (iii) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the relevant Sub-Fund or during any period when for any other reason the value of investments for the time being comprised in the relevant Sub-Fund cannot, in the opinion of the Directors, be promptly or accurately ascertained;
- (iv) any period when the Company is unable to repatriate funds for the purposes of making redemption or purchase payments or during which the realisation of investments for the time being comprised in the relevant Sub-Fund, or the transfer or payment of funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange;
- (v) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the relevant Sub-Fund or the remaining shareholders in such Sub-Fund;
- (vi) any period following the service of a notice convening a meeting of the Shareholders at which a resolution is proposed to terminate a Sub-Fund or the Company;
- (vii) any period when the issue, valuation, sale, purchase, redemption, repurchase and exchange of shares in any Underlying Fund in which a Sub-Fund has invested a substantial portion of its assets is suspended;
- (viii) any period when the Directors believe it is in the best interests of the Shareholders to suspend dealings in the relevant Sub-Fund or Series; or
- (ix) any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Sub-Fund or of the Company.

Notice of any such suspension shall be notified within the same Dealing Day on which the suspension took effect, to the Central Bank. Shareholders who have requested issue, purchase or redemption of Shares in any Sub-Fund will have their request dealt with on the first Dealing Day after the suspension has been lifted unless such requests have been withdrawn prior to the lifting of the suspension. All reasonable steps will be taken to bring any period of suspension to an end as soon as possible. If in the opinion of the Directors the suspension is likely to exceed thirty days, it shall be notified as soon as practicable thereafter to any Shareholders affected by such suspension.

TAXATION

IRELAND

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.

The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Shareholders who are not Irish residents may be taxed in accordance with the laws of other jurisdictions. This Prospectus does not make any statement regarding those jurisdictions. Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.

Taxation of the Company

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

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms "*resident*" and "*ordinarily resident*" are set out at the end of this summary.

Taxation of Non-Irish Shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder's Shares once the appropriate declaration as set out in Schedule 2B TCA and in the application form accompanying this Prospectus has been received by the Company confirming the Shareholder's non-resident status and where the Company is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct. This Declaration may be provided by an Intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary's knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term 'Intermediary' is set out at the end of this summary.

If this declaration is not received by the Company and where the Company has not received approval from the Irish Revenue Commissioners to operate "equivalent measures", the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances including where:

- i. The appropriate tax has been correctly returned by the Company and within one year of making of the return the Company can prove to the satisfaction of the Revenue Commissioners that it is just and reasonable for such tax which has been paid to be repaid to the Company.
- ii. Where a claim is made for a refund of Irish tax under Section 189, 189A, 192 and 205A of the Taxes Act (relieving provisions relating to incapacitated persons, trusts in relation thereto, persons incapacitated as a result of drugs containing thalidomide and Magdalen Laundry payments) the income received will be treated as net income chargeable to tax under Case III of Schedule D from which tax has been deducted.

Shareholders must inform the Company on becoming Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

Taxation of Exempt Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) TCA (an “**Exempt Investor**”), the Company will not deduct Irish tax in respect of the Shareholder’s Shares once the declaration as set out in Schedule 2B TCA and in the application form accompanying this Prospectus has been received by the Company confirming the Shareholder’s exempt status.

The categories listed in section 739D(6) TCA can be summarised as follows:

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).
2. Companies carrying on life assurance business (within the meaning of section 706 TCA).
3. Investment undertakings (within the meaning of section 739B TCA).
4. Investment limited partnerships (within the meaning of section 739J TCA).
5. Special investment schemes (within the meaning of section 737 TCA).
6. Unauthorised unit trust schemes (to which section 731(5)(a) TCA applies).
7. Charities (within the meaning of section 739D(6)(f)(i) TCA).
8. A qualifying management company, being a person referred to in Section 739D(6)(g) TCA.
9. Specified companies (within the meaning of section 734(1) TCA).
10. A person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) TCA where the Shares held are assets of an approved retirement fund, an approved minimum retirement fund or a special savings incentive account.
11. A person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a Personal Retirement Savings Account (as defined under the TCA).
12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
13. An Irish Resident company investing in a money market fund being a person referred to in Section 739D(6)(k) TCA.
14. The National Asset Management Agency.
15. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.

16. The Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018).
17. Qualifying companies (within the meaning of section 110 TCA).
18. A person who is entitled to exemption from income tax and capital gains tax by virtue of section 787AC TCA and the Shares held are assets of a PEEP, within the meaning of Part 30, Chapter 2D TCA.
19. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder and where the Company has not received approval from the Irish Revenue Commissioners to operate equivalent measures, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

Taxation of Other Irish Shareholders

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an Exempt Investor (see above), the Company will deduct Irish tax on the happening of a chargeable event which includes distributions, redemptions, transfers and, additionally, on 'eighth anniversary' events, as described below.

A chargeable event does not include:

- an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- any transactions (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses, former spouses, civil partners or former civil partners, subject to certain conditions;
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H TCA) of the Company with another investment undertaking; or
- any transaction in relation to, or in respect of, relevant Shares in the Company which transaction arises only by virtue of a change of court funds manager for the Company.

Distributions by the Company

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

Redemptions and Transfers of Shares

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in Euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

'Eighth Anniversary' Events

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Sub-Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and

2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

Where the chargeable event is the ending of an eight year period, the Company has the option of electing to value the Shares at certain dates other than at the date of the deemed eight year disposal itself.

Stamp Duty

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

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B TCA) which is registered in Ireland.

No Stamp Duty will arise on reconstructions or amalgamations of investment undertakings under Section 739H of the Taxes Act, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax

Gift and Inheritance Tax

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish domiciled, resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the "valuation date" (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

Meaning of Terms

Meaning of "Residence" for Companies

A company which is incorporated in Ireland is automatically considered tax resident in Ireland, unless it is considered resident in a jurisdiction with which Ireland has a double tax agreement.

A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland will be treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.

Meaning of "Residence" for Individuals

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this "two year" test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

Meaning of "Ordinary Residence" for Individuals

The term "ordinary residence" (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2021 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2024.

Meaning of "Intermediary"

An 'intermediary' means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.

OECD Common Reporting Standard

The automatic exchange of information regime known as the "Common Reporting Standard" developed by the Organisation for Economic Co-operation and Development applies in Ireland. Under this regime, the Company is required to report information to the Irish Revenue Commissioners relating to all Shareholders, including the identity, residence and tax identification number of Shareholders and details as to the amount of income and sale or redemption proceeds received by Shareholders in respect of the Shares. This information may then be shared by the Irish Revenue Commissioners with tax authorities in other EU Member States and other jurisdictions which implement the OECD Common Reporting Standard, including the U.K.

UK Mandatory Disclosure Rules ("MDR")

The UK MDR, which are based on the OECD's Model Mandatory Disclosure Rules are now in force. These rules reflect common reporting standard (CRS) avoidance arrangements and the use of opaque offshore structures. The investors in the Company, or any person that has advised or assisted in respect of it could be legally obliged to file information in relation to the investors, the Company and its activities with the competent authorities with a view to an automatic exchange of such information between relevant tax authorities.

FATCA

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

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

INVESTOR TAX FILINGS AND RECORD RETENTION

The U.S. Treasury Department has adopted regulations designed to assist the IRS in identifying abusive tax shelter transactions. In general, these regulations require investors in specified transactions (including certain shareholders in non-U.S. corporations and partners in partnerships that engage in such transactions) to satisfy certain special tax filing and record retention requirements. Significant monetary penalties may be imposed as a result of a failure to comply with these tax filing and record retention rules. The regulations are broad in scope and it is conceivable that the Company may enter into transactions that will subject the Company and certain Shareholders to the special tax filing and record retention rules. The Directors intend to use reasonable efforts to provide information to the Shareholders necessary to enable the Shareholders to satisfy any tax filing and record retention requirements that may arise as a result of any transactions entered into by the Company. Prospective investors should consult their own tax advisors about their obligation to report or disclose to the IRS information about their investment in the Company with respect to transactions or investments subject to these rules.

GENERAL

Series of Shares Requirements

Under the Articles, the Directors are required to establish a separate Sub-Fund, with separate records, for each Series of Shares in the following manner:

- (i) the Company will keep separate books and records of account for each Sub-Fund. The proceeds from the issue of each Series of Shares will be applied to the Sub-Fund established for that Series of Shares, and the assets and liabilities and income and expenditure attributable thereto will be applied to such Sub-Fund;
- (ii) any asset derived from another asset comprised in a Sub-Fund, will be applied to the same Sub-Fund as the asset from which it was derived and any increase or diminution in value of such an asset will be applied to the relevant Sub-Fund;
- (iii) in the case of any asset which the Directors do not consider as readily attributable to a particular Sub-Fund or Sub-Funds, the asset will be allocated to all Sub-Funds pro rata to the value of the Net Asset Value of the relevant Sub-Fund;
- (iv) any liability will be allocated to the Sub-Fund or Sub-Funds to which in the opinion of the Directors it relates or if such liability is not readily attributable to any particular Sub-Fund, the liability will be allocated to all Sub-Funds pro rata to the value of the Net Asset Value of the relevant Sub-Fund;
- (v) where the assets of the Company (if any) attributable to the Subscriber Shares give rise to any net profit, the Directors may allocate assets representing such net profits to such Sub-Fund or Sub-Funds as they may deem appropriate.

Shares of any particular Series may be divided into different Classes to accommodate different subscription and/or redemption charges and/or other charges and/or dividend and/or fee arrangements.

The Share Capital

The authorised share capital of the Company is 500,000,000,002 Shares of no par value divided into 2 Subscriber Shares of no par value and 500,000,000,000 unclassified Shares of no par value.

Subscriber Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on a winding-up. Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different Classes of Shares) in the profits and assets of the Company on the terms and conditions set out in the Relevant Supplement. Subject to any special rights or restrictions for the time being attached to any Class of Shares with the prior approval of the Central Bank, each Shareholder shall be entitled to such number of votes as shall be produced by dividing the aggregate Net Asset Value of that Shareholder's shareholding (expressed or converted into Euro and calculated as of the relevant record date) by one. The Subscriber Shareholders shall have one vote for each Subscriber Share held. The "relevant record date" for these purposes shall be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. There are no pre-emption rights attaching to Shares.

The Company may from time to time by Ordinary Resolution increase its capital, consolidate its Shares or any of them into a smaller number of Shares, sub-divide Shares or any of them into a larger number of Shares or cancel any Shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

Voting Rights

At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or by at least five Shareholders present in person or by proxy or any Shareholders present representing at least one tenth of the Shares in issue having the right to vote at the meeting. In the case of a show of hands, each Shareholder present in person or by proxy shall have one vote. In the case of a poll each Shareholder shall be entitled to such number of votes at any general meeting as shall be produced by dividing the aggregate Net Asset Value of that Shareholder's shareholding (expressed or converted into the relevant Base Currency and calculated as of the relevant record date) by one. The "relevant record date" for these purposes shall be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. Where a separate written resolution or general meeting of a particular Series or Class is held, in such circumstances, the Shareholders' votes shall be calculated by reference only to the aggregate Net Asset Value per Share of each Shareholder's shareholding in that particular Series or Class. In relation to a resolution which in the opinion of the Directors gives or may give rise to a conflict of interest between the Shareholders of any Series or Class, such resolution shall be deemed to have been duly passed only if, in lieu of being passed through a single meeting of the Shareholders of such Series or Class, such resolution shall have been passed at a separate meeting of the Shareholders of each such Series or Classes. All votes shall be cast by Shareholders present in person or by proxy at the relevant Shareholder meeting or by unanimous written resolution of the Shareholders.

Variation of Shareholders Rights

Under the Articles, the rights attached to each Series or Class of Share may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that Series or Class or with the sanction of a special resolution passed at a separate general meeting of the holders of Shares of that Series or Class. The rights attaching to any Series or Class of Shares shall not be deemed to be varied by the creation or issue of further Shares ranking *pari passu* with Shares already in issue, unless otherwise expressly provided by the terms of issue of those Shares. The provisions of the Articles relating to general meetings shall apply to every such separate general meeting except that the necessary quorum at such a meeting shall be two persons present in person or by proxy holding Shares of the Series or Class in question or, at an adjourned meeting, one person holding Shares, of the Series or Class in question or his proxy.

Fair Treatment of Investors

The Company will at all times seek the fair treatment of Shareholders. The Relevant Supplement for the Sub-Funds shall describe any instance where a Shareholder may receive preferential treatment, a description of that preferential treatment, the type of Shareholders who may obtain such preferential treatment and where relevant their legal and economic links with the Company.

Such preferential treatment may include rebate arrangements between the Manager and a particular investor or investors and arrangements for the provision of additional information or reporting to a particular investor or to investors, including, by way of example where such information or reporting is required by the investor or investors for the purpose of complying with a specific regulatory or legal obligation. Further details of any such arrangement for the provision of preferential treatment will be disclosed in the Relevant Supplement.

Shareholder Rights

In order to subscribe for Shares, Shareholders must complete an Application Form in accordance with the section titled "Investing in Shares - Subscriptions for Shares" above. By doing so, Shareholders agree to subscribe for Shares and to be bound by the terms of this Prospectus and the Articles (the Application Form, Prospectus and Articles, together, the "**Subscription Documents**"). The Subscription Documents are governed by Irish law and the courts of Ireland shall have such jurisdiction in relation to them as is determined in accordance with Council Regulation (EC) No 44/2001 as set out below in the section titled "Governing Law and Recognition and Enforcement of Judgments in Ireland" below.

Rights Against Service Providers

Shareholders have generally no direct rights against the Company's service providers. As set out in the Depositary Agreement, the Depositary will be liable to the Company and the Shareholders for any loss arising from the Depositary's negligence or its intentional failure to properly fulfil its obligations pursuant to the AIFMD, and for any loss of financial instruments held in custody unless the Depositary can establish that such loss was due to an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Company is reliant on the performance of third party service providers, including the Investment Manager, the Depositary, the Administrator and the Auditors, whose details are set out above. No Shareholder will have any direct contractual claim against any service provider with respect to such service provider's default. Any Shareholder who believes they may have a claim against any service provider in connection with their investment in a Sub-Fund, should consult their legal adviser.

Termination

Under the Articles, the Directors may decide to terminate any Sub-Fund or totally redeem all Shares in a Class in their absolute discretion, if (as applicable):

1. the Shareholders of the Sub-Fund or Class pass a special resolution to approve the redemption of all the Shares in the Sub-Fund (or Class); or
2. at any time following the first issue of Shares in a Sub-Fund or Class, if the Net Asset Value of the relevant Sub-Fund (or Class) on any Dealing Day falls below EUR25,000,000 or such other amount as the Directors may determine and notify to Shareholders as described herein or as set out in the Relevant Supplement; or
3. the Directors determine that it is in the best interests of Shareholders in the relevant Sub-Fund or Class; or
4. the Depositary has served notice of its intention to retire under the terms of the Depositary Agreement (and has not revoked such notice) and no new depositary has been appointed by the Company with the approval of the Central Bank within six months of the date of service of such notice.

Governing Law and Recognition and Enforcement of Judgments In Ireland

The 1980 Rome Convention on the Law Applicable to Contractual Obligations (other than Article 7(1)), Regulation (EC) 593/2008 (Rome I) and Regulation (EC) 864/2007 (Rome II), all have force of law in Ireland (together the "**Rome Regulations**"). Accordingly, the choice of a governing law in any given agreement is subject to the provisions of the Rome Regulations. Under the Rome Regulations, the courts of Ireland may apply any rule of Irish law which is mandatory irrespective of the governing law and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of Ireland. The courts of Ireland determine what the public policy of Ireland is on a case by case basis. The fact that contractual parties choose a foreign law, whether or not accompanied by the choice of a foreign tribunal, shall not, where all the other elements relevant to the situation at the time of the choice are connected with one country only, prejudice the application of rules of the law of that country, which cannot be derogated from by agreement.

Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters has force of law in Ireland. In accordance with its provisions, a judgment obtained in the courts of a foreign jurisdiction will in general be recognised and enforced in Ireland without review as to its substance, save in certain exceptional circumstances.

Meetings

All general meetings of the Company shall be held in Ireland and at least one general meeting of the Company shall be held in each year as the Company's annual general meeting. At least twenty one days' notice (inclusive of the day on which the notice is served or deemed to be served and of the day

for which the notice is given) shall be given to Shareholders. The notice shall specify the place, day and hour of the meeting and the terms of the resolutions to be proposed. A proxy may attend on behalf of any Shareholder. The voting rights attached to the Shares are set out under the "Voting Rights" section of this Prospectus.

Notices

Notices may be provided in a durable medium (which shall include in writing and/or by electronic mail) or in an electronic format on a website designated by the Directors for this purpose (<https://www.delegated-solutions.mercer.com/our-funds-general-information.html> or such other website as may be notified to Shareholders in advance from time to time).

Reports and Accounts

The Company's financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRS").

The Company will prepare an annual report and audited accounts as of 30 June in each year. Copies of the audited annual report and accounts of the Company will be made available to the Shareholders via the following website address <https://www.delegated-solutions.mercer.com/our-funds-general-information.html> within the timeframes prescribed by the Central Bank after the end of the relevant financial period. Copies of the annual report will be provided to the Shareholders on request and will be available to the public at the registered office of the Company in Ireland.

The following information will be made available to Shareholders as part of each Sub-Fund's periodic reporting process (but will not be in audited form unless required under the Act and relevant regulations):

- (i) the percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature (including Side Pocket Investments);
- (ii) the current risk profile of each Sub-Fund and the risk management systems employed by the Manager to manage those risks; and
- (iii) the total amount of leverage employed by each Sub-Fund.

The above information will be provided to Shareholders at the same time as the annual report produced in the Sub-Fund's periodic reporting cycle.

Shareholders will also be provided with information regarding changes to (i) the maximum level of leverage which the Manager may employ on behalf of a Sub-Fund; or (ii) the rights for reuse of collateral or any guarantee granted under a Sub-Fund's leveraging arrangements; or (iii) any guarantee granted under a Sub-Fund's leveraging arrangements.

This information will be made available to Shareholders, without undue delay following the occurrence of that change, by way of update to this Prospectus or the Relevant Supplement. Where required, such change will be preceded by notification to Shareholders.

It is intended that Shareholders will be notified if a Sub-Fund activates gates or similar arrangements or if the Manager decides to suspend redemptions. Shareholders will also be notified whenever the Manager makes material changes to liquidity risk management systems and procedures employed in respect of a Sub-Fund.

Winding Up

The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors' claims.

- (ii) The assets available for distribution among the members shall then be applied in the following priority:
 - (a) First, in the payment to the holders of Shares of each Sub-Fund of a sum in the currency in which that Series is designated or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the aggregate Net Asset Value per Share of the Shares of such Series held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Sub-Fund to enable such payment to be made.
 - (b) Secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Sub-Funds remaining after any recourse thereto under sub-paragraph (ii)(a) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Sub-Funds.
 - (c) Thirdly, in the payment to the holders of each Series of Shares of any balance then remaining in the relevant Sub-Fund, such payment being made in proportion to the number of Shares of that Series held.
 - (d) Fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Sub-Funds, such payment being made in proportion to the number of Shares held.
- (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the Irish High Court) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more Class or Classes of property, and may determine how such division shall be carried out as between the members or different Classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability.

Material Contracts

The following contracts, which are summarised in the “The Company” and “Fees and Expenses” section of this Prospectus, have been entered into and are, or may be, material:

- (i) Management Agreement;
- (ii) Administration Agreement;
- (iii) Depositary Agreement;
- (iv) Investment Management Agreement; and
- (v) Distribution Agreement.

Details of other material contracts may be provided in the Relevant Supplement.

Documents for Inspection

Copies of the following documents may be inspected at the registered office of the Administrator at 78 Sir John Rogerson’s Quay, Dublin 2 during normal business hours on any Business Day:

- (a) the material contracts referred to above; and

(b) the Memorandum and Articles of Association.

Copies of the Prospectus, the Memorandum and Articles of Association and of the latest audited annual accounts and unaudited half-yearly accounts of the Company and MGI Funds plc may be obtained from the Administrator free of charge at the registered office of the Administrator during normal business hours on any Business Day.

The Manager will, on request provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

DEFINITIONS

In this Prospectus the following words and phrases have the meanings set forth below:

"Accumulating Share Classes"	means Share Classes in respect of which any income attributable to such Shares is retained and reflected in the Net Asset Value of those Shares;
"Act"	means the Companies Act 2014, as may be amended, and all applicable Central Bank regulations made or conditions imposed or derogations granted thereunder;
"Administrator"	means State Street Fund Services (Ireland) Limited or such other company in Ireland as may from time to time be appointed as administrator of the Company in accordance with the requirements of the Central Bank;
"Administration Agreement"	means the administration agreement dated 30 November 2009 (as amended) between the Manager and the Administrator pursuant to which the Administrator was appointed to provide administration, accounting, Shareholder registration and transfer agency services to the Company;
"AIF"	means an alternative investment fund as defined in the AIFMD Regulations;
"AIF Rulebook"	means the rulebook issued by the Central Bank as may be amended from time to time which sets out the Central Bank's regulatory regime for AIFs and other relevant entities that fall to be regulated under the AIFMD Regulations;
"AIFM"	means an alternative investment manager under the AIFMD Regulations which may be the Company itself, the Manager or a third party;
"AIFMD"	means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) as amended and includes as appropriate Commission Delegated Regulation (EU) 231/2013 of 19 December 2012;
"AIFMD Regulations"	means the European Communities (Alternative Investment Funds Managers Directive) Regulations 2013;
"Application Form"	means the shareholder account application form for each Sub-Fund and as may be amended by the Manager from time to time;
"Approved Counterparty"	means an institution (with which an over-the-counter contract has been executed and not being an exchange, clearing house or clearing broker in respect of exchange-traded derivative contracts) subject to prudential regulation and supervision and which has been assessed as financially sound by the Investment Manager (or its delegate);
"Approved Credit Institution"	means (i) a credit institution authorised in the EEA; (ii) a credit institution authorised within a signatory state, other than a EU Member State or a Member of EEA, to the Basle Capital Convergence Agreement of July 1988; or (iii) a credit institution

	authorised in Australia, Guernsey, Isle of Man Jersey or New Zealand;
“Article 8”	means Article 8 of the SFDR in respect of the transparency of the promotion of environmental or social characteristics in pre-contractual disclosures;
“Article 9”	means Article 9 of the SFDR in respect of the transparency of Sustainable Investments in pre-contractual disclosures;
“Articles”	means the articles of association of the Company, as may be amended from time to time with the prior approval of the Central Bank;
“Auditors”	means Deloitte or such other firm of chartered accountants as may from time to time be appointed as auditors to the Company;
“Base Currency”	means the currency in which the assets of a Sub-Fund are valued and which is specified in the Relevant Supplement or such other currency as the Directors may determine from time to time and notify to Shareholders of that Sub-Fund;
“Business Day”	means, unless otherwise specified in the Relevant Supplement, a day on which the banks in Ireland or the U.K. are open for normal business or days as may be determined by the Directors;
“Central Bank”	means the Central Bank of Ireland or any successor entity;
“CFTC”	means the U.S. Commodity Futures Trading Commission;
“Class”	means Shares of a particular Series representing an interest in the Company maintained in respect of such Series but designated as a class of Shares within such Series for the purposes of attributing different proportions of the Net Asset Value of the relevant Series to such Shares to accommodate different subscription, conversion and redemption charges, dividend arrangements, base currencies and/or fee arrangements specific to such Shares;
“Class Currency”	means, in relation to each Class in each Sub-Fund, the currency in which the Shares of such Class are designated as specified herein or in a Relevant Supplement;
“Data Protection Legislation”	means (i) the Data Protection Acts 1988 and 2003 or any other legislation or regulations implementing Directive 95/46/EC, (ii) the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, (iii) the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) and any consequential national data protection legislation and (iv) any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;

"Dealing Day"	means, unless otherwise specified in the Relevant Supplement, such Business Day or Business Days as the Directors may from time to time determine in consultation with the Administrator in relation to any Sub-Fund or any Class of Shares and notify to Shareholders in advance, provided that there shall be at least one Dealing Day per calendar quarter for open-ended Sub-Funds;
"Dealing Deadline"	means such time as the Directors may from time to time determine in relation to any Sub-Fund, provided that such time shall be before the Valuation Point, and notify to Shareholders as may be specified in a Relevant Supplement;
"Declaration"	means a valid declaration regarding an investor's non residence for tax purposes or Exempt Investor status as contained in the Application Form which is in a form prescribed by the Irish Revenue Commissioners for the purposes of Section 739D TCA (as may be amended from time to time) and in the case of a person not resident in Ireland the Company is not in possession of information which would reasonably suggest the information contained in the declaration is no longer materially correct, or the investor has failed to comply with the undertaking to the Company to notify the Company if they become Irish Resident or immediately before the chargeable event the Shareholder is Irish Resident;
"Depositary"	means State Street Custodial Services (Ireland) Limited or such other company in Ireland as may from time to time be appointed as depositary of all the assets of the Company with the prior approval of the Central Bank;
"Depositary Agreement"	means the amended and restated depositary agreement dated 8 August 2014 (as may be amended from time to time) between the Company, the Manager and the Depositary pursuant to which the Depositary has been appointed as depositary of the Company's assets;
"Derivatives" or "FDI"	means financial derivative instruments;
"Developed Market"	means a jurisdiction included in the Morgan Stanley Capital International, or other reputable global index provider, indices, a free-float-adjusted market capitalisation-weighted index designed to measure global developed markets, and/or such other markets as the Directors may from time to time determine;
"Direct Investments"	means any securities, instruments or obligations of whatsoever nature in which a Sub-Fund may invest;
"Distributor"	means with respect to each Class of Shares in the Sub-Funds, the Investment Manager and/or such other company or companies as may from time to time be appointed by the Manager as a distributor of any Class of Shares in any Sub-Fund with prior notification to the Central Bank;
"Distribution Agreement"	means the distribution agreement dated 19 April 2024 (as may be amended from time to time) between the Manager and the Distributor pursuant to which the Distributor was appointed to provide distribution and placing services in respect of the Company;

"EEA"	means the European Economic Area (currently consisting of EU Member States, Norway, Iceland and Liechtenstein);
"Emerging Markets"	means those countries set out in the Morgan Stanley Capital International or other reputable global index provider, Emerging Markets indices and/or such other markets as the Directors may from time to time determine;
"ESG"	means environmental, social and governance;
"ESG Integration"	means the framework for the integration of ESG factors and Sustainability Risks into the investment process;
"ETCs"	means exchange traded commodity securities
"EU Member State"	means a member state of the European Union from time to time;
"Euro"	means the single currency of participating EU Member States of the European Monetary Union introduced on 1 January 1999;
"Eurozone"	means those member states of the European Union from time to time participating in European economic and monetary union with the Euro as their official currency;
"External Valuer"	means a legal or natural person independent from the Company, the Manager and from any other person with close links to the Company or the Manager to whom the Manager has delegated the performance of certain valuation functions in accordance with the requirements of the AIFMD;
"Financial Conduct Authority"	means the U.K. Financial Conduct Authority or any successor or replacement body as shall for the time being carry out and perform the functions and responsibilities of the Financial Conduct Authority in respect of the prudential and/or conduct of business regulation or supervision of any party to this Agreement and/or any of its products or services;
"Frontier Markets"	means the countries classified as frontier markets as set out in the Morgan Stanley Capital International or other reputable global index providers' "Frontier Market" indices or any country which is an Emerging Market but which, in the opinion of the Investment Manager, demonstrates economic characteristics of countries classified as frontier markets by one or more index providers; and/or such other markets as the Directors may from time to time determine;
"FSMA"	means the U.K. Financial Services and Markets Act, 2000;
"government and government related issuers"	means governments, their agencies, sub-divisions, local authorities (including US municipalities), quasi-government entities and supra-national or public international organisations.
"Hedging Fee"	means the fees payable to the Manager or its delegate as referenced in a Relevant Supplement, in relation to the performance of currency hedging for Hedged Share Classes;
"Hedged Share Classes"	means a Class of Shares which is subject to currency hedging at the level of the Share Class;

"IMR Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2023;
"Intermediary"	means a person who carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons or holds shares in an investment undertaking on behalf of other persons;
"Investment Manager"	means Mercer Global Investments Europe Limited, or such other entity as may, for the time being, be appointed as investment manager in accordance with the requirements of the Central Bank;
"Investment Management Agreement"	means the investment management agreement dated 6 February 2008 (as amended) between the Manager and the Investment Manager pursuant to which the Investment Manager was appointed to provide portfolio management services to the Company with respect to the Sub-Funds;
"Irish Resident"	means any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish tax. Please see the "Taxation" section above for the summary of the concepts of residence and ordinary residence issued by the Irish Revenue Commissioners;
"Irish Revenue Commissioners"	means the Irish authority responsible for taxation;
"Knowledgeable Investor"	<p>means an investor who:</p> <p>(a) is the Manager, the Investment Manager, the promoter of the Fund or an entity within the promoter's group, or a company appointed to provide investment management or advisory services to the Company or any Sub-Fund;</p> <p>who certifies in writing that:</p> <p>(1) it is availing of the exemption from the minimum subscription requirement of €100,000 (or such other amount as may be specified by the Central Bank) on the basis that he is a "Knowledgeable Investor";</p> <p>(2) it is aware that the Company is usually marketed to Qualifying Investors who are normally subject to a minimum subscription requirement of €100,000 (or such other amount as may be specified by the Central Bank);</p> <p>(3) it is aware of the risk involved in the proposed investment; and</p> <p>(4) it is aware that inherent in such investment is the potential to lose all of the sum invested;</p> <p>and provided further that, where relevant, the Manager is satisfied that the investor satisfies the conditions at (c) above; or</p>

	(b) such alternative or additional categories of investor as may be permitted by the Central Bank from time to time;
"Management Agreement"	means the management agreement dated 6 February 2008 (as amended) between the Company and the Manager pursuant to which the Manager was appointed to provide management, administration and distribution services to the Company;
"Management Fee"	means the fees payable to the Manager in respect of a Sub-Fund and/or applicable by Share Class, and consisting of the Manager Fee and, where applicable, the Hedging Fee;
"Manager"	means Mercer Global Investments Management Limited, who is the alternative investment fund manager, or AIFM, of the Company pursuant to the AIFMD Regulations, or such other entity as may, for the time being, be appointed as AIFM of the Company in accordance with the requirements of the Central Bank;
"Manager Fee"	means the fees payable to the Manager for its management services to a Sub-Fund, and/or applicable by Share Class, up to the amounts disclosed in the Relevant Supplement;
"Memorandum and Articles of Association"	means the memorandum and articles of association of the Company, as may be amended from time to time with the prior approval of the Central Bank;
"Minimum Holding"	means a holding of Shares in any Sub-Fund or Class in the Company as may be specified in the relevant Supplement but which shall otherwise not be less than €500 or 1 Share where the value of 1 Share exceeds €500 (or its foreign currency equivalent);
"Net Asset Value" or "NAV"	means the Net Asset Value of a Sub-Fund calculated as described or referred to herein;
"Net Asset Value per Share" or "NAV per Share"	means, in relation to any Series or Class of Shares, the Net Asset Value divided by the number of Shares in the relevant Series or Class of Shares in issue or deemed to be in issue in respect of that Sub-Fund at the relevant Valuation Point subject to such adjustments, if any, as may be required in relation to any Series or Class of Shares in the relevant Sub-Fund;
"Nuclear Non-Proliferation Treaty"	means the international agreement designed to prevent the spread of nuclear weapons, promote cooperation in peaceful uses of nuclear energy and to further the goal of achieving nuclear disarmament and broader disarmament;
"OECD Member State"	means a member state of the Organisation for Economic Co-operation and Development from time to time;
"Operating Expenses"	means the operating expenses as described in the Fees and Expenses section of the Prospectus under the heading "Operating Expenses";
"Ordinary Resolution"	means a resolution passed by a simple majority of the votes cast in its favour by Shareholders entitled to attend and vote at general meetings of the Company or on matters affecting the relevant Class of Shares, as the case may be; means a resolution passed by a

	simple majority of the votes cast in its favour by Shareholders entitled to attend and vote at general meetings of the Company or on matters affecting the relevant Class of Shares, as the case may be;
"PAI Indicators"	means principal adverse sustainability indicators including as set out in Table 1, and where relevant in Tables 2 and 3, of Annex I of the SFDR Level 2 RTS;
"Paris Agreement"	means an agreement among the leaders of over 180 countries to reduce greenhouse gas emissions and limit the global temperature increase to below 2 degrees Celsius (3.6 F) above pre-industrial levels by the year 2100;
"Privacy Statement"	means the privacy statement adopted by the Company and Manager in respect of the Company, as amended from time to time. The current version is available via the website https://www.delegated-solutions.mercer.com/corporate-policies.html ;
"Professional Investor"	<p>means a client that is considered to be a professional client within the meaning of Annex II of Directive 2014/65/EU (Markets in Financial Instruments Directive) ("MiFID"), which includes but is not limited to:</p> <ul style="list-style-type: none"> (i) entities which are required to be authorised or regulated to operate in the financial markets; (ii) other institutional investors whose main activity is to invest in financial markets; <p>or a client who may, on request, be treated as a professional client within the meaning of Annex II of MiFID;</p>
"Prospectus"	means this document, the Sub-Fund Schedule and any Relevant Supplement and/or any addendum, designed to be read and construed together with and to form part of this document and the Company's most recent annual report and accounts (if issued) or, if more recent, its interim report and accounts;
"QIAIF"	means a qualifying investor alternative investment fund in accordance with the AIF Rulebook;
"Qualifying Investor"	<p>means an investor who:</p> <ul style="list-style-type: none"> (i) is a Professional Investor; or (ii) receives an appraisal from an EU credit institution, a MiFID firm or a UCITS management company that the investor has the appropriate expertise, experience and knowledge to adequately understand the investment in the scheme; or (iii) certifies that they are an informed investor by providing the following: <ul style="list-style-type: none"> A. Confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or B. Confirmation (in writing) that the investor's business involves,

	<p>whether for its own account or the account of others, the management, acquisition or disposal of property of the same kind as the property of the scheme; or</p> <p>(iv) is a Knowledgeable Investor;</p> <p>(v) such alternative or additional categories of investor as may be permitted by the Central Bank from time to time</p>
“Recognised Market”	means any stock exchange, OTC market or other securities market in any part of the world;
“Relevant Supplement” or “Supplement”	a document which contains specific information supplemental to this document in relation to a particular Sub-Fund and any addendum thereto;
“Section 739B”	means Section 739B of TCA;
“Series”	means Shares designated as a particular series of Shares representing an interest in a particular Sub-Fund which shall be maintained and kept separate in respect of such series of Shares and which may be further sub-divided into Classes;
“SFDR”	means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
"SFDR Level 2 RTS"	means Commission Delegated Regulation (EU) 2022/1288, setting out the regulatory technical standards to be used by financial market participants when disclosing sustainability-related information under the SFDR;
“Share” or “Shares”	means a share or shares in the capital of the Company;
“Shareholder”	means a person registered as a holder of Shares;
“Shariah-compliant”	means investments that are deemed to comply with the requirements of Shariah principles.
“Sterling” or “STG£”	means pounds Sterling, the lawful currency of the U.K.;
“Stock Transfer Form”	means such form as may be approved by the Directors and the Administrator from time to time to transfer the Shares;
“Sub-Fund(s)”	means such portfolio or portfolios of assets as the Directors may from time to time establish with the prior approval of the Central Bank, constituting in each case a separate fund with segregated liability and represented by a separate Series of Shares and invested in accordance with the investment objective and policies applicable to such sub-fund and described in this Prospectus or in the Relevant Supplement;
"Sub-Fund Schedule"	means the supplement to this Prospectus containing a current list of the Sub-Funds of the Company;
“Sub-Investment Manager”	means a Sub-Investment Manager or Sub-Investment Managers appointed by the Investment Manager in accordance with the requirements of the Central Bank in respect of a Sub-Fund;

“Subscriber Shareholders”	has the meaning in the Articles;
“Subscriber Shares”	has the meaning in the Articles;
"Sukuk"	means Shariah-compliant instruments issued in Islamic finance. The sakk (the singular of Sukuk) is freely traded at par, premium or discount. Generally, the term “Sukuk” refers to fixed income securities and debt securities which are Shariah-compliant financial instruments.
“Sustainability Policy”	means the sustainability policy maintained by the Investment Manager in respect of ESG Integration;
“Sustainability Risk”	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of a Sub-Fund’s investment(s);
“Sustainable Investment”	means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance, as defined in the SFDR and as may be amended from time to time;
"Taxonomy Regulation"	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended);
“TCA”	means the Taxes Consolidation Act, 1997;
“Tranched Securitisation”	means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranced, and having the following characteristics: payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures; and the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme.
“UCITS Regulations”	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and all applicable Central Bank regulations made or conditions imposed or derogations granted thereunder, as may be amended from time to time;

<p>“Underlying Fund”</p>	<p>means any collective investment scheme in which any Sub-Fund may from time to time invest having regard to the requirements of the Central Bank including, without limitation, collective investment schemes managed by the Manager or any affiliate;</p>
<p>“United Nations Sustainable Development Goals” or “SDGs”</p>	<p>means a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and more sustainable future for all. The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030. They address global challenges including poverty, inequality, climate change, environmental degradation, peace and justice;</p>
<p>“U.K.”</p>	<p>means the United Kingdom of Great Britain and Northern Ireland;</p>
<p>“U.S.” or “United States”</p>	<p>means the United States of America, its territories and possessions including the States and the District of Columbia;</p>
<p>“U.S.\$” or “U.S. Dollars”</p>	<p>means the lawful currency of the United States;</p>

“U.S. Person”

means a person who is in either of the following two categories: (a) a person included in the definition of “U.S. person” under Rule 902 of Regulation S under the U.S. Securities Act of 1933 (“1933 Act”) or (b) a person excluded from the definition of a “Non- United States person” as used in Rule 4.7 of the U.S. Commodity Futures Trading Commission (“CFTC”). For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of “U.S. person” in Rule 902 and qualifies as a “Non-United States person” under CFTC Rule 4.7.

U.S. person under Rule 902 of Regulation S under the 1933 Act includes the following:

- (i) any natural person resident in the United States;
- (ii) any partnership or corporation organised or incorporated under the laws of the United States;
- (iii) any estate of which any executor or administrator is a U.S. person;
- (iv) any trust of which any trustee is a U.S. person;
- (v) any agency or branch of a non-U.S. entity located in the United States;
- (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; or
- (viii) any partnership or corporation if:
 - (a) organised or incorporated under the laws of any non-U.S. jurisdiction; and
 - (b) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, “U.S. person” under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to

the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a U.S. person located outside the United States if (a) the agency or branch operates for valid business reasons, and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered “**Non-United States persons**”:

- (i) a natural person who is not a resident of the United States;
- (ii) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (iii) estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- (iv) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being Non-United States persons; and

a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States;

"Valuation Point"	means such time as the Directors may from time to time determine in relation to any particular Sub-Fund and disclosed in the Relevant Supplement.
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APPENDIX I - INVESTMENT RESTRICTIONS

As the minimum initial subscription to the Company is €100,000 or such other amount as the Directors may from time to time determine provided that the minimum initial subscription may not be reduced below the foreign currency equivalent of €100,000, the Company qualifies as a qualifying investment scheme for the purposes of the Central Bank's regulations on collective investment schemes established under Part 24 of the Act. Accordingly, while the Company is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment and borrowing restrictions which may be employed by the Company.

The Directors may, however, at their absolute discretion from time to time and subject to notifying Shareholders, change investment restrictions for each Sub-Fund as they shall determine shall be compatible with or in the interests of the Shareholders, including, in order to comply with the laws and regulations of the countries where Shareholders are located provided that the general principle of diversification in respect of the Company's assets is adhered to.

The investment limits and restrictions for each Sub-Fund set out in this Prospectus and the Relevant Supplement apply at the time of the relevant Sub-Fund making an investment. If these investment limits and restrictions are subsequently exceeded for reasons beyond the control of the relevant Sub-Fund or as a result of the exercise of subscriptions rights by Shareholders, the relevant Sub-Fund will record such matters and adopt as a priority objective the remedying of that situation, taking due account of the interests of Shareholders.

Investment Restrictions

1. The Company must comply with the aim of spreading investment risk as required by section 1386(1)(a) of Part 24 of the Act.
2. The Company, or the AIFM in connection with all of the collective investment schemes it manages, may not acquire shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body. This requirement does not apply to investments in other investment funds. It may also be disapplied where a Sub-Fund is a venture capital, development capital or private equity fund provided its Relevant Supplement indicates its intentions regarding the exercise of legal and management control over underlying instruments.
3. A Sub-Fund will not invest more than 50% of its Net Asset Value in any one unregulated fund and will not invest more than 50% of its Net Asset Value in another fund which itself invests more than 50% of its net assets in another investment fund.
4. A Sub-Fund will not raise capital from the public through the issue of debt securities. This investment restriction does not operate to prevent the issue of notes by a Sub-Fund, on a private basis, to a lending institution to facilitate financing arrangements. Details of any such notes issued by a Sub-Fund will be clearly provided in the Relevant Supplement.
5. With the exception of loan originating Sub-Funds established in accordance with the requirements of the AIF Rulebook, a Sub-Fund may not grant loans or act as a guarantor on behalf of third parties. This is without prejudice to the ability of a Sub-Fund to acquire debt securities. It will not prevent a Sub-Fund from acquiring securities which are not fully paid or from entering into bridge financing arrangements where the financing extended to the Sub-Fund is backed by sufficient legally binding commitments to discharge the financing within a time period determined by the AIFM and at least simultaneously triggering obligations on Shareholders to make capital contributions which they are previously contractually committed to making at the time the bridge financing is entered into.

Sub-Funds investing in other funds

The Central Bank imposes restrictions on Sub-Funds which invest in other funds as summarised below.

6. Where the Company invests in a collective investment scheme which is managed by the AIFM (or of its duly appointed delegates or sub-delegates), or by an associated or related company of the AIFM (or of its duly appointed delegates or sub-delegates), the manager of the scheme, in which the investment is being made, must waive any preliminary/initial/redemption charge which it would normally charge.
7. A Sub-Fund may invest up to 100% of its assets in other funds, subject to a maximum of 50% of net assets in any one underlying unregulated fund.
8. Where a Sub-Fund invests more than 50% of its net assets in one other investment fund, the underlying investment fund must be either a category 1 fund or a category 2 fund in accordance with the AIF Rulebook.
9. The preceding requirements do not apply where a Sub-Fund has a minimum subscription limit of €500,000 or its equivalent in other currencies and subject to certain requirements set out in the AIF Rulebook.

Investment through Subsidiaries

10. The Company may, subject to the prior approval of and in accordance with the requirements of the Central Bank, establish and invest through wholly owned companies where the Manager considers it necessary or desirable to do so for the purpose of entering into transactions or contracts and/or holding certain of the investments or other property of a Sub-Fund. None of the investment restrictions set out in the Prospectus or Relevant Supplement shall apply to investment in or deposits with or loans to any such subsidiary company and the investments or other property held by or through any such entity shall be deemed for such purposes to be held directly for the relevant Sub-Fund. The names of any such subsidiary companies shall be disclosed in the annual report.

Reference to Credit Ratings

11. The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "Amending Regulations") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("CRAD") into Irish Law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD, notwithstanding anything else in this Prospectus, the Manager shall not solely or mechanically rely on credit ratings in determining the credit quality of an issuer or counterparty.

OTC Counterparties

12. In accordance with the requirements of AIFMD, in the selection and appointment of counterparties, the Manager (or its delegate) is required to exercise due skill, care and diligence before any agreement is entered into and on an ongoing basis thereafter taking into account the full range and quality of their services. In the selection of counterparties in an OTC Derivatives transaction, in a securities lending or in a repurchase agreement, the Manager is required to ensure that those counterparties fulfil all of the following conditions:

- (a) they are subject to ongoing supervision by a public authority;
- (b) they are financially sound;
- (c) they have the necessary organisational structure and resources for performing the services which are to be provided by them to the Manager or the Sub-Fund.

When appraising financial soundness, the Manager is required to take into account whether or not the counterparty is subject to prudential regulation, including sufficient capital requirements, and effective supervision.

Securitisation positions

In accordance with the AIFMD Regulations, a Sub-Fund shall assume exposure to the credit risk of a securitisation only if the originator, sponsor or original lender has explicitly disclosed that it retains, on an ongoing basis, a material net economic interest, which in any event shall not be less than 5% unless such exposures are claims or contingent claims on, or fully, unconditionally and irrevocably guaranteed by, central governments or central banks.

Changes to Investment Restrictions

It is intended that the Company shall have the power to avail itself of any change in the investment restrictions imposed by the Central Bank pursuant to the AIF Rulebook which would permit investment in a manner which is at the date of this Prospectus restricted or prohibited by the AIF Rulebook. In the event of a change of the investment restrictions of a Sub-Fund, Shareholders in the relevant Sub-Fund will be given reasonable notice of such change, and as applicable to the relevant change, shall be permitted an appropriate opportunity to enable them to request redemption of their Shares prior to implementation of such a change.

The Directors may at their absolute discretion from time to time impose such further investment restrictions as shall be compatible with or in the interests of Shareholders including, without limitation, in order to comply with the laws and regulations of the countries where Shareholders are located.

The investment restrictions referred to above are deemed to apply at the time of purchase of the investments. If these investment limits and restrictions are subsequently exceeded for reasons beyond the control of the relevant Sub-Fund or as a result of the exercise of subscriptions rights by Shareholders, the relevant Sub-Fund will record such matters and adopt as a priority objective the remedying of that situation, taking due account of the interests of Shareholders.

Additional investment restrictions for investors in certain jurisdictions

Certain Sub-Funds may opt to be subject to additional investment restrictions to facilitate distribution in particular countries or to certain investor types of investors. Where so specified in the Relevant Supplement, a Sub-Fund may be subject to the investment restrictions or limits described below.

German Investment Tax Act

In order for a Sub-Fund to qualify as an "equity fund" or as a "mixed fund" according to the German Investment Tax Act 2018 (as may be amended) ("GITA"), the Sub-Fund intends that at least 51% (for "equity fund") or 25% (for "mixed fund") of its Net Asset Value will be continuously invested in equities, as defined in the GITA.

For purposes of the determination of the equity participation quota of such Sub-Funds, the net asset value of interests in other investment funds within the meaning of the GITA (e.g. Underlying Funds which meet the prerequisites for an "investment fund" pursuant to the GITA) is taken into account either on the basis of the actual equity participation quotas published by these other investment funds on each valuation day (provided that the other investment funds perform a valuation at least once per week) or on the basis of the equity participation quota specified in the investment conditions of these other investment funds (provided that the other investment funds qualify as "equity funds" or as "mixed funds" within the meaning of GITA).

German Insurance Supervision Act

Where specified in the Relevant Supplement, a Sub-Fund's investment policy may be subject to the following additional terms and restrictions under the German Insurance Supervision Act ("**VAG Restrictions**"). For the purposes of the VAG Restrictions set out herein, the following terms shall have the following meaning:

"**Credit-Linked Instruments**" mean asset-backed securities, credit-linked notes or other instruments, the return or repayment of which are linked to credit risks or which otherwise transfer credit risks of third parties.

"**Investment Grade**" means a credit quality rating of BBB-, Baa3 or its credit equivalent, or above.

"**Speculative Grade**" means a credit quality rating of B-, B3 or its credit equivalent, or above but below Investment Grade.

Subject to any stricter restrictions as may be set out in the Relevant Supplement, the Sub-Fund may only invest in

- debt securities which at the time of acquisition are rated at least Speculative Grade; and
- Credit Linked Instruments which at the time of acquisition are rated at least Investment Grade.

If debt securities are downgraded after their purchase by the Sub-Fund to below Speculative Grade or Credit-Linked Instruments are downgraded to below Investment Grade, and such downgraded instruments in each case, or in aggregate, exceed 3% of the Net Asset Value of the Sub-Fund, the Investment Manager (or its delegate):

- will use commercially reasonable efforts to sell affected instruments within six months of the rating-downgrade so that the amount of affected securities is below 3% of the Sub-Fund's Net Asset Value, unless the rating of such investments is upgraded to Speculative Grade or Investment Grade (as applicable) within such six-month period,
- where the affected securities represent less than 3% of the Sub-Fund's Net Asset Value, the Investment Manager (or its delegate) be permitted to continue to hold such investments at its reasonable discretion, and
- in the case of a rating downgrade for Credit-Linked Instruments below Investment Grade or other debt securities below Speculative Grade, avoid increasing its holdings in the affected instrument.

The Investment Manager (or its delegate) will determine the credit quality of debt securities in its own discretion ("**Internal Rating**"). In case of a higher Internal Rating compared to the rating of a CRA Rating Agency ("**External Rating**"), the Investment Manager (or its delegate) will prepare an additional quantitative assessment. Where two (2) External Ratings are available, the Investment Manager (or its delegate) will prepare an additional quantitative assessment if the Internal Rating is higher than the lower of the two External Ratings. Where three (3) External Ratings are available, the Investment Manager (or its delegate) will prepare an additional quantitative assessment if the Internal Rating is higher than the second highest of the three (3) External Ratings. The Investment Manager (or its delegate) will verify (i) Investment Grade ratings at least annually, and (ii) Speculative Grade ratings at least quarterly or more frequently if negative circumstances indicate that more re-assessments are required.

Where a Sub-Fund is subject to VAG Restrictions, the Sub-Fund will not invest in consumer loans or working capital loans, provided that the Sub-Fund may, directly or indirectly, acquire financial instruments relating to an underlying investment in consumer loans or working capital loans so long as the physical delivery of any such consumer loan or working capital loan to the Sub-Fund (through a distribution in specie or otherwise) shall be prohibited under the terms of the relevant financial instruments.

APPENDIX II - CHINA MARKET RISKS

“**PRC**” means the People's Republic of China and “**RMB**” means renminbi, the lawful currency of the PRC.

“**Stock Connect**” is a method used to achieve exposure to the People's Republic of China by investing in eligible China A-Shares traded on the Shanghai Stock Exchange via the Shanghai-Hong Kong Stock Connect scheme and the Shenzhen Stock Exchange via the Shenzhen-Hong Kong Stock Connect scheme.

“**Bond Connect**”, is an initiative launched in July 2017 for mutual bond market access between the PRC and Hong Kong, established by the China Foreign Exchange Trade System & National Interbank Funding Centre (“**CFETS**”), China Central Depository & Clearing Co., Ltd (“**CCDC**”), Shanghai Clearing House, Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit.

The Qualified Foreign Investor (“**QFI**”) regime allows qualifying investors to invest directly in certain securities of mainland China, subject to applicable Chinese regulatory requirements. For the avoidance of doubt, all references to “**RQFII**” and “**QFII**” contained in the Relevant Supplements shall be construed as “**QFI**”.

General China Market Risks

PRC Governmental, Political, Economic and Related Considerations

For over a decade, the PRC government has been reforming the economic and political systems of the PRC. Whilst these reforms may continue, many of the reforms are unprecedented or experimental and may be refined or changed. Political, economic and social factors could also lead to further readjustments to the reform measures. A Sub-Fund's operations and financial results could be adversely affected by adjustments in the PRC's state plans, political, economic and social conditions, changes in the policies of the PRC government such as changes in laws and regulations (or the interpretation thereof), measures which may be introduced to control inflation, changes in the rate or method of taxation, imposition of additional restrictions on currency conversion and the imposition of additional import restrictions. Furthermore, a portion of the economic activity in the PRC is export-driven and, therefore, is affected by developments in the economies of the PRC's principal trading partners.

The PRC economy has experienced significant growth in recent years, but such growth has been uneven both geographically and among the various sectors of the economy. The PRC government has implemented various measures from time to time to control inflation and to regulate economic expansion with a view to preventing overheating of the economy.

The transformation from a centrally planned, socialist economy to a more market-oriented economy has also resulted in some economic and social disruptions and distortions. Moreover, there can be no assurance that the economic and political initiatives necessary to achieve and sustain such a transformation will continue or, if such initiatives continue and are sustained, that they will be successful.

In the past the PRC government has applied nationalisation, expropriation, confiscatory levels of taxation and currency blockage. There can be no assurance that this will not re-occur and any re-occurrence could adversely affect the interests of a Sub-Fund.

Developing Legal System and Investment Regulations

Investment in the PRC via Stock Connect, Bond Connect and or the QFI regime is governed by a series of laws, regulations and rules (including any amendments to the foregoing from time to time) (the “**Investment Regulations**” in respect of Stock Connect and Bond Connect).

The PRC's legal system is based on written statutes under which prior court decisions may be cited for reference but do not form a set of binding precedents. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organisation

and governance, foreign investment, commerce, taxation and trade. The PRC laws governing business organisations, bankruptcy and insolvency provide substantially less protection to security holders than that provided by the laws of more developed countries.

With respect to Stock Connect and Bond Connect, the Investment Regulations (under which a Sub-Fund invests in the PRC via Stock Connect and / or Bond Connect and which regulate investment, repatriation and currency conversion) give the relevant PRC regulators (including without limitation to China Securities Regulation Commission (“**CSRC**”), the State Administration of Foreign Exchange (“**SAFE**”) and the People’s Bank of China (“**PBOC**”)) wide discretions and there is limited precedent or certainty as to how these discretions might be exercised, either now or in the future. The Investment Regulations may be varied in the future. Although it is hoped that any such revisions to the Investment Regulations will not prejudice a Sub-Fund, there can be no assurance that this will be the case.

Corporate Disclosure, Accounting and Regulatory Standards

The PRC’s disclosure and regulatory standards are in many respects less stringent than standards in many OECD Member States. There may be less publicly available information about PRC companies than is regularly published by or about companies based in OECD Member States and such information as is available may be less reliable than that published by or about companies in OECD Member States. PRC companies are subject to accounting standards and requirements that differ in significant respects from those applicable to companies established or listed in OECD Member States. As a result, the lower levels of disclosure and transparency of certain material information may impact the value of investments made by a Sub-Fund and may lead to the Sub-Fund or its service providers having an inaccurate conclusion about the value of its investments. This, if combined with a weak regulatory environment, could result in lower standards of corporate governance and less protection of minority shareholder rights of the companies in which a Sub-Fund will invest.

General Economic and Market Conditions

The performance of a Sub-Fund’s investments in China may be affected by the general economic and market conditions in China, such as interest rates, availability and terms of credit facilities, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may result in volatile and unstable prices, and could impair a Sub-Fund’s performance. The occurrence, continuation or deterioration of adverse economic and market conditions may result in decreased market values of a Sub-Fund’s investments in China.

The PRC securities markets are undergoing a period of development and change which may lead to difficulties in the settlement and recording of transactions and uncertainty in interpreting and applying the relevant regulations. In addition, the regulation of, and enforcement activity in, the PRC securities markets may not be equivalent to that in markets in OECD Member States. There may not be equivalent regulations and monitoring of the PRC securities market and activities of investors, brokers and other participants to that in certain OECD Member States. In addition, the Shanghai Stock Exchange and the Shenzhen Stock Exchange (the “**Exchanges**”) typically have the right to suspend or limit trading in certain securities traded on the Exchange. The PRC government or relevant PRC regulators may also implement policies that may adversely affect the PRC financial markets. Such suspensions, limitations or policies may have a negative impact on the performance of a Sub-Fund’s investments.

Concentration Risk

Although the Investment Manager (and its delegates) may intend for a Sub-Fund to hold a diversified portfolio, conditions in the PRC and the PRC markets may mean that at times when the Investment Manager (and its delegates) are not able to identify sufficient attractive investment opportunities, any of the Sub-Funds may hold large absolute and relative risk positions in a relatively limited number of investments which could give rise to significant losses if such investment positions decline in value.

Foreign Exchange Risk

The Sub-Funds may invest primarily in securities denominated in RMB but the Net Asset Value will be quoted in the Base Currency of the relevant Sub-Fund. Accordingly, a change in the value of RMB against a Base Currency which is not RMB will result in a corresponding change in the Base Currency

denominated Net Asset Value of the relevant Sub-Funds. In addition, to the extent that a Sub-Fund does not invest, or delays its investment into, such RMB denominated securities it will be exposed to fluctuations in the exchange rate of RMB.

For the purposes of a Sub-Fund's investments in China, RMB are exchangeable into the Base Currency at prevailing market rates, though the RMB is not freely convertible and is subject to exchange controls and restrictions. Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Sub-Fund's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. However, currency exchange rates as in the PRC can also be affected unpredictably by intervention or failure to intervene by relevant governments or central banks or by currency controls or political developments.

A Sub-Fund may (but is not obliged to) seek to hedge foreign currency risks but as the foreign exchange of RMB is regulated, such hedging even if effected may only result in an imperfect hedge. There can be no assurance that any hedging, particularly such imperfect hedging, will be successful. Equally, failure to hedge foreign currency risks may result in the Sub-Fund bearing the burden of exchange rate fluctuations. A Sub-Fund may hedge the currency exposure of its investments into its Base Currency.

The Sub-Fund's investments via Stock Connect and/or Bond Connect may be settled in offshore RMB (CNH) while the Sub-Fund's investments via QFI are settled in offshore RMB (CNH) or onshore RMB (CNY). Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.

Taxation

Under current PRC tax laws, regulations and practice, the Company and the Investment Manager may be subject to PRC tax, directly or indirectly, in respect of the assets held through Stock Connect, Bond Connect and / or QFIs. The Company will be responsible to reimburse the Investment Manager for all PRC taxes and duties of any kind incurred by the Investment Manager and attributable to the assets of the Company held through Stock Connect, Bond Connect and / or QFIs. The tax law and regulations of the PRC are constantly changing, and they may be changed with retrospective effect. The interpretation and applicability of the tax law and regulations by tax authorities are not as consistent and transparent as those of more developed nations, and may vary from region to region. Moreover, the PRC taxes and duties payable by the Investment Manager and which are to be reimbursed by the Company to the extent attributable to the assets held through Stock Connect, Bond Connect and / or QFIs may change at any time.

Where the Investment Regulations require a custodian / clearing house / any other agent stipulated by such rules to withhold any tax, or where such custodian / clearing house / any other agent has a reasonable basis for believing that such withholding may be required, the custodian / clearing house / any other agent may do so at the rate required by the regulation, or if in the custodian's opinion the Investment Regulations are not very clear on the rate, at such rate as the custodian/ clearing house / any other agent may, reasonably determine to be appropriate. Tax may be withheld on a retroactive basis.

Given the uncertainty surrounding the Company's potential PRC tax liabilities or reimbursement obligations, the Net Asset Value of a Sub-Fund on any Dealing Day may not accurately reflect such liabilities. This may mean that incoming Shareholders pay more for their Shares than they otherwise would/should have done. In the event of a redemption of Shares at such Net Asset Value, the remaining Shareholders will bear the burden of any liabilities which had not been accrued in the Net Asset Value. The Company will use its reasonable endeavours to recover their proportionate share of the liabilities from redeeming Shareholders, but investors should be aware that the Company may not be successful in such endeavours and that unequal allocation of tax liability is a potential risk of investing in the Company. In addition, investors should be aware that under-accrual or over-accrual for PRC tax liabilities may impact the performance of the Sub-Funds during the period of such under-accrual or over-accrual and following any subsequent adjustments to the Net Asset Value.

PRC Corporate Income Tax

Under current PRC Corporate Income Tax Law and regulations, any company considered to be a tax resident of the PRC would be subject to PRC Corporate Income Tax (“**CIT**”) at the rate of 25% on its worldwide taxable income. If a company were considered to be a non-resident enterprise with a “permanent establishment” (“**PE**”) in the PRC, it would be subject to CIT at the rate of 25% on the profits attributable to the PE. The Company, together with the Investment Manager, does not intend to operate in a way that would cause the Company to be treated as tax resident of the PRC and to have a PE in the PRC, though this cannot be guaranteed. It is possible, however, that the PRC could disagree with such an assessment or that changes in PRC tax law could affect the PRC CIT status of the Company.

If the Company is a non-PRC tax resident enterprise without PE in the PRC, the PRC-sourced income (including cash dividends, distributions, interest and capital gains) derived by it from any investment in PRC securities would be subject to PRC withholding income tax at the rate of 10%, unless exempt or reduced under the PRC CIT Law or a relevant tax treaty.

The Company is also subject to a stamp duty at the rate of 0.1% arising from the sale of China A Shares and the transfer of China A Shares by way of succession and gift in accordance with the prevailing PRC taxation regulations.

Taxation – Specific considerations for Stock Connect and Bond Connect

Especially, in respect of trading of China A Shares through the Stock Connect and pursuant to the *circular dated 31 October 2014 on the Taxation Policy of the Pilot Programme for the Mutual Stock Market Access between Shanghai and Hong Kong Stock Markets* under Caishui [2014] No. 81, the *circular dated 5 November 2016 on the Taxation Policy of the Pilot Programme for the Mutual Stock Access between Shenzhen and Hong Kong Stock Markets* under Caishui [2016] No. 127 and other relevant applicable PRC taxation rules:

- CIT and VAT shall be exempt on a temporary basis on the gains earned by the Stock Connect Investors (including corporate and individual investors) from the transfer of China A Shares listed on Shanghai Stock Exchange (“**SSE**”)/Shenzhen Stock Exchange (“**SZSE**”); and
- Stock Connect Investors are required to pay tax on dividend and bonus of China A Shares at a standard rate of 10%, which will be withheld and paid to the relevant PRC tax authority by the respective listed companies (before the Hong Kong Securities Clearing Company Limited (“**HKSCC**”) is able to provide details such as investor identities and holding periods to ChinaClear, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented) and are entitled to a tax refund if a lower tax rate is applicable under a relevant tax treaty, subject to the approval by the relevant PRC tax authority.

In addition, except for interest income from certain bonds (i.e. government bonds and local government bonds which are entitled to a 100% CIT exemption in accordance with the Implementation Rules to the Enterprise Income Tax Law, interest income derived by non-resident institutional investors from other bonds traded through Bond Connect is PRC-sourced income and should be subject to PRC withholding income tax at a rate of 10% and VAT at a rate of 6%. On 22 November 2021, the Ministry of Finance and State Taxation Administration jointly issued the *Announcement on Continuation of Taxation Policy of Corporate Income Tax and Value-Added Tax in relation to Bond Investments made by Offshore Institutions in Domestic Bond Market*, to clarify that foreign institutional investors (including foreign institutional investors under Bond Connect) are temporarily exempt from PRC withholding income tax and VAT with respect to bond interest income derived in the PRC bond market for the period from 7 November 2021 to 31 December 2025.

Capital gains derived by non-resident institutional investors (with no place or establishment or permanent establishment in the PRC) from the trading of bonds through the Bond Connect are technically non-PRC-sourced income under the current CIT law and regulations, therefore, not subject to PRC CIT. While the PRC tax authorities are currently enforcing such non-taxable treatment in practice, there lacks clarity on such non-taxable treatment under the current CIT regulations.

According to Caishui [2016] No. 70 ("**Circular 70**"), the *Supplementary Notice of the Ministry of Finance and the State Administration of Taxation on VAT Policies for Interbank Dealings of Financial Institutions*, gains derived by foreign institutions approved by PBOC from the investment in the inter-bank RMB markets (including currency market, bond market and derivative market) shall be exempt from VAT.

Taxation – Specific considerations for the QFI regime

In respect of trading of China A Shares through QFIs and pursuant to the *circular dated 17 November 2014 on PRC withholding income tax treatment with respect to gains derived by QFIs from the trading of shares in PRC resident enterprises* under Caishui [2014] No. 79, *circular dated 23 March 2016 regarding VAT pilot arrangements* under Caishui [2016] No. 36, *circular dated 30 June 2016 on expanded categories of VAT exemption affecting the financial services sector* under Circular 70 and other relevant applicable PRC taxation rules:

- CIT shall be exempt on a temporary basis on capital gains derived from the disposal of shares and other equity investments (including China A Shares) through QFIs; and
- VAT shall be exempt on a temporary basis in respect of gains derived from trading of PRC securities via QFIs. Consequentially, urban maintenance and construction tax, educational surcharges and local educational surcharges (which are all imposed based on VAT liabilities) are exempt on gains derived from trading of PRC securities via QFIs.

There is no guarantee that the temporary tax exemption or non-taxable treatment with respect to assets traded via Stock Connect, Bond Connect, QFIs described above will continue to apply, will not be repealed and re-imposed retrospective, or that no new tax regulations and practice in China specifically relating to such programs will not be promulgated in the future. Such uncertainties may operate to the advantage or disadvantage of Shareholders in the Company and may result in an increase or decrease in Net Asset Value of the Company. For example, to the extent that the PRC tax authority retrospectively imposes taxes on the capital gains realised by the Company through QFIs, the Net Asset Value of the relevant Sub-Fund would be adversely affected but the amount previously paid to a redeeming Shareholder would not be adjusted. As a result, any detriment from such change would be suffered by the remaining Shareholders.

Stock Connect

A Sub-Fund may invest in the China A Shares market of the PRC through the Stock Connect either by directly investing in eligible securities available on the Stock Connect ("**Stock Connect Securities**") or by investing in financial instruments and other market access products linked to such Stock Connect Securities such as futures. China A Shares are shares of companies incorporated in the PRC and listed on the PRC stock exchanges.

Stock Connect is a mutual market access programme through which Hong Kong and overseas investors ("**Stock Connect Investors**") can deal in selected securities listed on SSE and/or SZSE, and qualified PRC domestic investors can deal in selected securities listed on the Stock Exchange of Hong Kong Limited ("**SEHK**") through a platform put in place between SSE/SZSE and SEHK. As at the date of this Prospectus, the Stock Connect programme has been developed between Hong Kong and mainland China by, among others, SSE/SZSE, SEHK, HKSCC and the China Securities Depository and Clearing Corporation ("**CSDCC**"). Under Stock Connect, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect operate independently from each other with substantially similar regulatory framework and operating mechanism.

Stock Connect provides a "northbound link", through which Stock Connect Investors may purchase and indirectly hold eligible China A Shares listed on SSE and/or SZSE ("**Northbound Trading**") as well as a "southbound link", through which PRC investors may purchase and indirectly hold eligible shares listed on the SEHK.

Northbound Trading under Stock Connect is subject to daily quota limitations which may restrict a Sub-Fund's ability to deal via Stock Connect on a timely basis. This may impact that Sub-Fund's ability to implement its investment strategy effectively. The scope of securities in Stock Connect is subject to adjustment by the relevant applicable regulator, agency or authority with jurisdiction, authority or

responsibility in respect of Stock Connect ("**Stock Connect Authorities**") from time to time (see the paragraph headed "The recalling of eligible stocks and trading restrictions" below). This may adversely affect a Sub-Fund's ability to achieve its investment objective, for example, where a security that the Investment Manager (or its delegate) wishes to purchase on behalf of a Sub-Fund is recalled from the scope of Stock Connect Securities.

Pre-trade Check and Enhanced Pre-trade Check

The Investment Regulations provide that SSE/SZSE may reject a sell order if an investor does not have sufficient available China A Shares in its account.

SEHK will apply a similar check on all sell orders of Stock Connect Securities on the Northbound Trading link at the level of SEHK's registered exchange participants ("**Exchange Participants**") to ensure there is no overselling by any individual Exchange Participant ("**Pre-Trade Checking**").

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

Alternatively, if the relevant Stock Connect Investor maintains its China A Shares with a custodian which is a custodian participant or general clearing participant participating in the Hong Kong Central Clearing and Settlement System ("**CCASS**"), the Stock Connect Investor may request such custodian to open a special segregated account ("**SPSA**") in CCASS to maintain its holdings in China A Shares under the enhanced pre-trade checking model ("**Enhanced Pre-Trade Checking**"). Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connect system to verify the holdings of a Stock Connect Investor. Provided that there is sufficient holding in the SPSA when a broker inputs the Sub-Fund's sell order, the Sub-Fund will only need to transfer the China A Shares from its SPSA to its broker's account after execution and not before placing the sell order and the Sub-Fund will not be subject to the risk of being unable to dispose of its holdings of China A Shares in a timely manner due to failure to transfer China A Shares to its brokers in a timely manner. Whilst the Enhanced Pre-Trade Checking model is a positive step towards addressing the pre-trade delivery issue, it is expected that more work and industry and/or regulatory discussions are required in order to make it widely acceptable.

As a practical matter, it may limit the number of brokers that the Sub-Funds may use to execute trades. In relation to transactions executing through an SPSA order, the Stock Connect Investor, may at most designate 20 brokers currently.

The Sub-Fund may also trade Stock Connect Securities through a broker affiliated to the Sub-Fund's sub-custodian, who is an Exchange Participant and a clearing agent of its affiliated broker. In that case, no pre-trade delivery of securities is required and the above risk arising from Pre-Trade Checking or Enhanced Pre-Trade Checking may be mitigated. However, under such situation, whilst the Investment Manager will be cognisant of its best execution obligations it may not have the ability to trade through multiple brokers and any switch to a new broker may not be possible without a commensurate change to the Sub-Fund's sub-custody arrangements.

Nominee Holding Structure, Voting Right and Corporate Actions

Stock Connect Securities will be held following settlement by brokers or custodians as clearing participants in accounts in the CCASS maintained by HKSCC as central securities depository in Hong Kong and as nominee holder. HKSCC is the "nominee holder" of the Stock Connect Securities acquired by a Stock Connect Investor. While the distinct concepts of "nominee holder" and "beneficial owner" are generally recognised under the PRC Stock Connect rules as well as other laws and regulations in mainland China, there have been few cases regarding the application of such rules, and the exact nature and methods of enforcement of rights and interests under PRC law is uncertain, e.g. in liquidation proceedings of PRC companies or other legal proceedings. To the extent that HKSCC is deemed to be

performing safekeeping functions with respect to assets held through it, the Sub-Fund will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that the Sub-Fund suffers losses resulting from the performance or insolvency of HKSCC. Also, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that the Stock Connect Securities will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under PRC law. Stock Connect Investors who hold the Stock Connect Securities (as beneficial owners) shall generally exercise their rights in relation to the Stock Connect Securities through HKSCC as the nominee holder. Under the CCASS rules, HKSCC is prepared to provide assistance to the Stock Connect Investors in bringing the legal action in the PRC where necessary, subject to certain conditions, though it has no obligation to do so. Accordingly, the Company may only exercise voting rights with respect to Stock Connect Securities by giving voting instructions to HKSCC (through CCASS participants), who will then consolidate such instructions and submit them in the form of a combined single voting instruction to the relevant SSE/SZSE-listed company. Therefore, the Sub-Fund may not be able to exercise voting rights in respect of the underlying company in the same manner as in other markets.

In addition, any corporate action in respect of Stock Connect Securities will be announced by the relevant issuer through the SSE/SZSE website and certain officially appointed newspapers. Stock Connect Investors may refer to the SSE/SZSE website and the relevant newspapers for the latest listed company announcements or, alternatively, the website of the Hong Kong Exchanges and Clearing Limited for corporate actions in respect of Stock Connect Securities issued on the previous trading day. However, SSE/SZSE-listed issuers publish corporate documents in Chinese only and English translations will not be available.

Given the short timescale within which proxy voting or other corporate actions are required to be taken in relation to the Stock Connect Securities, there is no assurance that CCASS participants who participate in Stock Connect will or will continue to provide or arrange for the provision of any voting or other related services. Accordingly, there is no assurance that the Sub-Fund will be able to exercise any voting rights or participate in any corporate actions in relation to Stock Connect Securities in time or at all.

Northbound Investor ID Model

An investor identification model for Northbound Trading under Stock Connect ("**Northbound Investor ID Model**") was launched on 26 September 2018. Under the Northbound Investor ID Model, Exchange Participants are required to assign a unique number known as the Broker-to-Client Assigned Number ("**BCAN**") to each Stock Connect Investor in Northbound Trading. Each BCAN should be mapped to the client identification data ("**CID**") of that particular client which includes the client's name, identity document issuing country, ID type and ID number. Each of the Exchange Participants is required to submit the BCAN-CID mappings of all its Northbound Trading clients to SEHK. If the BCAN-CID mapping of a client has not been received by SEHK at or before the prescribed T-1 day cut-off time, or such mapping information has failed the relevant validation check, the corresponding client shall not be allowed to place trading orders on T day.

Any malfunction of the Northbound Investor ID Model or failure of the Company to participate in Northbound Trading may adversely affect the Company's performance.

Restriction on Day Trading

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

Not protected by China Securities Investor Protection Fund

Investors should note that if a Sub-Fund engages in any Northbound Trading, the Sub-Fund will not be covered by the China Securities Investor Protection Fund and thus investors will not benefit from compensation from China Securities Investor Protection Fund Corporation Limited under such schemes.

Daily Quotas Used up

There is a daily quota for Northbound Trading on the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect respectively. Once the daily quota on SSE or SZSE is used up, acceptance of the corresponding buy orders on SSE or SZSE (as applicable) will be immediately suspended and no further buy orders will be accepted for the remainder of the trading day. Buy orders which have been accepted will not be affected by the using up of the daily quota, while sell orders will be continued to be accepted.

Difference in Trading Day and Trading Hours and other Operational Restrictions

Due to differences in public holidays between Hong Kong and mainland China or other reasons such as bad weather conditions, there may be a difference in trading days and trading hours between SSE/SZSE and SEHK. Stock Connect will only operate on days when both markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the mainland China market but it is not possible to carry out any China A Shares trading in Hong Kong. Additionally, SEHK (or any relevant subsidiary) may, under certain circumstances as specified in the SEHK rules, temporarily suspend or restrict all or part of the order-routing and related supporting services with regard to all or any Northbound Trading and for such duration and frequency as SEHK may consider appropriate at any time and without advance notice.

As such, there is a risk of price fluctuations in China A Shares during the time when Northbound Trading is suspended or restricted as described above.

The Recalling of Eligible Stocks and Trading Restrictions

A stock may be recalled from the scope of eligible stocks for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. This may adversely affect the ability of a Sub-Fund to achieve its investment objective.

Under Stock Connect, the Investment Manager will only be allowed to sell China A Shares but restricted from further buying under certain circumstances including without limitation to: (i) the China A Shares subsequently ceases to be a constituent stock of the relevant indices; (ii) the China A Shares is subsequently under "risk alert"; and/or (iii) the corresponding H share of the China A Share subsequently ceases to be traded on SEHK. Price fluctuation limits are also applicable to China A Shares.

Local market rules, foreign shareholding restrictions and disclosure obligations

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

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

Under current PRC law, once an investor holds up to 5% of the shares with voting rights of a PRC-listed company, the investor is required to disclose his/her interest within three days in accordance with the applicable regulations and during the reporting period he/she cannot trade the shares of that company, unless otherwise permitted by PRC applicable regulations. The investor is also required to disclose every subsequent increase or decrease of 1% in his/her shareholding and comply with related trading restrictions in accordance with PRC law. Also, should it exceed 5%, the Sub-Fund may not reduce its holdings in such company within 6 months of the last purchase of shares of such company (the "**Short Swing Profit Rule**"). If the Sub-Fund violates this Short Swing Profit Rule, it may be required to return any profits realised from such trading to the listed company. Moreover, under PRC civil procedures, the Sub-Fund's assets may be frozen to the extent of the claims made by such PRC company. These risks may greatly impair the performance of the Sub-Funds.

For the purposes of the calculation of the 5%, the Sub-Fund may be deemed as a connected party with its investors, of other funds managed within the Marsh McLennan Companies, Inc. group (the "**Marsh McLennan Group**") or a substantial shareholder of the Marsh McLennan Group (unless there exists evidence to the contrary) and therefore may be subject to the risk that the Sub-Fund's holdings may have to be reported in aggregate with the holdings of such other investors or funds should the aggregated holdings trigger the reporting threshold under the Investment Regulations. In addition, the onshore listed shares and offshore listed shares held by each of the connected parties in an individual listed company need to be aggregated for such calculation purpose above. This may expose the Sub-Fund's holdings to the public with an adverse impact on the performance of the Sub-Funds. There has also been a recent regulatory trend to tighten the disclosure of interests requirements by the relevant PRC regulators and stock exchanges, therefore further requirements may be applied in this regard.

Also, investment in China A Shares through derivative instruments or structured products may be taken into account for this calculation. For example, if the Sub-Fund has de facto control over the exercise of the voting rights of the underlying China A Shares in relation to the derivative instruments or structured products, even though the Sub-Fund is not the legal owner of these shares, the Sub-Fund is subject to disclosure of interest requirements. Any investor may not utilise inside information to trade the shares of a PRC listed company or conduct market manipulation trades, and the trade orders of the Sub-Fund may not breach this requirement. If the Sub-Fund has de facto control over the exercise of the voting rights of the underlying shares of a PRC listed company that exceed 5% of the company's shares, it might be deemed as a 5% shareholder and may be restricted in its trading because of the Short Swing Profit Rule.

According to existing mainland China practices, the Company as beneficial owner of China A Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf (see the paragraph headed "Nominee holding structure, voting right and corporate actions" above).

Investment Restrictions

Investments in China A Shares are also subject to compliance with certain investment restrictions imposed by the Investment Regulations including the following and may affect the relevant Sub-Fund's ability to invest in China A Shares and carry out their investment objectives:

- i. shares held by each foreign investor (such as a Sub-Fund) which invests (through Stock Connect or other permissible channels) in one PRC listed company should not exceed 10% of the total outstanding shares of such company; and
- ii. aggregate China A Shares held by all foreign investors (such as a Sub-Fund and all other foreign investors) which invest (through Stock Connect or other permissible channels) in one PRC listed company should not exceed 30% of the total outstanding shares of such company.

Similarly, since the 30% aggregate foreign shareholding restriction is monitored at the level of all foreign investors, the capability of the relevant Sub-Fund to invest in China A Shares of a certain listed company may also be limited due to the investments made by other foreign investors.

Trading Volumes and Volatility

The Exchanges have lower trading volumes than some OECD Member State exchanges and the market capitalisations of listed companies are small compared to those on more developed exchanges in developed markets. The listed equity securities of many companies in the PRC are accordingly materially less liquid, subject to greater dealing spreads and experience materially greater volatility than those of OECD Member States. Government supervision and regulation of the PRC securities market and of listed companies is also less developed than in many OECD Member States. In addition, there is a high measure of legal uncertainty concerning the rights and duties of market participants with respect to investments made through securities systems or established markets.

The PRC stock market has experienced substantial price volatility and wide suspension of trading in recent years and no assurance can be given that such volatility and suspension will not occur in the future. The above factors could negatively affect the Net Asset Value of the Sub-Funds, the ability to redeem Shares and the price at which Shares may be redeemed.

Payment of Fees and Expenses

The Sub-Fund may retain such amounts as the Board considers appropriate to maintain a liquid portfolio of cash, deposits, money market instruments and government securities denominated in RMB, U.S. Dollars or other major international currencies for the purposes of paying its anticipated fees and expenses and to meet redemption requests and any other liquidity needs. Investors should be aware that owing to repatriation restrictions, the Sub-Fund may need to maintain high cash balances, including potentially balances held outside China, resulting in less of the proceeds of the Sub-Fund being invested in China than would otherwise be the case if such local restrictions did not apply.

Clearing, Settlement and Custody Risks

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

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

Currency Risks

Stock Connect Securities under Northbound Trading will be traded and settled in RMB. If a Sub-Fund issues Share Classes denominated in a currency other than RMB, the Sub-Fund will be exposed to currency risk if its portfolio invests in a RMB product due to the need for the conversion of the currency into RMB. The Sub-Fund will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Sub-Fund purchases it and when the Sub-Fund redeems / sells it, the Sub-Fund will still incur a loss when it converts the redemption / sale proceeds into local currency if RMB has depreciated.

Risk of CSDCC Default

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

HKSCC will in turn distribute the Stock Connect Securities and/or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect Authorities. Stock Connect Investors in turn will only be distributed the Stock Connect Securities and/or monies to the extent recovered directly or indirectly from HKSCC. Although the likelihood of a default by CSDCC is considered to be remote, Shareholders should be aware of this arrangement and of this potential exposure.

Risk of HKSCC Default

A failure or delay by HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Securities and/or monies in connection with them and the Company may suffer losses as a result.

Ownership of Stock Connect Securities

Stock Connect Securities are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Securities are not available under the Northbound Trading for the Company.

The Company's title or interests in, and entitlements to, Stock Connect Securities (whether legal, equitable or otherwise) will be subject to applicable requirements, including laws relating to any disclosure of interest requirement or foreign shareholding restriction (see the paragraph headed "Local market rules, foreign shareholding restrictions and disclosure obligations" above).

No Manual Trade or Block Trade

Currently there is no manual trade facility or block trade facility for Stock Connect Securities transactions under Northbound Trading. The Sub-Fund's investment options may become limited as a result.

Order Priority

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

No off-exchange Trading and Transfers

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

The above may not cover all risks related to Stock Connect and any above-mentioned laws, rules and regulations are subject to change and there is no assurance as to whether or how such changes or developments may restrict or affect the Company's investments via Stock Connect.

Risks associated with the ChiNext Market and/or STAR Board

The Sub-Funds may through the Shenzhen-Hong Kong Stock Connect access securities listed on the ChiNext market of the SZSE and/or through the Shanghai-Hong Kong access securities listed on the STAR Board of the SSE. Listed companies on the ChiNext market and STAR Board are usually of an emerging nature with smaller operating scale. They are subject to higher fluctuation in stock prices and liquidity and have higher risks and turnover ratios than companies listed on the main board of the SZSE and SSE. Securities listed on the ChiNext and STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock prices may be more susceptible to manipulation due to fewer circulating shares. It may be more common and faster for companies listed on the ChiNext and STAR Board to delist. This may have an adverse impact on the relevant Sub-Funds if the companies that they invest in are delisted. Also, the rules and regulations regarding companies listed on ChiNext market and STAR Board are less stringent in terms of profitability and share capital than those on the main board. Investments in the ChiNext market and STAR Board may result in significant losses for a Sub-Fund and its investors.

Bond Connect

The PRC and the Hong Kong Monetary Authority ("**HKMA**") have approved programmes which establish Bond Connect, a mutual bond market access programme between mainland Chinese and Hong Kong financial infrastructure institutions. Bond Connect allows investors to trade electronically between the mainland Chinese and Hong Kong bond markets without many of the limits of existing schemes, such as quota restrictions and requirements to identify the ultimate investment amount.

Currently, the Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the China Interbank Bond Market ("**CIBM**") and recognised offshore trading access platforms, to facilitate investment by Hong Kong and overseas investors in eligible bonds traded on the CIBM. A Southbound

Trading Link, facilitating investment in overseas bond markets by mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors will be able to conduct cash trading over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the Central Moneymarkets Unit (“**CMU**”) of the HKMA and mainland China’s two bond settlement systems, CCDC and Shanghai Clearing House (“**SHCH**”). The CMU settles Northbound trades and holds the CIBM bonds on behalf of members in nominee accounts with each of the CCDC and the SHCH. The CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors are recorded in an omnibus nominee account at the CCDC and the SHCH in the name of the CMU. The CMU itself maintains the bonds in segregated sub-accounts of the relevant CMU members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser’s global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting offshore currency into onshore RMB (CNY) under Bond Connect.

Where an investor uses offshore currency to invest through the Northbound Trading Link, it must open a segregated RMB capital account with a Hong Kong RMB clearing bank or an eligible offshore RMB business participating bank (each an “**RMB Settlement Bank**”) to convert its foreign currency into CNY. Where bonds are purchased in CNY in this manner, the proceeds of the sale must be converted back into the foreign currency upon sale of the bonds and remittance of the proceeds out of mainland China.

Investors using CNH to invest in bonds through Bond Connect do not need to appoint an RMB Settlement Bank, nor do they need to open a segregated RMB capital account.

Bond Connect Specific Risks

A Sub-Fund may invest through Bond Connect in eligible bonds traded on the CIBM, which subjects such Sub-Fund to risks including but not limited to:

Suspension Risks

It is contemplated that the mainland Chinese authorities will reserve the right to suspend Northbound and/or Southbound trading of Bond Connect if necessary for ensuring an orderly and fair market and that risks are managed prudently. The relevant PRC government authority may also impose “circuit breakers” and other measures to halt or suspend Northbound trading. Where a suspension in the Northbound trading through the Bond Connect is effected, a Sub-Fund’s ability to access the PRC bond market will be adversely affected.

Differences in Trading Day

Northbound trading through Bond Connect is able to be undertaken on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong. Accordingly, it is possible that bonds traded through Bond Connect may be subject to fluctuation at times where a Sub-Fund is unable to buy or sell bonds, as its Hong Kong or globally-based intermediaries are not available to assist with trades. Accordingly, this may cause a Sub-Fund to be unable to realise gains, avoid losses or to benefit from an opportunity to invest in mainland Chinese bonds at an attractive price.

Operational Risk

Bond Connect provides a channel for investors from Hong Kong and overseas to access the PRC bond markets directly.

The “connectivity” in Bond Connect requires routing of orders across the border, requiring development of new trading platforms and operational systems. There is no assurance that these platforms and systems will function properly (in particular, under extreme market conditions) or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading through Bond Connect may be disrupted. A Sub-Fund’s ability to trade through Bond Connect (and therefore pursue its investment strategy) may therefore be adversely affected.

Not Protected by Investor Compensation Fund

Investors should note that if a Sub-Fund engages in any Northbound Trading, the Sub-Fund will not be covered by Hong Kong's Investor Compensation Fund or the China Securities Investor Protection Fund and thus investors will not benefit from compensation under such schemes.

Currency Risk

CIBM Bonds (as defined below) under Northbound Trading of Bond Connect will be traded and settled in RMB. If a Sub-Fund issues Share Classes denominated in a currency other than RMB, the Sub-Fund will be exposed to currency risk if the Sub-Fund invests in a RMB product due to the need for the conversion of the currency into RMB. The Sub-Fund will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Sub-Fund purchases it and when the Sub-Fund redeems / sells it, the Sub-Fund will still incur a loss when it converts the redemption / sale proceeds into local currency if RMB has depreciated. Also, as the Sub-Fund may either settle CIBM Bonds using CNH or by converting offshore currency into CNY, any divergence between CNH and CNY may adversely impact investors.

Regulatory risk

For a Sub-Fund’s investment under Bond Connect, although there is no quota restriction under the Investment Regulations, relevant information about the Sub-Fund’s investments needs to be filed with PBOC and an updating filing may be required if there is any significant change to the filed information. It cannot be predicted whether PBOC will make any comments on or require any changes with respect to such information for the purpose of filing. If so required, the Sub-Fund will need to follow PBOC instructions and make the relevant changes accordingly, which, may not be in the best interests of the Sub-Fund and the Shareholders from a commercial perspective.

In addition, Bond Connect will be subject to regulations promulgated by regulatory authorities and implementation rules made by regulators in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under Bond Connect.

The Bond Connect regulations are subject to change. There can be no assurance that Bond Connect will not be abolished. Sub-Funds which invest in the PRC markets through Bond Connect may be adversely affected as a result of such changes.

Local Market Rules

Under Bond Connect, bond issuers and trading of bonds traded on the CIBM (the "**CIBM Bonds**") are subject to market rules in China. Any changes in laws, regulations and policies of the China bond market or rules in relation to Bond Connect may affect prices and liquidity of the relevant CIBM Bonds. Among others, the relevant information disclosure requirements applicable to the investors of the CIBM Bonds will apply to the Sub-Funds (to the extent that they invest in the CIBM Bonds).

Moreover, PBOC will exercise ongoing supervision of the Sub-Fund's trading of CIBM Bonds and may take relevant administrative actions such as suspension of trading and mandatory exit against the Sub-Fund and/or the Investment Manager in the event of non-compliance with the local market rules as well as the Investment Regulations.

Nominee Holding Structure and Ownership

CIBM Bonds which the Sub-Funds may invest in will be held by the CMU as the nominee holder, opening nominee account(s) with the CCDC and the SHCH respectively. While the distinct concepts of "nominee holder" and "beneficial owner" are generally recognised under the Investment Regulations, there have been few cases regarding the application of such rules and the exact nature and methods of enforcement of rights and interests under PRC law is uncertain, e.g. in liquidation proceedings of PRC companies or other legal proceedings.

In addition, CIBM Bonds are uncertificated and are held by CMU for its account holders. Physical deposit and withdrawal of CIBM Bonds are not available under the Investment Regulations for the Sub-Funds.

Risk of CMU / CCDC / SHCH Default

A failure or delay by CMU, CCDC or SHCH in the performance of their respective obligations may result in a failure of settlement, or the loss, of CIBM Bonds and/or monies in connection with them and the Sub-Funds may suffer losses as a result. In the event that the nominee holder (i.e. CMU) becomes insolvent, such bonds may form part of the pool of assets of the nominee holder available for distribution to its creditors and the Sub-Fund, as a beneficial owner, may have no rights whatsoever in respect thereof.

Risk of Third Party Default

Under the prevailing applicable Bond Connect regulations, the Sub-Fund may participate in the Bond Connect through an offshore custody agent, registration agent or other third parties (as the case may be), who would be responsible for making the relevant filings and account opening with the relevant authorities. The Sub-Fund is therefore subject to the risk of default or errors on the part of such agents.

Liquidity and Volatility

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The Sub-Funds investing in such markets are therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the Sub-Fund may therefore incur significant trading and realisation costs and may even suffer losses when disposing of such investments.

Hedging Activities

Hedging activities under Bond Connect are subject to the Investment Regulations and any prevailing market practice. There is no guarantee that the Sub-Fund will be able to carry out hedging transactions at terms which are satisfactory to the Investment Manager and to the best interest of the Sub-Fund. The Sub-Fund may also be required to unwind its hedge in unfavourable market conditions.

Settlement Risk

Although delivery-versus-payment (DVP) settlement (e.g. simultaneous delivery of security and payment) is the dominant settlement method adopted by CCDC and SHCH for all bond transactions in

the CIBM, there is no assurance that settlement risks can be eliminated. In addition, DVP settlement practices in the PRC may differ from practices in developed markets. In particular, such settlement may not be instantaneous and be subject to a delay of a period of hours. Where the counterparty does not perform its obligations under a transaction or there is otherwise a failure due to CCDC or SHCH (as applicable), a Sub-Fund may sustain losses.

The above may not cover all risks related to Bond Connect and any above-mentioned laws, rules and regulations are subject to change and there is no assurance as to whether or how such changes or developments may restrict or affect the Company's investments via Bond Connect.

QFI Regime and Related Risks

The QFI regime, which allows qualifying foreign investors to invest directly in certain securities in Mainland China, is governed by rules and regulations promulgated by the relevant authorities in Mainland China, including the CSRC, SAFE and PBOC and/or other relevant authorities ("**QFI Regulations**"). Investments through the QFI regime are required to be made through holders of a QFI licence. Certain investment managers that meet the relevant prescribed eligibility requirements under the QFI Regulations may in the future apply to be granted a QFI licence. Should the required QFI licence be obtained in the future, certain Sub-Funds may invest directly in Mainland China via the QFI regime.

In the event that a Sub-Fund invests via the QFI regime in the future, investors should note that a Sub-Fund's ability to make such investments or to fully implement or pursue its investment objective and strategy are subject to the applicable laws, rules and regulations (including the then prevailing exchange controls and other prevailing requirements of the PRC including rules on investment restrictions and repatriation and remittance of principal and profits) in the PRC, which are subject to change and any such changes may have potential retrospective effect.

In addition, there can be no assurance that the QFI Regulations will not be abolished. A Sub-Fund, which invests in the PRC markets through the QFI regime, may be adversely affected as a result of such changes.

Where a Sub-Fund invests in China A Shares or other securities in the PRC through the QFI regime, such securities will be under the custody by a PRC custodian ("**QFI Custodian**") appointed by the QFI in accordance with QFI Regulations. The QFI may open one or more securities account(s) in the name of the "QFI licence holder + Sub-Fund" for the account of the relevant Sub-Fund in accordance with PRC laws, A Sub-Fund may be subject to custodial risk. If the QFI Custodian defaults, a Sub-Fund may suffer substantial losses for the cash assets deposited in the cash accounts opened with the QFI Custodian. In the event of liquidation of the QFI Custodian, relevant PRC laws will apply and cash deposited in the cash account of the relevant Sub-Fund with the QFI Custodian will form part of its assets in the PRC and a Sub-Fund will become an unsecured creditor for such amount.

A Sub-Fund investing via the QFI regime may also incur losses due to a default, act or omission of the QFI Custodian or PRC brokers in the execution or settlement of any transaction or in the transfer of any funds or securities. In such event, a Sub-Fund investing via the QFI regime may be adversely affected in the execution or settlement of any transaction or in the transfer of any funds or securities.

Repatriations by QFIs in respect of principal and profits of the Sub-Fund's investments in the PRC are currently not subject to prior approval or repatriation restrictions although the repatriation process may be subject to certain requirements set out in the relevant regulations. There is no assurance, however, that the QFI Regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation may impact on the relevant Sub-Fund's ability to meet redemption requests.

Further, the QFI licence of a QFI licence holder may be revoked or terminated or otherwise invalidated at any time by reason of a change in applicable law, regulations, policy, practice or other circumstances, an act or omission of the QFI licence holder or for any other reasons.

Rules and restrictions under the QFI Regulations apply to the QFI licence holder as a whole and do not simply apply to the investment made for the account of a Sub-Fund. As the QFI licence holder may also be utilised by parties other than a Sub-Fund, investors should be aware that violations of the QFI

Regulations on investments arising out of activities of such other parties could result in the revocation of or other regulatory action in respect of the QFI licence holder as a whole, and not simply apply to the investment made for the account of a Sub-Fund. For example, a QFI licence may be suspended or revoked by reason of, without limitation: (a) bankruptcy, liquidation or receivership of the QFI; and (b) irregularities by the QFI in its practices as a QFI investor. Hence, the ability of a Sub-Fund to make investments may be adversely affected by other funds or clients investing through the same QFI licence holder.

A Sub-Fund may suffer losses if the approval of the QFI is being revoked/terminated or otherwise invalidated as a Sub-Fund may be prohibited from trading of relevant securities, or if any of the key operators or parties (including QFI Custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

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