



# Green Ash SICAV

**SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE  
LUXEMBOURG**

**PROSPECTUS**

**November 2024**

No person is authorised to give any information other than that contained in the Prospectus and in documents referred to herein. The original English text of this Prospectus is the legal and binding version.

## SUMMARY

The main part of the Prospectus describes the nature of the Company, presents its general terms and conditions and sets out its management and investment parameters which apply to the Company as well as to the different Sub-Funds that compose the Company.

The investment policy of each Sub-Fund, as well as its specific features, is described in the Appendix attached to this Prospectus.

The Directors of the Company, whose names appear hereafter, accept responsibility for the information contained in this document. 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 document is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

The shares of the Company are offered solely on the basis of the information and representations contained in this Prospectus and any further information given or representations made by any person may not be relied upon as having been authorised by the Company or the Directors. Neither the delivery of this Prospectus nor the issue of shares shall under any circumstances create any implication that there has been no change in the affairs of the Company since the date hereof.

The information contained in this Prospectus will be supplemented by the financial statements and further information contained in the latest annual and semi-annual reports of the Company and the KIIDs, copies of which may be obtained free of charge from the registered office of the Company.

The Company is an open-ended investment company organised as a *Société d'Investissement à Capital Variable* (SICAV). The Company is registered under Part I of the 2010 Law (as defined below). The above registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the investments held by the Company. Any representation to the contrary is unauthorised and unlawful.

The distribution of this Prospectus and the offering of shares in certain jurisdictions may be restricted and accordingly persons into whose possession of this Prospectus may come are required by the Company to inform themselves of and to observe any such restrictions.

This Prospectus does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it would be unlawful to make such offer or solicitation.

The Prospectus may be translated into other languages. To the extent that there is any inconsistency between this Prospectus and a translation thereof, the English-language Prospectus shall prevail, unless stipulated otherwise by the laws of any jurisdiction in which the Shares are sold.

United States: As more fully explained below, the Shares being offered hereby have not been and will not be registered under the Securities Act (as defined hereinafter)

or the securities laws of any of the states of the United States. The Company has not been and will not be registered under the Investment Company Act (as defined hereinafter), nor under any other US federal laws. Therefore, the Shares may only be offered or sold directly or indirectly in the United States of America pursuant to an exemption from the registration requirements of the Securities Act.

Generally: the above information is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make application for shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for shares should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

For further information, please refer to the Table of Contents on page 4 of this Prospectus. If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, accountant or other professional adviser.

Defined terms shall have the meaning ascribed to them under "DEFINITIONS" below.

In view of economic and share market risks, no assurance can be given that the Company will achieve its investment objectives and the value of the shares can rise or fall.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general meetings of shareholders, if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not be possible for the investor to (i) exercise certain shareholder rights, such as the right to participate in general meetings of shareholders, directly against the Company, or (ii)<sup>1</sup> to be indemnified in case of net asset value calculation errors and/or non-compliance with investment rules and/or other errors at the level of the Company. Investors are advised to take advice on their rights.

#### Data Protection

**Processing of personal data** –Personal data related to identified or identifiable natural persons provided to, collected or otherwise obtained by or on behalf of, the Company and the Management Company (the "Controllers") will be processed by the Controllers in accordance with the Data Protection Notice referred to in section XXIII of this Prospectus, which will be made available in the application form issued by the Company to the investors and a current version of which is available and can be accessed or obtained online at <https://www.credit-suisse.com/media/assets/microsite/docs/multiconcept/mcfm-funds-investors-notice-en.pdf>. Investors and any person contacting, or otherwise dealing directly or indirectly with, any of the Controllers are invited to and read and carefully consider

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<sup>1</sup> (ii) applicable as from January 1<sup>st</sup>, 2025.

the Data Protection Notice, prior to contacting or otherwise so dealing, and in any event prior to providing or causing the provision of any Data directly or indirectly to the Controllers.

## **U.S. SECURITY LEGEND**

### NOTICE TO RESIDENTS OF THE UNITED STATES

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. Person (as such term is defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any relevant state securities laws. Within the United States, the Shares are being offered and sold only to "Accredited Investors" (as defined in Rule 501 of Regulation D under the Securities Act) who are also "Qualified Purchasers" (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "Investment Company Act")) in reliance on Section 4(a)(2) of the Securities Act and/or the registration exemption provided by Regulation D promulgated thereunder, and in compliance with the applicable state securities laws. The Company will not be registered as an investment company under the Investment Company Act. As a condition to the purchase of the Shares, investors will be required to make certain representations to the Company including that they are "Accredited Investors" and "Qualified Purchasers," that they are acquiring Shares for their own account, for investment purposes only and not with a view to its distribution, that they have received or have had access to all information they deem relevant to evaluate the merits and risks of the prospective investment, and that they have the ability to bear the economic risk of an investment in the Company. The Shares cannot be transferred or resold unless they are subsequently registered or qualified under the Securities Act or under applicable state securities laws, or an exemption from such registration or qualification is available. It is extremely unlikely that the Shares will ever be registered or qualified under the Securities Act or under applicable state securities laws.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION IN CONNECTION WITH POOLS WHOSE PARTICIPANTS ARE LIMITED TO QUALIFIED ELIGIBLE PERSONS, AN OFFERING MEMORANDUM FOR THIS POOL IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE COMMISSION. THE COMMODITY FUTURES TRADING COMMISSION DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A POOL OR UPON THE ADEQUACY OR ACCURACY OF AN OFFERING MEMORANDUM. CONSEQUENTLY, THE COMMODITY FUTURES TRADING COMMISSION HAS NOT REVIEWED OR APPROVED THIS OFFERING OR ANY OFFERING MEMORANDUM FOR THIS POOL.

The Investment Manager is exempt from registration with the U.S. Commodity Futures Trading Commission (the "CFTC"), and are not registered with the CFTC as

a Commodity Pool Operators ("CPO"), in respect of the Company pursuant to an exemption under CFTC Rule 4.13(a)(3) for pools (a) whose interests are exempt from registration under the Securities Act and are offered and sold without marketing to the public in the United States and (b) whose participants are limited to certain qualified eligible persons including Qualified Purchasers and Accredited Investors. To maintain the exemptions provided by Rule 4.13(a)(3), the Investment Manager will not (x) commit more than 5% of the Company's liquidation value, taking into account unrealised profits or loss on such positions to establish commodity interest positions or (y) permit the net notional value of the Company's commodity interest positions to exceed 100% of the Company's liquidation value, taking into account unrealised profits or loss on such positions. Therefore, unlike a commodity pool operated by a registered CPO, there is no obligation imposed by the CFTC on the Investment Manager to deliver a Disclosure Document (as defined in the CFTC Rules) or a certified annual report to the shareholders. The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum.

An investment in the Company may be subject to increasing regulations and governmental oversight, including, for example, the US Bank Secrecy Act and the USA Patriot Act of 2001, including their respective implementing regulations, which, among other things, constitute the U.S. Anti-money Laundering Regulations. Such rules may require various investor disclosures to, among others, US domestic and foreign government authorities.

The Company reserves the right to reject any application for Shares in whole or in part for any reason. If any application is rejected in whole or in part, the application moneys or (where an application is accepted in part only) the balance thereof will be returned (without interest) in U.S. dollars by bank draft made out in favor of the applicant (or, in the case of joint applicants, the first named) and sent by ordinary post at the risk of the person entitled thereto. Funds may also be returned by telegraphic transfer at the discretion of the Investment Manager and at the risk and expense of the applicant.

Each investor must represent and warrant to the Company that, among other things, he is able to acquire Shares without violating applicable laws. The Company will not knowingly, offer or sell Shares to any investor to whom such offer or sale would be unlawful. In particular, Shares may not be offered or sold to any U.S. Person other than a U.S. Person that is an Accredited Investor and a Qualified Purchaser.

PRIOR TO MAKING AN INVESTMENT, POTENTIAL INVESTORS AND THEIR ADVISORS ARE INVITED TO ASK QUESTIONS OF, AND OBTAIN ADDITIONAL INFORMATION FROM, THE BOARD OF DIRECTORS CONCERNING THE SHARES, THE TERMS AND CONDITIONS OF THE OFFERING, AND ANY OTHER RELEVANT MATTERS. SUCH INFORMATION WILL BE PROVIDED TO THE EXTENT THE BOARD OF DIRECTORS POSSESSES SUCH INFORMATION

OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

CERTAIN INFORMATION CONTAINED IN THE PROSPECTUS CONSTITUTES "FORWARD-LOOKING STATEMENTS", WHICH CAN BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY", "WILL", "SHOULD", "EXPECT", "ANTICIPATE", "TARGET", "PROJECT", "ESTIMATE", "INTEND", "CONTINUE" OR "BELIEVE", OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, ACTUAL EVENTS OR RESULTS OR THE ACTUAL PERFORMANCE OF THE COMPANY MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. RELIANCE SHOULD NOT BE PLACED ON FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF OR SUCH OTHER DATE AS SPECIFICALLY DISCLOSED IN THE PROSPECTUS OR HEREIN, AS APPLICABLE, AND WHICH ARE INHERENTLY NON-FACTUAL. THERE IS NO OBLIGATION FOR THE COMPANY TO UPDATE OR ALTER THE PROSPECTUS AND ANY FORWARD-LOOKING STATEMENTS CONTAINED THEREIN OR HEREIN, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. ALL FORWARD-LOOKING STATEMENTS CONTAINED IN THE PROSPECTUS ARE QUALIFIED IN THEIR ENTIRETY BY THE FOREGOING CAUTIONARY STATEMENTS AND SIMILAR OR RELATED CAUTIONARY DISCLOSURE SET FORTH ELSEWHERE THEREIN OR HEREIN.

AN INVESTMENT IN THE SHARES IS SUITABLE ONLY FOR SOPHISTICATED INVESTORS AND REQUIRES THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE HIGH RISKS AND LACK OF LIQUIDITY INHERENT IN AN INVESTMENT IN THE COMPANY FOR U.S. INVESTORS. U.S. SHAREHOLDERS MUST BE PREPARED TO BEAR SUCH RISKS FOR AN EXTENDED PERIOD OF TIME. AN INVESTMENT IN THE SHARES IS SPECULATIVE, AND NO ASSURANCE CAN BE GIVEN THAT THE INVESTMENT OBJECTIVES OF THE COMPANY WILL BE ACHIEVED OR THAT SHAREHOLDERS WILL RECEIVE A RETURN OF ANY OF THEIR CAPITAL.

In making an investment decision, investors must rely on their own examination of the Company and the terms of the offering, including the merits and risks involved. The Shares have not been recommended by any U.S. Federal or State Securities Commission or other regulatory authority. Furthermore, the foregoing U.S. authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

NOTICE TO RESIDENTS OF FLORIDA.

PURSUANT TO SECTION 517.061, FLORIDA STATUTES, UPON THE ACCEPTANCE OF FIVE OR MORE FLORIDA INVESTORS, AND IF THE FLORIDA INVESTORS ARE NOT BANKS, TRUST COMPANIES, SAVINGS INSTITUTIONS, INSURANCE COMPANIES, DEALERS, INVESTMENT COMPANIES (AS DEFINED IN THE INVESTMENT COMPANY ACT), PENSION OR PROFIT-SHARING TRUSTS OR QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), THE FLORIDA INVESTOR ACKNOWLEDGES

THAT ANY SALE OF SHARES TO THE FLORIDA INVESTOR IS VOIDABLE BY THE FLORIDA INVESTOR EITHER WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE FLORIDA INVESTOR TO THE ISSUER, OR AN AGENT OF THE ISSUER, OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO THE FLORIDA INVESTOR, WHICHEVER OCCURS LATER.

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## DEFINITIONS

<b>Absolute VaR Approach:</b>	A method of calculation of global exposure as detailed in applicable laws and regulations including but not limited to CSSF Circular 11/512.
<b>UCI Administrator:</b>	UBS Fund Administration Services Luxembourg S.A., 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.
<b>Articles:</b>	The articles of incorporation of the Company, as amended from time to time.
<b>Appendix:</b>	Any appendix to the Prospectus issued on behalf of the Company specifying certain information in relation to a Sub-Fund and/or one or more Classes from time to time, noting that any such appendix may be issued with an information card, annex or addendum containing supplemental information on the relevant Sub-Fund or Class.
<b>Board of Directors:</b>	The board of directors of the Company.
<b>Business Day:</b>	Any day on which banks in Luxembourg are open for business except for 24 December, unless defined otherwise in the Appendix for a Sub-Fund.
<b>CHF:</b>	The lawful currency of Switzerland.
<b>Class of Shares or Class:</b>	A class of shares of a Sub-Fund created by the Company having a specific distribution policy, sales and redemption mechanism, fee structure, holding requirements, currency and hedging policy or other specific characteristics.
<b>Commitment Approach:</b>	A method of calculation of global exposure as detailed in applicable laws and regulations including but not limited to CSSF Circular 11/512.
<b>Company:</b>	Green Ash SICAV, a <i>société d'investissement à capital variable</i> .

<b>CSSF:</b>	<i>Commission de Surveillance du Secteur Financier</i> , the supervisory authority in Luxembourg.
<b>Depository Bank:</b>	UBS Europe SE, Luxembourg Branch 33A, avenue J.F. Kennedy, L-1855 Luxembourg
<b>Domiciliary Agent:</b>	MultiConcept Fund Management S.A., 5, rue Jean Monnet L-2180 Luxembourg.
<b>Eligible State:</b>	Any Member State or other State in Europe, Asia, Oceania, the Americas or Africa.
<b>ESMA:</b>	The European Securities and Markets Authority.
<b>Euro or EUR:</b>	Currency of the Member States of the European Union that use the single currency.
<b>ESG:</b>	Environmental, social and governance.
<b>ESG Orientated Fund:</b>	A Sub-Fund that meets the criteria in SFDR to qualify as a financial product (which includes a UCITS authorised in accordance with article 5 of the UCITS IV Directive) and promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics and provided that the companies that the fund invests in follow good governance practices.
<b>GBP:</b>	The lawful currency of the United Kingdom.
<b>Global Distributor:</b>	Green Ash Partners LLP, 11 Albemarle Street, London, W1S 4HH, United Kingdom.
<b>Institutional Investors:</b>	Institutional Investors as defined in Article 174 of the 2010 Law.
<b>Investment Adviser:</b>	The person appointed to provide investment advice, if any.

<b>Investment Grade:</b>	Securities with a rating of at least BBB- from Standard & Poor's or Fitch Ratings or at least Baa3 from Moody's Investor Services, or which are judged to be of equivalent quality based on similar credit criteria at the time of acquisition. In the event of a split rating, the better rating can be used.
<b>Investment Manager:</b>	Persons appointed to manage the assets, as determined in the Appendix for each Sub-Fund, if any. For the avoidance of doubt, the term "Investment Manager" shall include, where the context permits, any sub-investment manager appointed from time to time by the Investment Manager pursuant to its authority under the management company agreement.
<b>Information Card:</b>	An annex to an Appendix to this Prospectus, issued from time to time, specifying certain information pertaining to the relevant Sub-Fund in accordance with the requirements of SFDR.
<b>Key Investor Information Document (KIID):</b>	The key investor information document containing information on each Class of Shares of the Company. Information on Classes of Shares launched shall be available on the website <a href="https://greenash-partners.com/">https://greenash-partners.com/</a> and <a href="http://www.credit-suisse.com/multiconcept">http://www.credit-suisse.com/multiconcept</a> . The Company draws the attention of the investors to the fact that before any subscription of shares, investors should consult the KIIDs on Classes of Shares available on the website <a href="https://greenash-partners.com/">https://greenash-partners.com/</a> and <a href="http://www.credit-suisse.com/multiconcept">http://www.credit-suisse.com/multiconcept</a> . A paper copy of the KIIDs may also be obtained at the registered office of the Company or of the sub-distributors, free of charge.
<b>Management Company:</b>	MultiConcept Fund Management S.A., 5, rue Jean Monnet L-2180 Luxembourg.

<b>Member State:</b>	as defined in the 2010 Law.
<b>Mémorial:</b>	<i>Mémorial C, Recueil des Sociétés et Associations</i> of the Grand Duchy of Luxembourg.
<b>Money Market Instruments:</b>	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
<b>Mainstream Fund:</b>	A Sub-Fund which does not meet the criteria to qualify as either an ESG Orientated Fund pursuant to Article 8 of SFDR or a Sustainable Investment Fund pursuant to Article 9 of SFDR.
<b>NAV:</b>	Net Asset Value.
<b>Net Asset Value:</b>	In relation to any Class of Shares in a Sub-Fund, the value of the net assets of that Sub-Fund attributable to that Class and calculated in accordance with the provisions described in Section XIV of this Prospectus.
<b>Other UCI:</b>	An undertaking for collective investment as defined in the 2010 Law.
<b>Paying Agent:</b>	UBS Switzerland AG, Bahnhofstrasse 45, Zurich, CH-8001, Switzerland.
<b>Prospectus:</b>	The present prospectus.
<b>Reference Currency:</b>	Currency in which a Sub-Fund or Class of Shares is denominated.
<b>Registrar and Transfer Agent:</b>	UBS Fund Administration Services Luxembourg S.A., 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.
<b>Regulated Market:</b>	Regulated market as defined in Directive 2004/39/EC of 21 April 2004 on financial instruments markets (Directive 2004/39/EC), i.e. a market on the list of regulated markets prepared by each Member State, that functions regularly characterised by the fact that the regulations issued or approved by the competent authorities set out the conditions of operation and access to the

	market, as well as the conditions that a given financial instrument must meet in order to be traded on the market, compliance with all information and transparency obligations prescribed in Directive 2004/39/EC, as well as any other regulated, recognised market open to the public in an Eligible State that operates regularly.
<b>RESA:</b>	<i>Recueil Electronique des Sociétés et Associations</i> , the successor of the Mémorial.
<b>SICAV:</b>	<i>Société d'investissement à capital variable</i> .
<b>Speculative Securities:</b>	Securities that are below an Investment Grade or unrated.
<b>Sub-Fund:</b>	Refers to one of the sub-funds of the Company.
<b>SFDR:</b>	EU 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 as may be amended from time to time.
<b>SFDR Annex:</b>	An annex to this Prospectus for an ESG Orientated Fund or a Sustainable Investment Fund in the format specified for pre-contractual disclosures in Commission Delegated Regulation (EU) 2022/1288.
<b>Sub-Investment Manager:</b>	Persons appointed as sub-investment manager of a Sub-Fund by the Investment Manager to a sub-investment management agreement and specified in the Appendix for each Sub-Fund. Where such an appointment has been made, and where appropriate, references to Investment Manager herein will refer to the Sub-Investment Manager.
<b>Sustainability Factors:</b>	Environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

<b>Sustainability Risk:</b>	An environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.
<b>Sustainable Investment:</b>	(a) 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 (b) 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 (c) 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.
<b>Sustainable Investment Fund:</b>	A Sub-Fund that, in accordance with the criteria outlined in Article 9 of SFDR, has Sustainable Investment as its objective.
<b>Transferable Securities:</b>	As defined in the 2010 Law.
<b>Taxonomy Regulation:</b>	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 SFDR, as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time.
<b>UCI:</b>	Undertaking for collective investment.
<b>UCITS:</b>	Undertaking for collective investment in transferable securities authorised in

	accordance with the UCITS IV Directive.
<b>UCITS IV Directive:</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS), as amended by the directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policy and sanctions.
<b>USD:</b>	The lawful currency of the United States of America.
<b>Valuation Day:</b>	As determined in the Appendix for each Sub-Fund.
<b>2010 Law:</b>	Law of 17 December 2010 concerning undertakings for collective investment, as amended.



## DIRECTORY

### **Board of Directors:**

#### **Members:**

William Heath, Director, Luxembourg

Aymeric Lechartier, Managing Director, Carne Global Financial Services, United Kingdom

Olivier Meyer, Director, Luxembourg

Maximilian Krähenbühl, Legal Counsel at LEXR AG

### **Registered office:**

5, rue Jean Monnet

L-2180 Luxembourg

Grand Duchy of Luxembourg

### **Management Company and Domiciliary Agent:**

MultiConcept Fund Management S.A.

5, rue Jean Monnet

L-2180 Luxembourg

Grand Duchy of Luxembourg

### **Board of Directors of the Management Company:**

Marcus Ulm, CEO MultiConcept Fund Management S.A., Luxembourg

Annemarie Arens, Independent Director, Luxembourg

Arnold Louis Spruit, Independent Director, Switzerland

Yves Schepperle, Head of White Label Product Structuring, UBS Fund Management (Switzerland) AG

### **Investment Manager and Global Distributor:**

Green Ash Partners LLP, 11 Albemarle Street, London, W1S 4HH, United Kingdom.

### **Sub-Investment Managers:**

Centre Asset Management LLC, 48 Wall Street, Suite 1100, New York, NY 10005-2903 USA.

### **Depositary Bank:**

UBS Europe SE, Luxembourg Branch  
33A, avenue J.F. Kennedy, L-1855 Luxembourg  
Grand Duchy of Luxembourg

**Paying Agent:**

UBS Switzerland AG  
Bahnhofstrasse 45, Zurich, CH-8001 Switzerland

**UCI Administrator and Transfer and Register Agent:**

UBS Fund Administration Services Luxembourg S.A.5, rue Jean Monnet  
L-2180 Luxembourg  
Grand Duchy of Luxembourg

**Approved Statutory Auditor:**

PricewaterhouseCoopers, *société coopérative*  
2, rue Gerhard Mercator  
B.P. 1443  
L-1014 Luxembourg  
Grand Duchy of Luxembourg

**Legal Advisers in Luxembourg:**

Maples and Calder (Luxembourg)  
12E, rue Guillaume Kroll  
L – 1882 Luxembourg  
Grand Duchy of Luxembourg

## I. THE COMPANY

The Company is an open-ended investment fund with multiple compartments ("*société d'investissement à capital variable*" (SICAV) *à compartiments multiples*) governed by Luxembourg law, established in accordance with the provisions of Part I of the 2010 Law.

The Company was incorporated for an unlimited duration on the 8 January 2016. The Articles were first published in the *Mémorial* on 28 January 2016.

The Company's registered office is at 5, rue Jean Monnet L-2180 Luxembourg, Grand Duchy of Luxembourg and the Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 203 127.

The Company's capital shall at all times be equal to the value of its total net assets. The minimum capital required by law is EUR 1,250,000.

## II. MANAGEMENT COMPANY

MultiConcept Fund Management S.A. was appointed by the Board of Directors as management company and domiciliary agent of the Company in accordance with the provisions of the management company agreement effective as of 8 January 2016 for an undetermined period and pursuant to which the Board of Directors delegates, under its sole control, the investment management, administration and marketing functions to the Management Company. This agreement may be terminated by each party by a three (3) months' prior notice or at any time in specific circumstances described therein.

MultiConcept Fund Management S.A. was incorporated in Luxembourg on 10 February 2004 as a *société anonyme* governed by Luxembourg law and is registered on the list of management companies authorised by the CSSF. The Management Company has its registered office at 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. The Management Company is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 98834. Copies of the Management Company's articles of incorporation may be obtained at the *Registre de Commerce et des Sociétés*. The issued capital of the Management Company is three million three hundred thirty six thousand one hundred twenty five (3,336,125) Swiss francs.

The corporate object of the Management Company consists, inter alia, in the management (within the meaning of Article 101 of the 2010 Law) of one or several undertakings for collective investment in transferable securities authorised according to the UCITS IV Directive as well as, as the case may be, of one or more undertakings for collective investment not subject to such directive.

The Management Company has adopted various procedures and policies in accordance with Luxembourg laws and regulations (including but not limited to CSSF regulation 10-04 and CSSF circular 12/546). Shareholders may, in accordance with Luxembourg laws and regulations, obtain a summary and/or more detailed information on such procedures and policies upon request and free of charge.

As Domiciliary Agent, MultiConcept Fund Management S.A. is primarily responsible

for receiving and keeping safely any and all notices, correspondence, telephonic advice or other representations and communications received for the account of the Company, as well as for providing such other facilities as may from time to time be necessary in the course of the day-to-day administration of the Company.

The Management Company has implemented the group standard remuneration policy and published a local appendix which is consistent with, and promotes, sound and effective risk management and that neither encourages risk taking which is inconsistent with the risk profiles of the Sub-Funds and the Articles nor impairs compliance with the Management Company's duty to act in the best interest of the Company and its Shareholders.

The remuneration policy of the Management Company has been adopted by its board of directors and is reviewed at least annually. The remuneration policy is based on the approach that remuneration should be in line with the business strategy, objectives, values and interests of the Management Company, the Sub-Funds it manages and their Shareholders, and includes measures to avoid conflicts of interest, such as taking into account the holding period recommended to the Shareholders when assessing the performance.

All employees of the UBS Group are subject to the Group Compensation Policy, the objectives of which include:

- (a) supporting a performance culture that is based on merit and differentiates and rewards excellent performance, both in the short and long term, and recognizes company values of UBS;
- (b) balancing the mix of fixed and variable compensation to appropriately reflect the value and responsibility of the role performed day to day, and to influence appropriate behaviours and actions; and
- (c) consistency with, and promotion of, effective risk management practices and compliance and control culture of UBS.

Details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including a description of the global UBS Group compensation committee are available on <https://www.multiconcept.credit-suisse.com/RemunerationPolicy.pdf> and will be made available to investors free of charge upon request.

### **III. INVESTMENT MANAGER**

The Management Company has entrusted the daily management of the assets of the Sub-Funds to the Investment Manager as described in the Appendix for each Sub-Fund.

The Investment Manager has the discretion to delegate to sub-investment managers all the powers, duties and discretions exercisable in respect of the management of the Sub-Funds as the Investment Manager and any Sub-Investment Manager may from time to time agree. A Sub-Investment Manager may

further delegate. Any such delegation will be in accordance with the requirements of the CSSF. Details of sub-investment managers appointed to any Sub-Fund will be available to Shareholders on request and will be disclosed in the relevant Sub-Fund's Appendix. Fees payable to any Sub-Investment Manager appointed by the Investment Manager shall be paid by the Investment Manager out of the investment management fee.

The Investment Manager may enter with broker-dealers that are entities and not individuals into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the relevant Sub-Fund, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interest of the relevant Sub-Fund. Any such arrangement must be made by the Investment Manager on terms commensurate with best market practice. The use of soft commissions shall be disclosed in the periodic reports.

#### **IV. SUB-INVESTMENT MANAGERS**

The Investment Manager has appointed the following discretionary sub-investment managers in respect of certain Sub-Funds, as indicated in the relevant Appendix including, without limitation:

- Centre Asset Management LLC.

#### **V. DEPOSITORY BANK AND PAYING AGENT**

The Company has appointed UBS Europe SE, Luxembourg Branch as its Depositary within the meaning of the 2010 Law and the Commission Delegated Regulation (EU) 2016/438, as amended, supplementing the UCITS Directive ("UCITS Level II Regulation"), pursuant to the Depositary and Paying Agent Agreement.

The Company has also appointed the Depositary as Paying Agent.

The Depositary is a Luxembourg established branch of UBS Europe SE, a European Company (Societas Europaea), having its registered office in Frankfurt am Main, Germany, registered with the German Trade Register under number HRB 107046. UBS Europe SE, Luxembourg Branch has its place of business at 33A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under number B 209123.

#### Depositary duties

The relationship between the Company, the Management Company and the Depositary is subject to the terms of the Depositary and Paying Agent Agreement. Pursuant to the Depositary and Paying Agent Agreement, the Depositary has been appointed for the safekeeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Company as well as to ensure the effective and proper monitoring of the Company's cash flows in accordance with the provisions of the 2010 Law and the Depositary and Paying Agent Agreement. Assets held in custody by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been

delegated, for their own account, unless such reuse is expressly allowed by the 2010 Law.

In addition, the Depositary shall also ensure that:

- (i) the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with Luxembourg law and the Articles of Incorporation,
- (ii) the value of the shares is calculated in accordance with Luxembourg law and the Articles of Incorporation,
- (iii) the instructions of the Management Company or the Company are carried out, unless they conflict with applicable Luxembourg law and/or the Articles of Incorporation,
- (iv) in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits, and
- (v) the Company's income is applied in accordance with Luxembourg law or the Articles of Incorporation.

The Depositary shall assume its duties and responsibilities in accordance with the provisions of the 2010 Law. The Depositary must act honestly, fairly, professionally, independently and solely in the interest of the Company and its shareholders.

#### Delegation and conflict of interests

In compliance with the provisions of the Depositary and Paying Agent Agreement and the 2010 Law, the Depositary may, subject to certain conditions, delegate part or all of its safekeeping duties in relation to financial instruments that can be held in custody to sub-custodian(s) (including any affiliates of UBS AG), as they are appointed by the Depositary from time to time.

Prior to the appointment of any sub-custodian and on an ongoing basis pursuant to applicable laws and regulations as well as its conflict of interests policy, the Depositary shall assess potential conflicts of interests that may arise from the delegation of safekeeping functions. The Depositary is part of the UBS Group, a worldwide, full-service private banking, investment banking, asset management and financial services organization which is a major participant in the global financial markets. As such, potential conflicts of interest from the delegation of its safekeeping functions could arise as the Depositary and its affiliates are active in various business activities and may have differing direct or indirect interests. Irrespective of whether a given sub-custodian is part of the UBS Group or not, the Depositary shall exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant sub-custodian. Furthermore, the conditions of any appointment of a sub-custodian that is member of the UBS Group shall be negotiated at arm's length in order to ensure the protection of interests of the Company and its shareholders. Should a conflict of interest occur and in case such conflict of interest cannot be mitigated, such conflict of interest as well as the decisions taken will be disclosed to the shareholders of the Company. An up-to-date description of any safekeeping

functions delegated by the Depositary and an up-to-date list of these delegates can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>.

#### Liability

The Depositary is liable to the Company and its shareholders for the loss of a financial instrument held in custody (such financial instruments as defined in article 34(3)(a) of the 2010 Law and article 12 of the UCITS Level II Regulation, the "Fund Custodial Assets") by the Depositary and/or a sub-custodian in accordance with article 35 of the 2010 Law (the "Loss of a Fund Custodial Asset").

In case of Loss of a Fund Custodial Asset, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the Company without undue delay. In accordance with the provisions of the 2010 Law, the Depositary shall not be liable for the Loss of a Fund Custodial Asset, if such Loss of a Fund Custodial Asset has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall also be liable to the Company and to the shareholders for all other direct losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the 2010 Law.

The Depositary's liability shall not be affected by any delegation, unless otherwise stipulated in the 2010 Law.

#### Termination

The Company and the Depositary may terminate the Depositary and Paying Agent Agreement at any time by giving three (3) months' prior written notice. The Depositary and Paying Agent Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. In case no new depositary is appointed before the expiry of the notice period, the Depositary shall take all necessary steps to ensure good preservation of the interests of the Company investors, including the obligation to maintain or open all the accounts necessary for the safekeeping of the different assets of the Company until the closure of the liquidation of the Company .

#### Fees

The Depositary is entitled to receive a remuneration for its services as agreed in the Depositary and Paying Agent Agreement. In addition, the Depositary is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements, including, but not limited to, taxes, duties, charges and broker fees, whether existing now or imposed in the future and which are paid by the Depositary or for which the Depositary may be held liable and for the charges of any correspondents.

#### Depositary's independence from the Company

The Depositary is not involved, directly or indirectly, with the business affairs, organization or management of the Company and is not responsible for the

content of this document and thus accepts no responsibility for the accuracy of any information contained herein or the validity of the structure and investments of the Company. The Depositary has no decision-making discretion nor any advice duty relating to the Company's investments and is prohibited from meddling in the management of the Company's investments. The Depositary does not have any investment decision-making role in relation to the Company.

#### Outsourcing and data protection

Information about outsourcing and potential processing of investors' data by the Depositary may be found at <https://www.ubs.com/lu/en/wealth-management/about-us/europe-se.html>, specifically in the General Terms and Conditions (GTCs) of the Depositary (containing relevant outsourcing information) and the privacy notice (covering personal data processing pursuant to the applicable data protection laws).

### **VI. UCI ADMINISTRATOR AND REGISTRAR AND TRANSFER AGENT**

The Board and the Management Company have appointed UBS Fund Administration Services Luxembourg S.A. as UCI administrator and as registrar and transfer agent of the Company under the terms of a UCI administration agreement which may be terminated by either party, subject to a three (3) months' prior notification or at any time in specific circumstances described therein.

As Registrar and Transfer Agent, UBS Fund Administration Services Luxembourg S.A. is primarily responsible for ensuring the issue, conversion and redemption of shares and maintaining the register of shareholders of the Fund.

As UCI Administrator, UBS Fund Administration Services Luxembourg S.A. is responsible for calculating and publishing the Net Asset Value of the shares of each Sub-Fund pursuant to the 2010 Law and the Articles and for performing administrative and accounting services for the Fund as necessary. In addition, as registrar and transfer agent of the Company, UBS Fund Administration Services Luxembourg S.A. is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations. Furthermore, the UBS Fund Administration Services Luxembourg S.A. provides client communication services being responsible for the production and dispatch of documents intended for investors.

### **VII. INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS**

#### **1. Investment objectives**

The objective of the Company is to maximise the value of its assets by means of professional management within the framework of an optimal risk-return profile for the benefit of its shareholders.

#### **2. Investment Policies of the Sub-Funds**

The investment policy of each Sub-Fund is set forth in the Appendix.



### **3. Investment restrictions**

The Board of Directors has decided that the following investment restrictions shall apply to the Company and, if appropriate, to the Sub-Funds unless provided otherwise for a particular Sub-Fund in the Appendix.

#### **3.1. The Company's investments may include:**

- (a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market.
- (b) Recently issued Transferable Securities and Money Market Instruments, provided that:
  - The terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market,
  - The admission is secured within one year of issue.
- (c) Shares/units of UCITS and/or Other UCIs, whether or not established in a Member State provided that:
  - Such Other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between the authorities is sufficiently ensured.
  - The level of protection for shareholders/unitholders in such Other UCIs is equivalent to that provided for shareholders/unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS IV Directive.
  - The business of such Other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period.
  - No more than 10% of the assets of the UCITS or Other UCIs, whose acquisition is contemplated, can, according to their constitutive documents, be invested in aggregate in shares/units of UCITS or Other UCIs.
- (d) Deposits with a credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the credit institution has its registered office in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law.
- (e) Financial derivative instruments, including equivalent cash-settled instruments, dealt in on a Regulated Market and/or financial derivative instruments dealt in over-the-counter, provided that:
  - The underlying consists of instruments falling within this section 3.1, financial

indices, interest rates, foreign exchange rates or currencies, in which the Company may invest in accordance with its investment objectives;

- Counterparties to over-the-counter derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF; and
  - The over-the-counter derivatives are subject to reliable and verifiable valuation on a daily basis and can, at the Company's discretion, be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.
- (f) Money Market Instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments is itself subject to regulations for the purpose of protecting savings and investors, and provided that these instruments are:
- Issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members of the federation or by a public international body of which one or more Member States belong, or
  - Issued by an undertaking any securities of which are dealt in on a Regulated Market, or
  - Issued or guaranteed by an establishment that is subject to prudential supervision according to criteria defined by Community law or by an establishment which is subject to, and in compliance with, prudential rules considered by the CSSF as being at least as stringent as those laid down by Community law, or
  - Issued by other bodies belonging to categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second or third indents above, and provided that the issuer is a company whose share capital and reserves amount to at least ten million Euros (€10,000,000) and which presents and publishes its annual accounts in accordance with the Fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or more listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

### **3.2. The Company may also, within each Sub-Fund, make the following investments:**

- (a) The Company may invest up to a maximum of 10% of the net assets of each Sub-Fund in Transferable Securities and Money Market Instruments other than those referred to above in 3.1.
- (b) The Company may hold ancillary liquid assets.
- (c) The Company may borrow:

- (i) up to 10% of the net assets of each Sub-Fund provided such borrowings are temporary. The Company may however purchase foreign currency by means of back-to-back loans.
- (ii) up to 10% of its net assets to enable the acquisition of immovable property essential for the direct pursuit of its business.

The aggregate amount of borrowing pursuant to (c) (i) and (ii) above may however not exceed 15% of the Company's net assets.

- (d) The Company may acquire shares/units of UCITS or Other UCIs subject to the following limits:

- (i) The Company may acquire shares/units of UCITS and/or Other UCIs referred to in 3.1(c), provided that no more than 10% of its assets are invested in the shares/units of UCITS or Other UCI, unless otherwise provided for a Sub-Fund.

In case a Sub-Fund may invest more than 10% of its net assets in UCITS or Other UCIs, such Sub-Fund may not invest more than 20% of its net assets in a single UCITS or Other UCI.

Investments made in Other UCIs may not, in aggregate, exceed 30% of such Sub-Fund. The underlying investments held by UCITS or Other UCIs in which the Company invests in do not need to be taken into account for the purpose of the restrictions set forth under 3.3.

For the purposes of the application of this limit, each compartment of a UCITS or Other UCI with multiple compartments is to be considered as a separate issuer provided that the principle of the segregation of obligations of different compartments in relation to third parties is assured.

- (ii) Where the Company invests in shares/units of UCITS and/or Other UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or votes, the management company or other company may not charge subscription or redemption fees to the Company on account of the Company's investments in shares/units of such UCITS and/or Other UCIs. The Company may invest in such UCITS or Other UCIs provided the management fees (excluding performance fee, if any) of such UCITS or Other UCIs may not exceed 4%. The Company will indicate in its annual report the total management fees charged to the Company and to such UCITS and Other UCIs.

- (iii) A Sub-Fund may not purchase more than 25% of the shares/units of the same UCITS and/or Other UCI. In case the UCITS or Other UCI is an umbrella fund with multiple sub-funds, this limit applies to the UCITS or Other UCI as a whole.

**3.3. Also the Company shall, for each Sub-Fund, comply with the following investment restrictions:**

- (a) The Company may not invest in assets issued by the same body in excess of the limits set forth below:

The Company may not invest more than 10% of the net assets of a Sub-Fund in Transferable Securities or Money Market Instruments issued by the same issuing body.

- (i) The Company may not invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.

The risk exposure to a counterparty of each Sub-Fund in an over-the-counter derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in section 3.1 (d), or 5% of its net assets in other cases.

- (ii) The total value of the Transferable Securities and Money Market Instruments held by a Sub-Fund of issuing bodies in which it individually invests more than 5% of its net assets, the total of all such investment shall not exceed 40% of the value of such Sub-Fund's net assets.

This limit does not apply to deposits and over-the-counter derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits set under 3.3 (a) (i), the Company may not combine for each Sub-Fund:

- Investments in Transferable Securities or Money Market Instruments issued by a single body;
- Deposits made with the same body; and/or
- Exposure arising from over-the-counter derivative transactions undertaken with the same body.

in excess of 20% of its net assets;

- (iii) The 10% limit referred to in 3.3 (a) (i) above may be increased to a maximum of 35% if the Transferable Securities or the Money Market Instruments are issued or guaranteed by a Member State, its public local authorities or by another Eligible State or by public international bodies of which one or more Member States are members.
- (iv) The limit referred to in 3.3 (a) (i) above is increased to 25% for certain bonds issued by a credit institution whose registered office is in a Member State and which is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must, in accordance with the law, be invested in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in case of

bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

If the Company invests more than 5% of the net assets of a given Sub-Fund in such bonds, issued by a single issuer, the total value of such investments may not exceed 80% of the value of the net assets of such Sub-Fund.

- (v) The 10% limit of 3.3 (a) (i) is raised to a maximum of 20% for investments in shares and/or debt securities issued by the same issuing body for a Sub-Fund whose investment policy aims to replicate the composition of a certain stock or debt securities index recognised by the CSSF on the following basis: (i) the composition of the index is sufficiently diversified, (ii) the index represents an adequate benchmark for the market to which it refers and (iii) it is published in an appropriate manner. This 20% limit may be increased to 35% where justified by exceptional market conditions, but only for a single issuer.

The Transferable Securities and Money Market Instruments referred to in 3.3 (a) (iii) and (iv) shall not be taken into account for the purpose of applying the 40% limit fixed in 3.3 (a) (ii).

The limits set forth in 3.3. (a) (i), (ii), (iii) and (iv) shall not be combined and, consequently, investments in Transferable Securities and in Money Market Instruments issued by the same body or in deposits or in financial derivative instruments made with this body in accordance with 3.3. (a) (i), (ii), (iii) and (iv) may not, in any event, exceed in total 35% of the net assets of a Sub-Fund.

Companies, which are included in the same group for the purposes of consolidation of accounts within the meaning of Directive 83/349/EEC or in accordance with recognised international accounting rules, shall be treated as a single body for the purposes of calculating the limits in this paragraph.

The Company may cumulatively invest up to 20% of its assets in Transferable Securities and Money Market Instruments within the same group.

**By way of derogation from the limits set forth in 3.3 (a) (i), (ii) and (iii), the Company, in accordance with risk diversification principles, is authorised to invest up to 100% of the net assets of each Sub-Fund in different Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, one or more of its local public authorities, a OECD member state, Singapore, Russia, Indonesia, South Africa, China or Brazil or a public international bodies to which one or more Member States belong, provided that such securities held are from at least six different issues and securities from any single issue shall not account for more than 30% of the total amount of the net assets of each Sub-Fund.**

- (b) The Company may not purchase shares carrying voting rights which would enable the Company to exercise significant influence over the management of an issuing body.

The Company may not purchase more than:

- (c) 10% of non-voting shares of the same issuer.
- (d) 10% of debt instruments of the same issuer.
- (e) 10% of Money Market Instruments of any single issuer.

The limits set forth in (d) and (e) above and 3.2. (d) (iii) do not have to be complied with at the time of the acquisition if, at such time, the gross amount of debt or Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The limits set forth in (b) to (e) above and 3.2 (d) (iii) do not apply in relation to:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by local authorities or by any other Eligible State or;
  - Shares held in a company incorporated in a non-Member State investing its assets essentially in securities of issuing bodies having their registered office in that State where, pursuant to the legislation of that State, such a shareholding is the only way in which it is possible to invest in securities of issuing bodies of that State. This derogation, however, shall apply only if the investment policy of the company from the non-Member State complies with the limits set forth in 3.2.(d) (i), 3.3.(a) (i) (ii) (iii) (iv) and 3.3. (b) to (e). If the limits set forth in 3.2 (d) (i) and 3.3 (a) (i) (ii) (iii) (iv) are exceeded, paragraph 3.4 below shall apply *mutatis mutandis*.
  - Shares held by the Company in the share capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is established in relation to the purchase of units or shares at the request of unitholders/shareholders exclusively on their behalf.
- (f) The Company may not purchase or invest directly in commodities, including precious metals, or in certificates that represent commodities.
  - (g) The Company may not make investments in which the liability of the investor is unlimited.
  - (h) The Company may not short-sell Transferable Securities, Money Market Instruments, undertakings for collective investment or any of the other financial instruments referred to in 3.1 (c), (e) and (f).
  - (i) The Company may not purchase immovable property unless such a purchase is essential for the direct pursuit of its business.
  - (j) The Company may not grant loans or act as guarantor for third parties.

The limits set forth in 3.2 and 3.3 above do not have to be complied with by the Company when it is exercising subscription rights attached to Transferable Securities or to Money Market Instruments forming part of its assets.

### **3.4 Cross sub-fund investments**

A Sub-Fund (the "Investing Sub-Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds (each, a "Target Sub-Fund") without

the Company being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

- the Target Sub-Fund does not, in turn, invest in the Investing Sub-Fund invested in this Target Sub-Fund(s); and
- no more than 10% of the assets that the Target Sub-Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units/shares of UCITS or Other UCIs; and
- the Investing Sub-Fund may not invest more than 20% of its net assets in shares/units of a single Target Sub-Fund; and
- in any event, for as long as these securities are held by the Investing Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

### 3.5 Master-feeder structures

Under the conditions and within the limits laid down by the 2010 Law, the Company may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Sub-Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Sub-Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

- (a) A Feeder UCITS shall invest at least 85% of its assets in the units/shares of another Master UCITS.
- (b) A Feeder UCITS may hold up to 15% of its assets in one or more of the following:
  - ancillary liquid assets in accordance with 3.3 (f);
  - financial derivative instruments, which may be used only for hedging purposes.
- (c) For the purposes of compliance with Article 42 (3) of the 2010 Law, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent under (b) with either:
  - the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
  - the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.
- (d) A Master UCITS may not invest in a Feeder UCITS.

### **3.6 Newly authorised Sub-Fund**

Similarly, if a new Sub-Fund is created, while ensuring observance of the principle of risk-spreading, the limits set forth in points 3.3 a) above do not have to be complied with by the newly created Sub-Fund for a period of six months after the date of its launch in accordance with article 49(1) of the 2010 Law.

### **3.7. Additional investment restrictions**

Unless provided for in the Appendix in relation to a Sub-Fund, the Company will not invest more than:

- 20% of a Sub-Fund's net assets in
  - ABS/MBS
  - contingent convertible fixed income instruments
- 10% directly in China A Shares

The maximum amounts a Sub-Fund can invest in the foregoing instruments is disclosed in the relevant appendix.

### **3.8. General**

If these limits are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account the interests of its shareholders.

The Company reserves the right to introduce other investment restrictions at any time, provided that they are compatible with Part I of the 2010 Law and essential to compliance with laws and regulations in force in certain non-Member States where the shares of the Company may be offered or sold.

## **4. Financial Derivative Instruments**

Each of the Sub-Funds may, in accordance with the investment restrictions and their relevant investment policy, as set out in the Appendix, use financial derivative instruments for investment purposes as well as efficient portfolio management purposes. In addition, each of the Sub-Funds may use financial derivative instruments for currency, interest rate or other hedging purposes. The extent to which a Sub-Fund is permitted to use financial derivative instruments will be set out in the relevant Appendix.

Under no circumstances may the use of financial derivative instruments result in an investment policy diverging from that set out for each Sub-Fund in this Prospectus.

The global exposure of each Sub-Fund relating to financial derivative instruments shall not exceed the net assets of the Sub-Fund. Exposure is calculated taking into account the current value of underlying assets, counterparty risk, foreseeable market movements and the time available to liquidate positions. This also applies to the following paragraphs.



As indicated above, Sub-Funds may, within the framework of their investment policies and within the limits laid down in section 3.1. (g) above, invest in financial derivative instruments provided that the overall risks to which the underlying assets are exposed do not exceed the investment limits set out in section 3.3. (a) above. When the Company invests in index-based financial derivative instruments, these investments do not necessarily have to be combined for the purpose of the limits set out above in section 3.3 (a).

When a financial derivative instrument is embedded in a transferable security or money market instrument, this must be taken into account for the purposes of complying with the provisions of this section.

The risk of counterparty default and the effect on investors returns are described under paragraph "c) Swaps" of section "VII Risk Factors".

#### **4.1. Management of Collateral and Collateral Policy**

##### **General**

In the context of OTC financial derivative transactions and efficient portfolio management techniques, the Company may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Company in such case. All assets received by the Company in the context of efficient portfolio management techniques shall be considered as collateral for the purpose of this section.

##### **Eligible Collateral**

Collateral received by the Company may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and CSSF-Circulars issued from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- (i) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.
- (ii) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- (iii) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- (iv) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the respective Sub-Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received; deviating from the aforementioned diversification requirement, a Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an issuer as described

under point vi. Investment Objectives, policies and restriction, 3.3 a), last paragraph. Such Sub-Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Sub-Fund's Net Asset Value. A Sub-Fund may accept as collateral for more than 20% of its Net Asset Value securities which are issued or guaranteed by an issuer as aforementioned.

- (v) Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
- (vi) Where there is a title transfer, the collateral received should be held by the Depositary Bank. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- (vii) It should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

### **Reinvestment of Collateral**

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

Cash collateral received by the Company can only be:

- (i) placed on deposit with credit institutions which have their registered office in Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
- (ii) invested in high-quality government bonds;
- (iii) used for the purpose of reverse repurchase transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis; and/or
- (iv) invested in short-term money market funds as defined in the ESMA-Guidelines 2010/049 on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above.

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

Subject to the abovementioned conditions, collateral received by the Company may consist of:

- (i) Cash and cash equivalents, including short-term bank certificates and money market instruments.
- (ii) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope.
- (iii) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent.
- (iv) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in lit. (e) and (f) of section 1 of Chapter 5, "Investment Restrictions", below.
- (v) Bonds issued or guaranteed by first class issuers offering adequate liquidity.
- (vi) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

### **Level of Collateral**

The Management Company will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions. At least the following level of collateral will be required by the Management Company for the different types of transactions:

Type of Transaction	Level of collateral (in relation to volume of transaction concerned)
OTC financial derivative transactions	100%
Securities lending transactions	100%
Repurchase transactions	100%
Reverse repurchase transactions	100%

### **Haircut Policy**

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

Management Company under normal and exceptional liquidity conditions.

According to the Management Company's haircut policy currently the following discounts will be made:

Type of Collateral	Discount
Cash and cash equivalents (only in currencies of G10 member states), including short-term bank certificates and money market instruments; a discount will only be made with regard to collateral not denominated in the reference currency of the relevant Sub-Fund	0,5% - 1%
Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope	0,5% - 5%
Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent	0,5% - 1%
Shares or units issued by UCITS investing mainly in bonds/shares	15%
Bonds issued or guaranteed by first class issuers offering adequate liquidity	1% - 8%
Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index	15%

The Management Company reserves the right, at its sole discretion to amend the discounts applied. The actual discounts applies may be obtained free of charge from the Management Company.

## **5. Techniques and Instruments**

The Company may, on behalf of each Sub-Fund and subject to the conditions and within the limits laid down in the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes, investment purposes or to provide protection against risk. Such techniques and instruments may include, but are not limited to, engaging in transactions in financial derivative instruments such as futures, forwards, options, swaps and swaptions. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject as aforesaid) may employ such techniques and instruments in accordance with the applicable laws and regulations.

To the extent permitted by, and within the limits of, the 2010 Law and any related

Luxembourg law or any other regulation in force, circulars and positions of the CSSF and, in particular, the provisions of (i) Article 11 of the Grand Ducal regulation of 8 February 2008 relating to certain definitions of the amended Law of 20 December 2002 relating to undertakings for collective investment and (ii) CSSF circular 08/356 relating to rules applicable to undertakings for collective investment when they employ certain techniques and instruments relating to transferable securities and money market instruments and (iii) CSSF circular 14/592 relating to ESMA guidelines on ETFs and other UCITS issues (as amended or replaced from time to time), each Sub-Fund can, in order to generate capital or additional income or to reduce costs or risk (A) enter into repurchase transactions, either as a buyer or a seller, and (B) engage in securities lending transactions.

Where applicable, cash received as guarantee by each Sub-Fund in relation to one of these operations can be reinvested in a manner compatible with the investment objectives of the Sub-Fund in (a) shares or units issued by money market undertakings for collective investment calculating a daily net asset value and with a rating of AAA or equivalent, (b) short-term bank certificates, (c) money market instruments as defined within the Grand Ducal regulation mentioned above, (d) short-term bonds issued or guaranteed by a Member State, Switzerland, Canada, Japan or the United States or their local public authorities or supranational institutions and EU, regional or worldwide undertakings, (e) bonds issued or guaranteed by issuers of the first order offering adequate liquidity, and (f) reverse repurchase agreement transactions in accordance with the provisions described in section I.C. a) of the CSSF circular mentioned above. This reinvestment will be taken into account when calculating the overall risk of each Sub-Fund concerned, in particular if it creates leverage.

Generally, no more than 20% of the gross revenue arising from securities lending transactions and efficient portfolio management transactions may be deducted from revenue delivered to the Company as direct and indirect operational expenses. Details of such amounts and the security clearing body or financial institution arranging the securities lending transaction will be disclosed in the financial report of the Fund.

Unless otherwise stipulated in the investment policy of a Sub-Fund, collateral received will not be reinvested.

## **6. Pooling**

For the purpose of effective management, and subject to the provisions of the Articles and to applicable laws and regulations, the Board of Directors may invest and manage all or any part of the portfolio of assets established for two or more Sub-Funds (for the purposes hereof "Participating Funds") on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate with respect to the investment policy of the pool concerned) from each of the Participating Funds. Thereafter, the Board of Directors may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Fund up to the amount of the participation of the share Class concerned. The share of a Participating Fund in an asset pool shall be measured by reference to notional units of equal value in the asset pool. On formation of an asset pool, the Board of Directors shall, in its discretion, determine

the initial value of notional units (which shall be expressed in such currency as the Board of Directors consider appropriate) and shall allocate to each Participating Fund units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Thereafter, the value of the notional unit shall be determined by dividing the net asset value of the asset pool by the number of notional units subsisting.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of units of the Participating Fund concerned will be increased or reduced, as the case may be, by a number of units determined by dividing the amount of cash or the value of assets contributed or withdrawn by the current value of a unit. Where a contribution is made in cash, it will be treated for the purpose of this calculation as reduced by an amount which the Board of Directors considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realising securities or other assets of the asset pool.

Dividends, interest and other distributions of an income nature received in respect of the assets in an asset pool will be immediately credited to the Participating Funds in proportion to their respective participation in the asset pool at the time of receipt. Upon the dissolution of the Company, the assets in an asset pool will be allocated to the Participating Funds in proportion to their respective participation in the asset pool.

## **7. Co-Management**

In order to reduce operational and administrative charges while allowing a wider diversification of the investments, the Company may decide that part or all of the assets of one or more Sub-Funds will be co-managed with assets belonging to other Luxembourg collective investment schemes always subject to and in accordance with applicable rules and regulations. In the following paragraphs, the words "co-managed entities" shall refer globally to such Sub-Funds and all entities with and between which there would exist any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

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

In case of new subscriptions in one of the co-managed entities, the subscription

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

Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to a reduction of the Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Company or any of the Management Company's appointed agents to decide at any time to terminate its participation in the co-management arrangement permit the relevant Sub-Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of its shareholders.

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

Co-managed Assets of the Sub-Funds shall, as the case may be, only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets in order to assure that investment decisions are fully compatible with the investment policy of the relevant Sub-Fund. Co-managed Assets shall only be co-managed with assets for which the Depositary Bank is fully able to carry out its functions and responsibilities, with respect to the Company and its Sub-Funds, to fully carry out its functions and responsibilities pursuant to the 2010 Law. The Depositary Bank shall at all times keep the Company's assets, which are held in custody, segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of the Company and of each Sub-Fund.

## **8. Risk Management Process**

The Management Company, on behalf of the Company, will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund, in accordance with CSSF circular 11/512 or any other applicable circular of the Luxembourg supervisory authority. The Management Company, on behalf of the Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

## **9. Exposure to total return swaps, securities lending transactions, repurchase agreements and reverse repurchase agreements ("SFT Transactions")**

Unless prohibited for a Sub-Fund or unless other limits are disclosed in the relevant Appendix, the following provisions apply to SFT Transactions.

### **General**

No more than 10% of the net assets of a Sub-Fund will be subject to total return swaps, unless further specified in the Sub-Fund's Appendix.

No Sub-Fund will enter into securities lending transactions.

No Sub-Fund will enter into repurchase and/or reverse repurchase agreements.

No Sub-Fund will enter into buy-sell back or sell-buy back transactions.

No Sub-Fund will enter into margin lending transactions.

All revenues generated by total return swaps are returned to the relevant Sub-Fund. Any operational costs generated by the total return swap transactions as well as the entity to which such costs are assigned shall be disclosed in the audited annual report of the Company.

The selection of counterparties to such transactions will generally be financial institutions based in an OECD member state of any legal form and have an investment grade credit rating. Details of the selection criteria and a list of approved counterparties are available from the registered office of the Management Company.

### **Total return swaps**

Sub-Funds may use total return swap instruments in order to generate capital or additional income or to reduce costs or risks. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. At no time will a counterparty in a transaction have discretion over the composition or the management of the Sub-Fund's investment portfolio or over the underlying of the total return swap.

The following types of assets can be subject to total return swaps: equity and equity-related instruments, forwards and options, OTC derivatives, fixed income instruments, units of UCIs.

The risk of counterparty default and the effect on investors returns are described



under section "VII. Risk Factors".

In respect of the total return swaps to be used by a Sub-Fund, any of the revenues (or losses) generated by it will be allocated to the relevant Sub-Fund. The Investment Manager and/or the Sub-Investment Manager(s) does not charge any additional fees or receive any additional revenues in connection with these transactions. Whilst additional costs may be inherent in certain products, these are imposed by the counterparty based on market pricing, form part of the revenues or losses generated by the relevant product, and are all allocated to the relevant Sub-Fund. Any operational costs generated by the total return swap transactions as well as the entity to which such costs are assigned shall be disclosed in the audited annual report of the Company. Transactions costs for these investments are not separately identifiable and are included in the purchase and sales price.

### **Securities lending transaction**

The Company may enter into securities lending transactions in order to generate capital or additional income or to reduce costs or risks and provided that the following rules are complied with in addition to the above mentioned conditions:

(i) The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

(ii) The Company may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction.

(iii) The Company may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

The following types of assets can be subject to securities lending transactions: equities and equity-related instruments, fixed income instruments and (if possible) shares/units of UCIs.

The risks related to the use of securities lending transactions and the effect on investors returns are described under section "VII. Risk Factors".

### **Repurchase and reverse repurchase transactions**

The Company may enter into repurchase and reverse repurchase agreements in order to generate capital or additional income or to reduce costs or risks. Repurchase agreements consist of forward transactions at the maturity of which the Company (seller) has the obligation to repurchase the assets sold and the counterparty (buyer) the obligation to return the assets purchased under the transactions. The Company may further enter into reverse repurchase agreements that consist of forward transactions at the maturity of which the counterparty (seller) has the obligation to repurchase the asset sold and the Company (buyer) the obligation to return the assets purchased under the transactions. The Company

may also enter into transactions that consist in the purchase/sale of securities with a clause reserving for the counterparty/Company the right to repurchase the securities from the Company/counterparty at a price and term specified by the parties in their contractual arrangements.

The Company's involvement in such transactions is, however, subject to the additional following rules:

(i) The counterparty to these transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

(ii) The Company may only enter into reverse repurchase agreement and/or repurchase agreement transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or any securities subject to a repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

The following types of assets can be subject to repurchase and reverse repurchase transactions: equities and equity-related instruments, fixed income instruments and (if possible) shares/units of UCIs.

The risks related to the use of repurchase and reverse repurchase transactions and the effect on investors returns are described under section "VII. Risk Factors".

Notwithstanding anything to the contrary above, and unless provided otherwise for a Sub-Fund, the Company will not enter into any SFT Transactions as defined in Regulation (EU) 2015/2365 on transparency of securities financing transaction and of reuse (the "SFT Regulation").

If a Sub-Fund were to use repurchase or reverse repurchase transactions, securities lending transactions or any other transaction falling within the scope of the SFT Regulation in the future, the Prospectus will be updated prior to the use of any such transaction.

## **10. Sustainable Finance Disclosures**

The European Union has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

This section of the Prospectus has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR. Please also see the SFDR Annexes for further information about the environmental and/or social characteristics of each of the Company's ESG Orientated Funds.

### **Fund Classification**

For SFDR purposes each Sub-Fund is classified as either (i) a Mainstream Fund; (ii) an ESG Orientated Fund; or (iii) a Sustainable Investment Fund.

If a Sub-Fund is classified as either an ESG Orientated Fund or a Sustainable Investment Fund, a clear indication of this classification (along with additional SFDR-related disclosure) will be made in the Appendix for the relevant Sub-Fund.

As a default, and in the absence of such clear indication, each Sub-Fund will be classified as a Mainstream Fund.

### **Mainstream Funds**

The investments underlying the Mainstream Funds do not take into account the EU criteria for environmentally sustainable economic activities.

The classification of a Sub-Fund as a Mainstream Fund means that the Sub-Fund does not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have sustainable investment as its objective in a way that meets the specific criteria contained in Article 9 of SFDR.

Accordingly, each Sub-Fund that is classified as a Mainstream Fund shall not be expected to pursue an investment approach that explicitly promotes environmental or social characteristics or to have sustainable investment as its objective.

Notwithstanding this classification, the Company still considers that the Mainstream Funds are managed responsibly. The Investment Manager evaluate and integrate Sustainability Risks and other relevant ESG factors at multiple stages throughout the investment process. This is considered as an important element in contributing towards long-term investment returns and an effective risk-mitigation technique and the Investment Manager does not expect that the assessment of likely impacts of Sustainability Risks will materially impact the expected risk or return characteristics of the relevant Mainstream Funds. The Investment Manager believes its ESG-related research capabilities can help enhance portfolio relative performance, particularly in reducing exposure to countries, industries, and securities with material negative ESG risks. For more details on how ESG factors are integrated into the investment process please visit <https://www.greenash-partners.com/>.

### **ESG Orientated Funds and Sustainable Investment Funds**

For any Sub-Funds that are classified as ESG Orientated Funds or Sustainable Investment Funds additional disclosures required under SFDR for such Sub-Funds shall be provided in the relevant Appendix and the relevant SFDR Annex.

#### **Consideration of Principal Adverse Impacts on Investment Decisions on Sustainability Factors**

The Management Company delegates the portfolio management function of the Sub-Funds to the Investment Manager specified in the relevant Appendix and as such does not consider directly at its level adverse impacts of investment decisions on sustainability factors (PASI) according to Article 4 SFDR.

Green Ash Partners LLP, as the Investment Manager of the Sub-Funds, currently does not consider the adverse impacts of its investment decisions on Sustainability Factors. The rationale for not considering such adverse impacts is principally because of the lack of consistent, accessible and accurate data available to

comply with the reporting requirements, and an agreed framework for reporting across the industry. For these reasons, Green Ash Partners LLP will maintain the position of not considering principal adverse impacts on sustainability factors until such time as it feels it has the necessary data and framework to be able to make these considerations meaningfully and report on them clearly. Green Ash Partners LLP will review this position regularly and will update investors accordingly with relevant information, should the position change.

## 11. Taxonomy Regulation

The Taxonomy Regulation seeks to establish a framework to classify environmentally sustainable economic activities, whilst also amending certain disclosure requirements of SFDR. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for an objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities.

The Taxonomy Regulation sets out a list of economic activities with performance criteria for their contribution to the six environmental objectives namely (i) climate change mitigation; (ii) climate change adaptation; (iii) sustainable use and protection of water and marine resources; (iv) transition to a circular economy; (v) pollution prevention and control and protection; and (vi) restoration of biodiversity and ecosystems (the "**Environmental Objectives**").

The Taxonomy Regulation builds on the SFDR requirements for both an Article 8 ESG Orientated Fund and an Article 9 Sustainable Investment Fund by placing additional disclosure obligations on those funds that invest in economic activities that contribute to one or more of the six Environmental Objectives. It requires financial market participants (of such financial products) to disclose (i) how and to what extent they have used the Taxonomy Regulation to determine the sustainability of the underlying investments; and (ii) to what Environmental Objective(s) the underlying investments contribute.

It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This section addresses only the specific disclosure requirements of the Taxonomy Regulation.

Whilst the Taxonomy Regulation is effective from 1 January 2022, the Environmental Objectives will apply on a phased basis. Consideration of whether or not the underlying investments of an Article 8 ESG Orientated Fund and/or an Article 9 Sustainable investment Fund contribute to (i) climate change mitigation and/or (ii) climate change adaptation apply from 1 January 2022. Consideration with regard to the other four Environmental Objectives will apply from 1 January 2023.

## 12. Benchmark Regulation

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts

or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (also known as the "EU Benchmark Regulation") requires the Management Company to produce and maintain robust written plans setting out the actions that it would take in the event that a benchmark (as defined by the EU Benchmark Regulation) materially changes or ceases to be provided. The Management Company shall comply with this obligation. Further information on the plan is available on request, free of charge, from the registered office of the Management Company.

The following benchmark is used for the purposes indicated in the table below.

<b>Sub-Fund and Class</b>	<b>Benchmark</b>	<b>Benchmark Administrator</b>	<b>Purpose</b>
Green Ash SICAV – Centre American Select Equity Fund  Classes other than hedged classes	MSCI North America Net Total Return Index (NDDUNA Index)	MSCI Inc.	Performance comparison
Green Ash SICAV – Centre American Select Equity Fund  Hedged classes	MSCI North America 100% Hedged to GBP Net Total Return Index (HG127087 Index)*  MSCI North America 100% Hedged to EUR Net Total Return Index (M7CXLBP Index)*  MSCI North America 100% Hedged to CHF Net Total Return Index (HF137270 Index)*	MSCI Inc	Performance comparison
Green Ash SICAV – Centre Global Listed Infrastructure Fund  Classes other than hedged classes	MSCI World Infrastructure Net Total Return Index (M1W00INF Index)	MSCI Inc.	Performance comparison

Green Ash SICAV – Centre Global Listed Infrastructure Fund	MSCI World Infrastructure Net Total Return Index (M1W00INF Index)		
Hedged classes			

For hedged share classes, the benchmark shall be expressed in the relevant hedged share class currency provided that an appropriate substitute, which the Investment Manager regards as best represents the performance of the relevant hedged share class, shall be used if the relevant benchmark is not available in the currency of the relevant hedged share class (the “**Substitute Benchmarks**”). For further details on the Substitute Benchmarks, please see the Appendix of the relevant Sub-Fund.

The benchmarks marked with (\*) are provided by an administrator which is currently not included in the ESMA register of benchmark administrators. However, the use of this benchmark is permitted during the transitional period provided for in article 51 of the EU Benchmark Regulation (i.e. until 31 December 2023). This Prospectus will be updated without undue delay once further information on the benchmark administrator’s authorisation becomes available. The inclusion of any further administrator of a benchmark used by a Sub-Fund within the meaning of the EU Benchmark Regulation in the ESMA register of benchmark administrators will be reflected in the Prospectus at its next update.

## VIII. RISK FACTORS

### 1. Overview

Investors are reminded that the value of shares in any Sub-Fund and income from the same can fall as well as rise, and that they may not recover all of their initial investment. Past performance is no guarantee of future results. Investments in Sub-Funds must be seen as medium- or long-term investments. When the currency of a Sub-Fund fluctuates against the currency in which an investment in this Sub-Fund is made or those of markets in which said Sub-Fund invests, the risk of an additional loss for the investor (or the possibility of a profit) is greater. Several of the risks described below deal with investments in other undertakings for collective investment in as much as Sub-Funds can carry out such investments. The descriptions below summarise certain risks. They are not exhaustive, and under no circumstances do they constitute advice on the suitability of investments.

#### **Regulatory provisions**

The Company being domiciled in Luxembourg, the protection provided by the respective local supervisory authorities may not apply. To obtain more information on this, investors are invited to consult their financial advisors.

## **Investment objective**

No guarantee can be given in relation to the achievement of the investment objectives of the Sub-Funds. Investors will also be aware of the investment objectives of the Sub-Funds, which can specify that Sub-Funds can invest limited amounts in sectors or areas that are not directly associated with their name. These other markets may be more or less volatile than the main investment sector or area, and performance will in part depend on these investments. Therefore, investors must ensure (prior to investment) that they are prepared to incur this type of risk to achieve the stated objectives.

## **2. Risk factors**

Prospective investors should consider the following risk factors before investing in the Company. However, the risk factors set out below do not purport to be an exhaustive list of risks related to investments in the Company. Prospective investors should read the entire Prospectus, and where appropriate consult with their legal, tax and investment advisers, in particular regarding the tax consequences of subscribing, holding, converting, redeeming or otherwise disposing of Units under the law of their country of citizenship, residence or domicile.

Investors should be aware that the investments of the Company are subject to market fluctuations and other risks associated with investments in transferable securities and other financial instruments. The value of the investments and the resulting income may go up or down and it is possible that investors will not recoup the amount originally invested in the Company, including the risk of loss of the entire amount invested. There is no assurance that the investment objective of a particular Company will be achieved or that any increase in the value of the assets will occur. Past performance is not a reliable indicator of future results.

The net asset value of a Sub-Fund may vary as a result of fluctuations in the value of the underlying assets and the resulting income. Investors are reminded that in certain circumstances their right to redeem Shares may be suspended.

Depending on the currency of the investor's domicile, exchange-rate fluctuations may adversely affect the value of an investment in one or more of the Sub-Funds. Moreover, in the case of an alternate currency class in which the currency risk is not hedged, the result of the associated foreign exchange transactions may have a negative influence on the performance of the corresponding Share Class.

### **Market Risk**

Market risk is a general risk which may affect all investments to the effect that the value of a particular investment could change in a way that is detrimental to the Company's interests. In particular, the value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies.

### **Interest Rate Risk**

Sub-Funds investing in fixed income securities may fall in value due to fluctuations in interest rates. Generally, the value of fixed income securities rises when interest rates

fall. Conversely, when interest rates rise, the value of fixed income securities can generally be expected to decrease. Long term fixed income securities will normally have more price volatility than short term fixed income securities.

### **Foreign Exchange Risk**

The Sub-Funds' investments may be made in other currencies than the relevant Reference Currency and therefore be subject to currency fluctuations, which may affect the net asset value of the relevant Sub-Funds favourably or unfavourably. Currencies of certain countries may be volatile and therefore may affect the value of securities denominated in such currencies. If the currency in which an investment is denominated appreciates against the Reference Currency of the relevant Sub-Fund, the value of the investment will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the investment. The Sub-Funds may enter into hedging transactions on currencies to protect against a decline in the value of investments denominated in currencies other than the Reference Currency, and against any increase in the cost of investments denominated in currencies other than the Reference Currency. However, there is no guarantee that the hedging will be successfully achieved. Although it is the policy of the Company to hedge the currency exposure of Sub-Funds against their respective Reference Currencies, hedging transactions may not always be possible and currency risks cannot therefore be excluded.

### **Credit Risk**

Sub-Funds investing in fixed income securities are subject to the risk that issuers may not make payments on such securities. An issuer suffering adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity. Sub-Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

### **Counterparty Risk**

Sub-Funds may enter into over-the-counter transactions which will expose the Sub-Funds to the risk that the counterparty may default on its obligation to perform under such contracts. In the event of bankruptcy of counterparty, the Sub-Funds could experience delays in liquidating the position and significant losses.

### **Liquidity Risk**

There is a risk that the Sub-Funds will suffer liquidity issues because of unusual market conditions, an unusually high volume of redemption requests or other reasons. In such case the Sub-Funds may not be able to pay redemption proceeds within the time period stated in this Prospectus.

### **Management Risk**

The Company and the Sub-Funds are actively managed and therefore the Sub-Funds may be subject to management risks. The relevant Investment Manager will apply its investment strategy (including investment techniques and risk analysis) when making investment decisions for the Sub-Funds, however no assurance can



be given that the investment decision will achieve the desired results. The relevant Investment Manager may in certain cases decide not to use investment techniques, such as derivative instruments, or they may not be available, even under market conditions where their use could be beneficial for the relevant Sub-Fund.

### **Company and Shares Not Registered in the U.S.; Limited Liquidity for U.S. Investors**

While the Company and the shares are registered and freely tradeable in Luxembourg under Part I of the 2010 Law, the Company is not registered under the Investment Company Act, nor are the shares registered under the Securities Act.

The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which will be applicable to the Company. While the Company may be considered similar to an investment company, it is not registered as such under the Investment Company Act in reliance upon an exemption available to investment companies offered privately in the U.S., and, accordingly, the provisions of the Investment Company Act (which may provide certain regulatory safeguards to Investors) will not be applicable to the shareholders.

In addition, the shares may not be offered, sold or transferred by or to U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state and non-U.S. securities laws. As a result, while the shares are generally liquid investments due to the Company being registered in Luxembourg pursuant to the 2010 Law, **the shares possess limited liquidity with respect to U.S. investors.**

### **The Investment Advisers Act**

The Investment Manager is not registered with the United States Securities and Exchange Commission (the "SEC") or any regulatory authority in the United States as an investment adviser. The Advisers Act of 1940, as amended (the "Advisers Act") imposes certain disclosure, reporting, record-keeping and compensation requirements upon registered advisers that are intended to protect their clients. Although the Investment Manager is currently exempt from registration as an investment adviser under the Advisers Act, the Investment Manager may be required to register with the SEC or file certain reports with the SEC as a so-called "exempt reporting adviser" in the future. This reporting by exempt reporting advisers is primarily for statistical purposes and should not be considered a substitute for the supervision and regulation associated with full SEC registration.

The Management Company does not provide investment advice and is therefore not required to register with the SEC or any regulatory authority in the United States as an investment adviser. Additionally, it does not need to file reports with the SEC as an "exempt reporting adviser."

## **The Commodity Exchange Act**

In addition, the Investment Manager is not registered as a commodity pool operator ("CPO") or commodity trading adviser ("CTA") under the Commodity Exchange Act in reliance of exemptions under CFTC Rules 4.13(a)(3) and 4.14(a)(10), respectively. The CEA provides certain protections to investors such as specified disclosures and certified annual reports under the CEA and imposes certain restrictions on registered investment companies (including, for example, limitations on the ability of registered investment companies to incur leverage), none of which will be applicable to the Company.

## **"Bad Actor" Disqualifications**

In 2013, the SEC adopted amendments to the private placement exemption in Rule 506 under Regulation D of the Securities Act ("Rule 506") that disqualify an issuer (such as the Company) from relying on the Rule 506 exemption if any of its "Covered Persons" commits a "bad act"<sup>1</sup> (a "Disqualified Person"). "Covered Persons" include the Company; any affiliated fund; any director, executive officer or other officer participating in the offering, any beneficial owner of 20% or more of the Company's outstanding voting equity securities (a "Covered Investor"); any investment manager of an issuer that is a pooled investment fund; any paid solicitor; the general partner or managing member, or a participating officer or director, of the Company, an affiliated fund or an investment manager of any of them, or of a solicitor.

The bad acts that could result in the Rule 506 exemption being unavailable to an issuer are not limited to acts that the Company or its Investment Manager can control or prevent. Covered Persons include issuers (for example, a Covered Investor), and persons affiliated with issuers, other than the Company or funds managed by the Investment Manager. Any bad acts committed by certain of those issuers and/or their Covered Persons could cause the Company (if and to the extent the Company relies on the Rule 506 exemption) to be disqualified and lose its ability to rely on the Rule 506 exemption.

Rule 506 creates a reasonable care exception that would apply if an issuer could establish that it did not know and, in the exercise of reasonable care, could not

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<sup>1</sup> Examples of "bad acts" that would disqualify a Covered Person include: "(i) criminal convictions, court injunctions or restraining orders in connection with the purchase or sale of a security, or making of a false filing with the SEC; (ii) final orders from certain regulators (including the CFTC) that bar the issuer from associating with a regulated entity or engaging in the business of securities, or are based on fraudulent, manipulative, or deceptive conduct; (iii) certain SEC disciplinary orders relating to brokers, dealers, investment companies, and investment advisers and their associated persons; (iv) SEC cease-and-desist orders related to violations of certain anti-fraud provisions and registration requirements of the federal securities laws; and (v) suspension or expulsion from membership in a self-regulatory organization (SRO) or from association with an SRO member."

have known that a disqualification existed because of a bad act by a Covered Person. In order to rely on the reasonable care exception, a factual inquiry must be conducted based on various factors relevant to an issuer and any Covered Persons. To establish reasonable care, the Company and/or the Investment Manager intends to conduct due diligence on Covered Persons, and may, among other procedures, require Covered Persons (including Covered Investors) to provide information to the Company concerning bad acts that occurred prior to September 23, 2013, and to notify the Company of future bad acts and of becoming a Disqualified Person. There is no guarantee that these procedures will successfully detect bad actors or that they will be deemed to satisfy reasonable care standards.

### **Lack of Jurisdiction for Service of Process by U.S. Persons**

The Company and all or a substantial portion of the assets of the Company are located outside of the United States. As a result, it may not be possible for U.S. Persons to effect service of process within the U.S. upon such entities or to enforce against them judgments of U.S. courts predicated upon the civil liability provisions of the federal or state securities laws of the U.S.

### **U.S. ERISA-Related Risks**

Unless otherwise determined by the Directors, the Company will not permit 25% or more of each class of its Shares (excluding any such shares owned by the Investment Manager or its affiliates) to be owned by Benefit Plan Investors (as defined below) and therefore the assets of the Company should not be deemed to be "plan assets" under the U.S. Department of Labor Plan Asset Regulation, 29 CFR 2510.3-101, as modified by Section 3(42) of U.S. ERISA. The term "Benefit Plan Investor" is defined in Section 3(42) of U.S. ERISA as: (a) any employee benefit plan (as defined in Section 3(3) of U.S. ERISA), subject to the part 4 of subtitle B of Title I of U.S. ERISA; (b) any plan subject to Section 4975 of the U.S. Code; and (c) any entity whose underlying assets include plan assets by reason of the investment in the entity by such employee benefit plan and/or plan. For purposes of this determination, (i) the value of equity interests held by a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or any affiliate of any such person) is disregarded and (ii) only that portion of the equity interests of an entity described in clause (c) of the preceding sentence, investing in another entity that are held by employee benefit plans or other plans described in clauses (a) or (b) of the preceding sentence are included in the testing of such other entity.

The following consequences, among others, would arise in the event that the 25% threshold is reached and the assets of the Company are deemed to be U.S. ERISA plan assets: (a) the prudence and diversification standards, bonding

requirements and other provisions of Part 4 of Title I of U.S. ERISA applicable to investments by U.S. ERISA plans and their plan fiduciaries would extend to the actions of the Directors and Investment Manager regarding investments by the Company, (b) certain transactions that the Company has entered into or might seek to enter into might constitute “prohibited transactions” under U.S. ERISA or the U.S. Code, subject to a requirement that such transactions may be rescinded and result in potential penalties or excise tax liability and other fiduciary liability of the Company, and (c) the Investment Manager and, potentially, the Directors would be required to disclose certain financial information concerning the Company to the plan fiduciaries of any Benefit Plan Investors.

## **Sustainable Finance Disclosures Risks**

### ***Sustainability Risk***

Pursuant to SFDR, the Sub-Funds are required to disclose the manner in which Sustainability Risks are integrated into the relevant Investment Manager's investment decisions and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Sub-Funds.

Sustainability Risks are principally linked to climate-related events resulting from climate change (the so-called physical risks) or to society's response to climate change (the so-called transition risks), which may result in unanticipated losses that could affect the Sub-Funds' investments and financial condition. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or governance shortcomings (e.g. recurrent significant breach of international agreements, bribery issues, products quality and safety, selling practices, etc.) may also translate into Sustainability Risks.

The Sub-Fund could be exposed to a broad range of Sustainability Risks, which might be generic or specific depending on investment instruments, markets, sectors or companies. In particular, some companies, markets and sectors may have greater exposure to Sustainability Risks than others.

The Sub-Fund could be exposed to regions which might have relatively low governmental or regulatory oversight or low transparency or disclosure of sustainability factors.

Sustainability Risks are integrated in the investment decision-making process and risk monitoring to the extent that they represent potential or actual material risks and/or opportunities to maximising the long-term risk-adjusted returns.

The impacts following the occurrence of a Sustainability Risk may be numerous and vary depending on the specific risk, region and asset class. In general, where a Sustainability Risk occurs in respect of an asset, there will be a negative impact on, or an entire loss of, its value. Such assessment of the likely impact must, therefore, be conducted at portfolio level.

### ***SFDR - Legal risk***

The series of legal measures (including SFDR) requiring firms that manage investment

funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) has been introduced in the European Union on a phased basis and some elements were subject to implementation delays.

The Company seeks to comply with all legal obligations applicable to it but notes there may be challenges in meeting all the requirements of these legal measures. The Company may be required to incur costs in order to comply with these requirements as part of the initial implementation phase and to incur further costs as the requirements change and further elements are introduced. This could be the case in particular if there are adverse political developments or changes in government policies as the implementation phase progresses. These elements could impact on the viability of the Sub-Funds and their returns.

### **ESG Data reliance**

The scope of SFDR is extremely broad, covering a very wide range of financial products and financial market participants. It seeks to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and consideration of adverse sustainability impacts in the investment process. Data constraint is one of the biggest challenges when it comes to sustainability related information to end-investors, especially in the case of principal adverse impacts of investment decisions, and there are limitations on sustainability and ESG-related data provided by market participants in relation to comparability. Disclosures in this Prospectus may develop and be subject to change due to ongoing improvements in the data provided to, and obtained from, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available.

### **Relative performance**

An ESG Orientated Fund or a Sustainable Investment Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics or pursue a sustainable investment objective.

## **3. Investment Risks**

### **Investments in Equities**

The risks associated with investments in equity (and equity-type) securities include in particular significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity compared to debt securities issued by the same company. Investors should also consider the risk attached to fluctuations in exchange rates, possible imposition of exchange controls and other restrictions.

### **Investments in Fixed Income Securities**

Investments in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in

securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in interest rates as well as fluctuations in currency exchange rates (as further described above under Chapter "Interest Rate Risk" and "Foreign Exchange Risk") and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments. A decline in the value of a particular currency in comparison with the Reference Currency of the Sub-Fund would reduce the value of certain portfolio securities that are denominated in such a currency. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, may fluctuate independently of each other. The performance of investments in fixed income securities denominated in a specific currency will also depend on the interest rate environment in the country issuing that currency. As the net asset value of a Sub-Fund is calculated in its Reference Currency, the performance of investments denominated in a currency other than the Reference Currency will depend on the strength of such currency against the Reference Currency and on the interest rate environment in the country issuing the currency. In the absence of other events that could otherwise affect the value of non-Reference Currency investments (such as a change in the political climate or an issuer's credit quality), an increase in the value of the non-Reference Currency can generally be expected to increase the value of a Sub-Fund's non-Reference Currency investments in terms of the Reference Currency.

The Sub-Funds may invest in investment grade debt securities. Investment grade debt securities are assigned ratings within the top rating categories by rating agencies on the basis of the creditworthiness or risk of default. Rating agencies review, from time to time, such assigned ratings and debt securities may therefore be downgraded in rating if economic circumstances impact the relevant debt securities issues.

Moreover, the Sub-Funds may invest in debt instruments in the non-investment grade sector (high yield debt securities). Compared to investment grade debt securities, high yield debt securities are generally lower-rated securities and will usually offer higher yields to compensate for the reduced creditworthiness or increased risk of default attached to these debt instruments.

### **Investments in High Yield Securities**

High yield securities (sometimes referred to as "junk bonds") are debt securities that are rated below investment grade, are unrated and deemed by the Investment Manager to be below investment grade, or are in default at the time of purchase. These securities are regarded as being predominately speculative as to the issuer's ability to make payments of principal and interest and have a much greater risk of default (or in the case of bonds currently in default, of not returning principal) and may be more volatile than higher-rated securities of similar maturity. The risk of loss due to default by these issuers is significantly greater because high yield securities generally are unsecured and frequently are subordinated to the prior payment of senior indebtedness. 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. Issuers of high yield debt securities may be highly leveraged and may not have available to them more traditional methods of financing. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, the relevant Sub-Fund may experience losses and incur costs. The value of these securities can be affected by overall economic conditions, interest rates, and the creditworthiness of the individual issuers. Additionally, these securities may be less liquid and more difficult to value than higher-rated securities. If an issuer of high yield securities calls the obligation for redemption, a Sub-Fund may have to replace the security with a lower yielding security, resulting in a decreased return for investors. Also, as the principal value of bonds moves inversely with movements in interest rates, in the event of rising interest rates the value of the securities held by a Sub-Fund may decline proportionately more than a portfolio consisting of higher rated securities. If a Sub-Fund experiences unexpected net redemptions, it may be forced to sell its higher rated bonds, resulting in a decline in the overall credit quality of the securities held by the Sub-Fund and increasing the exposure of the Sub-Fund to the risks of lower rated securities.

Although a truly diversified global portfolio should include a certain level of exposure to high yield bonds, an investment in any one high yield securities Sub-Fund should not constitute a substantial portion of any investor's portfolio and may not be appropriate for all investors.

### **Investments in Warrants**

The leveraged effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than in the case of investment in equities. Because of the volatility of warrants, the volatility of the share price of any Sub-Fund investing in warrants may potentially increase.

### **Investments in Target Companies**

Investors should note that investments in target fund may incur the same costs both at the Sub-Fund level and at the level of the target funds. Furthermore, the value of the units or shares in the target funds may be affected by currency fluctuations, currency exchange transactions, tax regulations (including the levying of withholding tax) and any other economic or political factors or changes in the countries in which the target Company is invested, along with the risks associated with exposure to the emerging markets. The investment of the Sub-Fund's assets in units or shares of target funds entails a risk that the redemption of the units or shares may be subject to restrictions, with the consequence that such investments may be less liquid than other types of investment.

### **Use of Derivatives**

While the use of financial derivative instruments can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. Derivatives are highly specialized financial instruments. The use of a derivative requires an understanding not only of the

underlying instrument but also of the derivative itself, without there being any opportunity to observe the performance of the derivative under all possible market conditions.

If a derivative transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price. Since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself.

The other risks associated with the use of derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Many derivatives are complex and are often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to the relevant Sub-Fund. Consequently, the Company's use of derivatives may not always be an effective means to achieve the Sub-Fund's investment objective and may sometimes even have the contrary effect.

Derivative instruments also carry the risk that a loss may be sustained by the Company as a result of the failure of the counterparty to a derivative to comply with the terms of the contract (as further described under "Counterparty Risk" above). The default risk for exchange-traded derivatives is generally less than for privately negotiated derivatives, since the clearing house, which is the issuer or counterparty to each exchange-traded derivative, assumes a guarantee of performance. In addition, the use of credit derivatives (credit default swaps, credit linked notes) carries the risk of a loss arising for the relevant Sub-Fund if one of the entities underlying the credit derivative defaults.

Moreover, OTC derivatives may bear liquidity risks. The counterparties with which the Sub-Fund effects transactions might cease making markets or quoting prices in certain of the instruments. In such cases, the Sub-Fund might not be in a position to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position which might adversely affect its performance. Unlike exchange-traded derivatives, forward, spot and option contracts on currencies do not provide the Management Company or the Investment Manager with the possibility to offset the Sub-Fund's obligations through an equal and opposite transaction. Therefore, through entering into forward, spot or options contracts, the Sub-Fund may be required, and must be able, to perform its obligations under these contracts. The use of derivative instruments may or may not achieve its intended objective.

### **Investments in Hedge Fund Indices**

In addition to the risks entailed in traditional investments (such as market, credit and liquidity risks), investments in hedge fund indices entail a number of specific risks that are set out below.

The hedge fund underlying the respective index, as well as their strategies, are distinguished from traditional investments primarily by the fact that their investment strategy may involve the short sale of securities and, on the other hand, by using borrowings and derivatives, a leverage effect may be achieved. The leverage



effect entails that the value of a fund's assets increases faster if capital gains arising from investments financed by borrowing exceed the related costs, notably the interest on borrowed monies and premiums payable on derivative instruments. A fall in prices, however, causes a faster decrease in the value of the Sub-Fund's assets. The use of derivative instruments, and in particular of short selling, can in extreme cases lead to a total loss in value.

Most of the hedge fund underlying the respective index were established in countries in which the legal framework, and in particular the supervision by the authorities, either does not exist or does not correspond to the standards applied in western Europe or other comparable countries. The success of hedge fund depends in particular on the competence of the fund managers and the suitability of the infrastructure available to them.

These financial indices shall be chosen in accordance with the eligibility criteria as set out in Article 9 of the Grand Ducal Regulation of 8 February 8, 2008 clarifying Article 44 of the 2010 Law.

### **Investments in Goods, Commodity and Real Estate Indices**

In addition to the risks entailed in traditional investments (such as market, credit and liquidity risks), investments in goods, commodity and real estate indices are subject to greater price fluctuations compared to traditional investments. When included in a broadly diversified portfolio, however, investments in goods, commodity and real estate indices generally show only a low correlation to traditional investments. These financial indices shall be chosen in accordance with the eligibility criteria as set out in Article 9 of the Grand Ducal Regulation of 8 February 2008 clarifying Article 44 of the 2010 Law.

### **Investments in Illiquid Assets**

Sub-Funds may invest up to 10% of the total net assets of each Sub-Fund in securities which are not traded on stock exchanges or regulated markets. It may therefore be the case that the Sub-Fund cannot readily sell such securities. Moreover, there may be contractual restrictions on the resale of such securities. In addition, the Sub-Fund may under certain circumstances trade futures contracts or options thereon. Such instruments may also be subject to illiquidity in certain situations when, for example, market activity decreases, or when a daily fluctuation limit has been reached. Most futures exchanges restrict the fluctuations in future contract prices during a single day by regulations referred to as "daily limits". During a single trading day no trades may be executed at prices above or below these daily limits. Once the price of a futures contract has increased or decreased to the limit, positions can neither be purchased nor compensated. Futures prices have occasionally moved outside the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Sub-Fund from promptly liquidating unfavourable positions and therefore result in losses.

For the purpose of calculating the net asset value, certain instruments, which are not listed on an exchange, for which there is limited liquidity, will be valued based upon the average price taken from at least two major primary dealers. These prices may affect the price at which shares are redeemed or purchased. There is no guarantee that in the event of a sale of such instruments the price thus calculated can be achieved.

### **Investments in Asset-Backed Securities and Mortgage-Backed Securities**

Sub-Funds may have exposure to asset-backed securities ("ABS") and mortgage-backed securities ("MBS"). ABS and MBS are debt securities issued by a special purpose vehicle (SPV) with the aim to pass through of liabilities of third parties other than the parent company of the issuer. Such securities are secured by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). Compared to other traditional fixed income securities such as corporate or government issued bonds, the obligations associated with these securities may be subject to greater counterparty, liquidity and interest rate risks as well as other types of risks, such as reinvestment risk (arising from included termination rights, prepayment options), credit risks on the underlying assets and advance repayments of principal resulting in a lower total return (especially, if repayment of the debt is not concurrent with redemption of the assets underlying the claims). ABS and MBS assets may be highly illiquid and therefore prone to substantial price volatility.

### **Small to medium-sized Companies**

Sub-Funds may invest in small and medium-sized companies. Investing in the securities of smaller, lesser-known companies involves greater risk and the possibility of price volatility due to the specific growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks and the greater sensitivity of smaller companies to changing market conditions.

### **Hedged Share Class Risk**

The hedging strategy applied to hedged Share Classes may vary from one Sub-Fund to another. Each Sub-Fund will apply a hedging strategy which aims to reduce currency risk between the Reference Currency of the respective Sub-Fund and the nominal currency of the hedged Share Class while taking various practical considerations into account. The hedging strategy aims to reduce, however may not totally eliminate, currency exposure.

Investors should note that there is no segregation of liabilities between the individual Share Classes with a Sub-Fund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a hedged Share Class could result in liabilities affecting the net asset value of the other Share Classes of the same Sub-Fund. In such case assets of other Share Classes of such Sub-Fund may be used to cover the liabilities incurred by the hedged Share Class.

Share Classes issued in currencies with limited or non-convertibility could be subject to a higher volatility compared to hedged Classes issued in freely convertible

currencies.

Any currency hedging applied to hedged share Classes will comply with ESMA Opinion 34-43-296 as may be implemented in Luxembourg.

### **Clearing and Settlement Procedures**

Different markets also have different clearing and settlement procedures. Delays in settlement may result in temporary periods when a portion of the assets of a Sub-Fund is uninvested and no return is earned thereon. The inability of the Management Company and Investment Manager to make intended security purchases due to settlement problems could cause a Sub-Fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Sub-Fund due to subsequent declines in value of the portfolio security or, if a Sub-Fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

### **Investment Countries**

The issuers of fixed income securities and the companies, the shares of which are purchased, are generally subject to different accounting, auditing and financial reporting standards in the different countries of the world. The volume of trading, volatility of prices and liquidity of issuers may vary from one market or country to another. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit the Sub-Fund's ability to invest in securities of certain issuers located in those countries.

### **Concentration in certain Countries**

Where a Sub-Fund restricts itself to investing in securities of issuers located in a particular country or group of countries, such concentration will expose the Sub-Fund to the risk of adverse social, political or economic events which may occur in that country or countries. The risk increases if the country in question is an emerging market. Investments in such Sub-Funds are exposed to the risks described below, which may be exacerbated by the special factors pertaining to this emerging market.

### **Investments in Emerging Countries**

Investors should note that certain Sub-Funds may invest in less developed or emerging markets. Investing in emerging markets may carry a higher risk than investing in developed markets. The securities markets of less developed or emerging markets are generally smaller, less developed, less liquid and more volatile than the securities markets of developed markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in less developed or emerging markets, which could affect the investments in those countries. The assets of Sub-Funds investing in such markets, as well as the income derived from the Sub-Fund, may also be effected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of shares of these Sub-Funds may be subject to significant volatility. Some of these

markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure.

In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets. Moreover, settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the concerned Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank through whom the relevant transaction is effected might result in a loss being suffered by the Sub-Funds investing in emerging market securities.

### **Industry/Sector Risk**

Sub-Funds may invest in specific industries or sectors or a group of related industries. These industries or sectors may, however, be affected by market or economic factors, which could have a major effect on the value of the Sub-Fund's investments.

### **Specific risks linked to securities lending and repurchase transactions**

In relation to repurchase transactions, investors must notably be aware that (A) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Company to meet redemption requests, security purchases or, more generally, reinvestment; and that (C) repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of this prospectus.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales

As regards securities lending transactions, investors must be aware in particular that (A) if the borrower of the securities lent by a Sub-Fund does not return them, there is a risk that the guarantee received will realise a value that is less than that of the securities lent, due to an inaccurate valuation of the guarantee, unfavourable fluctuations in the market, a deterioration in the credit rating of the issuers of the guarantee or the illiquidity of the market on which the guarantee is traded; and that (B) delays in the return of securities lent can limit the ability of a Sub-Fund to honour delivery obligations by virtue of sales of securities.

### **Investment in Russia and the Commonwealth of Independent States**

Investment in Russia and Countries number of the Commonwealth of Independent States ("CIS") CIS through the MICEX-RTS stock exchange or other outside markets are exposed to greater risk in terms of ownership and custody of securities. The MICEX-RTS stock exchange is currently the sole Regulated Market in Russia. Investment in Russia by a Sub-Fund through a non-Regulated Market cannot exceed 10% of the net assets of the relevant Sub-Fund.

There are significant risks inherent to investment in Russia and the CIS that include: (a) Delays in the settlement of transactions and the risk of losses resulting from systems for the registration and custody of securities; (b) the lack of provisions in terms of corporate governance and rules and regulations relating to investor protection; (c) omnipresent corruption, insider trading and criminality in the economic systems of Russia and the CIS; (d) difficulties associated with obtaining precise market values of shares in numerous companies in Russia and the CIS, in part due to the limited volume of information available to the public; (e) tax regulations are ambiguous and obscure, and there is a risk of being subject to arbitrary or heavy taxes; (f) the overall financial situation of Russian companies and companies from the CIS, which can mean particularly large volumes of debt between companies; (g) banks and other financial systems are not well-developed or regulated and, therefore, tend not to be tested and have low credit ratings; and (h) the risk that the governments of Russia and member states of the CIS or other executive or legislative bodies can decide to withdraw support for economic reform programs in place since the fall of the Soviet Union.

As a rule, the concept of fiduciary duty among company managers does not exist. Local laws and regulations cannot prevent or limit a major amendment to the structure of a company by its managers without the consent of its shareholders. Recourse to the courts for foreign investors in the event of a breach of local laws, regulations or contracts cannot be guaranteed. Regulations governing investments in transferable securities may not exist, or may be applied in an arbitrary and inconsistent manner.

In a number of cases, proof of legal claim will be kept in the form of a deed and a Sub-Fund could lose the record of ownership of its securities as a result of fraud, negligence or even omission. In Russia and the CIS, securities are issued only in the form of a deed and records of ownership are kept by registrars who are under contract with the issuers. Register agents are not agents of the Company, the Depositary Bank or their local agents in Russia or the CIS, and are not of their responsibility. Assignees have no right of ownership to the securities, since their names do not appear in the register of owners of securities of the issuer. Laws and

practices relating to the registration of holders of securities are not well-developed in Russia and the CIS, and the registration of securities can be delayed or not occur at all. Although custodians in Russia and the CIS retain copies of the records of the register agent (the "Records") in their premises, these records may not, however, be sufficient in a legal sense to establish ownership of securities. Moreover, a large number of securities, records and other forged and fraudulent documents are in circulation in the markets of Russia and the CIS and, as a result, there is a significant risk that the purchases of a Sub-Fund may be settled by these forged or fraudulent securities. As it is the case with other emerging markets, Russia and the CIS do not have a central point of reference for the issue or publication of information on company shares. Consequently, the Depository Bank cannot guarantee the exhaustiveness or speed of dissemination of communications in relation to company shares.

While exposure to these share markets is to a large extent covered by the use of ADR (American Depositary Receipts) and GDR (Global Depositary Receipts), Sub-Funds can, in accordance with their investment policy, invest in securities that require the recourse to local deposit or custody services.

### **Contingent Convertible Fixed Income Instruments**

Contingent convertible bonds are fixed income instruments that, when certain predefined events occur ("Trigger Event"), trigger their conversion from debt into equity. Such Trigger Events may occur when the issuer of the contingent convertible bonds is in crisis, as determined either by regulatory assessment or objective losses (e.g. measure of the issuer's core tier 1 capital ratio).

In addition to the liquidity risk mentioned above, investment in contingent convertible bonds may entail the following risks (non-exhaustive list):

Capital structure inversion risk: contrary to classical capital hierarchy, contingent convertible bonds' investors may suffer a loss of capital when equity holders do not.

Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager of the relevant Sub-Fund to anticipate the Trigger Events that would require the debt to convert into equity.

Conversion risk: it might be difficult for the Investment Manager of the relevant Sub-Fund to assess how the securities will behave upon conversion. In case of conversion into equity, the Investment Manager might have to sell all or part of these new equity shares in order to ensure compliance with the investment policy of the Sub-Fund. This sale may itself lead to liquidity issue for these shares.

Coupon cancellation: for some contingent convertible bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time.

Call extension risk: some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority.

Unknown risk: the structure of contingent convertible bonds is innovative yet untested.

Valuation and Write-down risks: the value of contingent convertible bonds may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Sub-Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

Industry concentration risk: investment in contingent convertible bonds may lead to an increased industry concentration risk as such securities are issued by a limited number of banks.

General: Contingent convertible instruments are currently still untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is uncertain whether the market will view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, activation of a trigger or suspension of coupon payments could cause a broader sell-off of contingent convertible instruments, thereby decreasing liquidity in the market. In an illiquid market, price formation may be increasingly stressed.

#### **4. Risks related to investment in China A Shares through Shanghai Hong Kong Stock Connect**

A Sub-Fund may invest and have direct access to certain eligible China A Shares via the Shanghai-Hong Kong Stock Connect ("Stock Connect").

##### **Dependence upon Trading Market for China A Shares**

The existence of a liquid trading market for China A Shares may depend on whether there is supply of, and demand for, China A Shares. Investors should note that the Shanghai Stock Exchange and Shenzhen Stock Exchange on which China A Shares are traded are undergoing development and the market capitalisation of, and trading volumes on, those exchanges may be lower than those in more developed financial markets. Market volatility and settlement difficulties in the China A Share markets may result in significant fluctuation in the prices of the securities traded on such markets and thereby changes in the Net Asset Value of the Sub-Fund.

##### **China A Shares Investment Risks**

Because restrictions continue to exist and capital cannot therefore flow freely into the China A Share market, it is possible that in the event of a market disruption, the liquidity of the China A Share market and trading prices of China A Shares could be more severely affected than the liquidity and trading prices of markets where securities are freely tradable and capital therefore flows more freely. In addition, the repatriation of the sale price of China A Shares may be subject to restrictions that can change at the behest of Chinese authorities.

## **Shanghai-Hong Kong Stock Connect Risks**

A Sub-Fund may invest and have direct access to certain eligible China A Shares via the Stock Connect upon approval by the relevant regulatory authority. Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited ("HKEx"), SSE and China Securities Depository and Clearing Corporation Limited ("ChinaClear"), with an aim to achieve mutual stock market access between the mainland China and Hong Kong.

Stock Connect comprises a Northbound Trading Link and a Southbound Trading Link. Hong Kong and overseas investors (including the Sub-Funds), through their Hong Kong brokers and a securities trading service company established by the Stock Exchange of Hong Kong Limited ("SEHK"), may be able to place orders to trade eligible shares listed on SSE by routing orders to SSE.

Under Stock Connect, overseas investors (including the Sub-Funds) may be allowed, subject to rules and regulations issued/amended from time to time, to trade certain China A Shares listed on the SSE (the "SSE Securities") through the Northbound Trading Link. Initially, the eligible SSE Securities under Stock Connect include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except (i) those SSE-listed shares which are not traded in Renminbi and (ii) those SSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review and approval by the relevant Chinese regulators from time to time.

Hong Kong and overseas investors (including the Sub-Funds) may only trade and settle SSE Securities in RMB (CNH).

Further information about Stock Connect is available online at the website: [http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

## **Quota Limitations Risk**

Stock Connect is subject to both a daily quota and an "aggregate" quota measuring total purchases and sales of securities via Stock Connect. Buy orders and sell orders offset each other for purposes of the quota. If either the daily or aggregate quota is exceeded, further buy orders will be rejected, either until the next trading day (in the case of the daily quota) or until the next trading day when sufficient aggregate quota is available. These quotas are not particular to either the Sub-Funds or the Investment Manager; instead, they apply to all market participants generally. Thus, the Investment Manager of the Sub-Funds will not be able to control the use or availability of the quota. If the Investment Manager is unable to purchase additional Stock Connect securities, it may affect the Investment Manager's ability to implement the Sub-Funds' respective investment strategies.

## **Suspension Risk**

Both SEHK and SSE reserve the right to suspend trading if necessary for ensuring an orderly and fair market and managing risks prudently which could adversely affect



the relevant Sub-Funds' ability to access the mainland China market.

### **Differences in Trading Day**

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

### **Clearing and Settlement and Custody Risks**

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

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

The China A Shares traded through Stock Connect are issued in scripless form, so investors such as the Sub-Funds will not hold any physical China A Shares. Hong Kong and overseas investors, such as the Sub-Fund, who have acquired SSE Securities through the Northbound Trading Link, should maintain the SSE Securities with their brokers' or custodians' stock accounts with the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK.

Further information on the custody set-up relating to Stock Connect is available upon request at the registered office of the Management Company.

### **Operational Risk**

Stock Connect provides a new channel for investors from Hong Kong and overseas, such as the Sub-Funds, to access the China stock market directly.

Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

It should be appreciated that the securities regimes and legal systems of the two

markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect program requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Sub-Fund's ability to access the China A Share market (and hence to pursue their investment strategy) will be adversely affected.

### **Recalling Risk and Trading Restrictions**

A stock may be recalled from the scope of eligible SSE Securities for trading via Stock Connect for various reasons, and in such event the stock can only be sold but is restricted from being bought. The Investment Manager's ability to implement the Sub-Funds' investment strategies may be adversely affected.

### **Nominee Arrangements in Holding China A Shares**

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

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

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary Bank and 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.

## **Investor Compensation**

Investments of the Sub-Fund through Northbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Company is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong.

Since default matters in Northbound trading via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Company. On the other hand, since the Sub-Fund is carrying out Northbound trading through securities brokers in Hong Kong but not mainland Chinese brokers, therefore they are not protected by the China Securities Investor Protection Company in China.

## **Local Market Rules, Foreign Shareholding Restrictions and Disclosure Obligations**

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

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

Under the current mainland China rules, once an investor holds more than 5% of the shares of a company listed on the SSE, the investor is required to disclose his interest within three working days and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the Mainland China rules. According to existing Mainland China practices, the Sub-Funds as beneficial owners of China A Shares traded via Stock Connect cannot appoint proxies to attend shareholders' meetings on its behalf.

## **Regulatory Risk**

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

Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the mainland China 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 Stock Connect.

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

### **PRC tax consideration**

The Management Company and/or Investment Manager reserve the right to provide for tax on gains of the relevant Sub-Fund that invests in PRC securities thus impacting the valuation of the relevant Sub-Funds. With the uncertainty of whether and how certain gains on PRC securities are to be taxed, the possibility of the laws, regulations and practice in the PRC changing, and the possibility of taxes being applied retrospectively, any provision for taxation made by the Management Company and/or the Investment Manager may be excessive or inadequate to meet final PRC tax liabilities on gains derived from the disposal of PRC securities. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how such gains will be taxed, the level of provision and when they purchased and/or sold their shares in/from the relevant Company.

On 14 November 2014, the Ministry of Finance, State of Administration of Taxation and CSRC jointly issued a notice in relation to the taxation rule on the Stock Connect under Caishui 2014 No.81 ("Notice No.81"). Under Notice No.81, Corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (such as the Companies) on the trading of China A-Shares through the Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors (such as the Companies) are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies.

## **5. Risk related to Contingent Convertible Bonds**

### **Capital structure inversion risk**

Contrary to classical capital hierarchy, contingent convertible bonds' investors may suffer a loss of capital when equity holders do not.

### **Trigger level risk**

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager to anticipate the triggering events that would require the debt to convert into equity.

### **Coupon cancellation**

For some contingent convertible bonds, coupon payment are entirely discretionary and may be cancelled by the issuer at any point for any reason and for any length of time.

### **Call extension risk**

Some contingent convertible bonds are issued as perpetual instruments, callable at predetermined levels only with the approval of the competent authority.

### **Unknown risk**

The structure of the instruments is innovative yet untested.

### **Conversion risk**

It might be difficult for the Investment Manager to assess how the securities will behave upon conversion. In case of conversion into equity, the Investment Manager might be forced to sell these new equity shares because the investment policy of the Sub-Fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares.

### **Write-down risk**

Should a contingent convertible bonds undergo a write-down, the contingent convertible bonds' investors may lose some or all of its original investment.

### **Industry concentration risk**

To the extent that the investments are concentrated in a particular industry, the contingent convertible bonds' investors will be susceptible to loss due to adverse occurrences affecting that industry

### **Yield/Valuation risk**

Investors have been drawn to the instrument as a result of the contingent convertible bonds' often attractive yield which may be viewed as a complexity premium.

Yield has been a primary reason this asset class has attracted strong demand, yet it remains unclear whether investors have fully considered the underlying risks. Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, contingent convertible bonds tend to compare favourably from a yield standpoint. The concern is whether investors have fully considered the risk of conversion or, for Additional Tier 1 contingent convertible bonds, coupon cancellation.

### **Liquidity risk**

In certain circumstances finding a ready buyer for contingent convertible bonds may be difficult and the seller may have to accept a significant discount to the expected value of the contingent convertible bond in order to sell it.

## IX. SHARES

The Board of Directors may, for a single Sub-Fund, issue one or more Class of Shares distinguished either by a particular distribution policy, sales or redemptions commission structure, management and advisory commission structures, specific distribution commissions structures or by any other distinctive criteria.

The subscription price for shares in each Class is invested in the assets of the relevant Sub-Fund. In principle, all assets and liabilities related to a specific Class of Shares are allocated to that Class. To the extent that costs and expenses are not directly chargeable to a specific Class, they shall be shared proportionally among the various Classes of Shares according to their net asset values or, if circumstances warrant it, allocated equally among the Classes of Shares. The same applies *mutatis mutandis* to Sub-Funds. The assets of a specific Sub-Fund will only meet the liabilities, commitments and obligations relating to such Sub-Fund.

All shares, of whichever Sub-Fund or Class of Shares, will be issued in registered form only. No certificate will be issued. All holders of the shares will have their names entered into the shareholders' register which will be held at the Company's registered office. Investors subscribing through a nominee may, unless prevented by applicable rules and regulations, request to be inscribed directly in the shareholders' register.

Shareholders will only receive confirmation that their names have been recorded in the shareholders' register.

Fractions of shares up to three decimals will be issued.

Fractions of shares do not carry voting rights but entitle to the relevant fraction of the net assets attributable to the relevant Class of Shares.

All shares must be fully paid-up and do not confer any preferential or pre-emption rights. Each whole share of the Company carries one vote in all general meetings of shareholders, in accordance with Luxembourg law and the Articles.

### **Hedged Classes**

Classes not denominated in the reference currency of the Sub-Fund (the "Reference Currency") and designated as hedged ("H") will systematically and fully (as described below) hedge their currency exposure to the Reference Currency (the "Hedged Classes"), in the forward currency market, whether the exposure is declining or increasing in value relative to the Reference Currency.

Any fees relating to the hedging strategy will be borne by the relevant Hedged Class. Any gains or losses from the currency hedging shall accrue to the relevant Hedged Class. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of the relevant Class.

Whilst holding hedged shares may substantially protect the investor against losses due to unfavorable movements in the exchange rates of the Reference Currency against the reference currency of a Class, holding such shares may also substantially limit the benefits of the investor in case of favorable movements. Investors should note that it will not be possible to always fully hedge the total Net

Asset Value of the Hedged Class against currency fluctuations of the Reference Currency, the aim being to implement a currency hedge equivalent to between 95% and 105% of the Net Asset Value of the respective Hedged Class. Changes in the value of the portfolio or the volume of subscriptions and redemptions may however lead to the level of currency hedging temporarily surpassing the limits set out above. In such cases, the currency hedge will be adjusted without undue delay. The Net Asset Value per Class of the Hedged Classes does therefore not necessarily develop in the same way as that of the Classes in Reference Currency. It is not the intention of the Company to use the hedging arrangements to generate a further profit for the Hedged Classes.

Investors should note that there is no segregation of liabilities between the individual Classes within a Sub-Fund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a Hedged Class could result in liabilities affecting the Net Asset Value of the other Classes of the same Sub-Fund. In such case assets of other Classes of such Sub-Fund may be used to cover the liabilities incurred by the Hedged Class.

An up-to-date list of Share Classes with a contagion risk can be obtained from the Management Company upon request.

## **X. ISSUANCE OF SHARES**

The Company may for each Sub-Fund issue shares at a price calculated as of each Valuation Day (see section "Calculation and Publication of the Net Asset Value of Shares and the Issue, Redemption and Conversion Prices of Shares").

For each Class of Shares, the subscription price shall be equal to the Net Asset Value of a share as of the relevant Valuation Day, plus any charges as described for each Sub-Fund in the Appendix.

The Board of Directors may impose a minimum subscription and minimum holding requirement for each registered shareholder in the different Sub-Funds and/or different Classes of Shares within each Sub-Fund as set out in the Appendix. The Board of Directors may also impose subsequent minimum subscription requirements. It may decide to waive, at its discretion, any such minimum subscription, minimum holding and subsequent minimum subscription amounts.

Shareholders wishing to subscribe for shares in the Company must make an irrevocable subscription request by sending such request to the Registrar and Transfer Agent or the Company.

Shares will be allotted as of the relevant Valuation Day.

The subscription price will be payable in the Reference Currency of the shares being subscribed.

Shares may be issued, at the discretion of the Board of Directors, against contributions in kind. However, assets so contributed have to comply with the investment policies of the Sub-Fund concerned as disclosed in the present Prospectus. The assets contributed to the Sub-Funds at the conditions mentioned above will be subject, if required by applicable laws and regulations, to a special

report of the approved statutory auditor of the Company.

Any costs relating to such contributions in kind including the aforementioned report are borne by the relevant investor or by a third party, but will not be borne by the Company unless the Board of Directors considers that the subscription in kind is in the interest of the Company or made to protect the interests of the Company.

Unless otherwise provided in the Appendix, the subscription price for each share must be available to the Company on an account of the Depositary Bank in cleared monies within two Business Days following the relevant Valuation Day applicable to such subscription (unless otherwise stated in the relevant Appendix), otherwise the subscription may be cancelled.

No shares of a given Sub-Fund will be issued in case the calculation of the Net Asset Value per share of this Sub-Fund is temporarily suspended by the Company.

### **Institutional Investors**

As detailed in the Appendix, the sale of shares of certain Classes of Shares may be restricted to Institutional Investors and the Company will not issue or give effect to any transfer of shares of such Classes to any investor who may not be considered an Institutional Investor.

The Company may, at its discretion, delay the acceptance of any subscription for shares of a class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor.

### **Ineligible Applicants**

The Company requires each prospective applicant for shares to represent and warrant to the Company that, among other things, he is able to acquire and hold shares without violating applicable laws and that he fulfils any eligibility requirements in relation to such shares as detailed in the Appendix for each Sub-Fund.

The shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Board of Directors, might result in the Company incurring any liability to taxation or suffering any other disadvantage which the Company might not otherwise incur or suffer, or would result in the Company being required to register under any applicable foreign (including US) securities.

The UCI Administrator is entitled to refuse any subscription, transfer or conversion application accordingly.

Subject as mentioned above, shares are freely transferable. The Board of Directors may refuse to register a transfer which would result in (i) a breach of the applicable sale and transfer restrictions (including not fulfilling the relevant eligibility requirements of a Class of Shares) or (ii) either the transferor or the transferee remaining or being registered (as the case may be) as the holder of shares in a Sub-Fund valued at less than the minimum holding requirement.

The Company will require from each registered shareholder acting on behalf of other investors that any assignment of rights to shares be made in compliance with



applicable securities laws in the jurisdictions where such assignment is made and that in unregulated jurisdictions such assignment be made in compliance with the applicable sale and transfer restrictions and minimum holding requirement.

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

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended Law of 12 November 2004 on the fight against money laundering and financing of terrorism), the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012, CSSF Circulars 13/556 and 15/609 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from occurrences of money laundering and financing of terrorism. As a result of such provisions the register and transfer agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The register and transfer agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the register and transfer agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law and the FATCA Law.

In case of delay or failure by an applicant to provide the required documentation, the subscription request will not be accepted and in the event of redemption, payment of redemption proceeds delayed. Neither the undertaking for collective investment nor the register and transfer agent will be held responsible for said delay or for failure to process deals resulting from not providing documentation or providing incomplete documentation.

From time to time, shareholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

### **XI. REDEMPTION OF SHARES**

Pursuant to the Articles and subject as provided below, each shareholder of the Company has the right to request the Company to redeem all or some of the shares he/she/it holds as of any Valuation Day.

Shareholders who wish all or some of their shares to be redeemed by the Company must make an irrevocable redemption request by sending such request to the Registrar and Transfer Agent or the Company.

The Redemption Price for each Class of Shares is equal to the Net Asset Value per share as of the applicable Valuation Day less any charges set forth in the Appendix for the relevant Sub-Fund.

Unless otherwise provided for in the Appendix, the Redemption Price will in principle be paid no later than three (3) Business Days after the relevant Valuation Day.

Payment will be made by bank transfer to the account specified by the relevant

shareholder.

The Redemption Price will be paid in the Reference Currency of the relevant Class of Shares.

With the consent of or upon request of the shareholder(s) concerned, the Board of Directors may (subject to the principle of equal treatment of shareholders) satisfy redemption requests in whole or in part in kind by allocating to the redeeming shareholders investments from the portfolio in value equal to the Net Asset Value attributable to the shares to be redeemed. Such redemption will, if required by law or regulation, be subject to a special audit report by the statutory approved auditor of the Company confirming the number, the denomination and the value of the assets which the Board of Directors will have determined to be allocated in counterpart of the redeemed shares. The costs for such redemptions in kind, in particular the costs of the special audit report, will be borne by the shareholder requesting the redemption in kind or by a third party, but will not be borne by the Company unless the Board of Directors considers that the redemption in kind is in the interest of the Company or made to protect the interests of the Company.

If, because of applications for redemption or conversion, it is necessary on a given Valuation Day to repurchase or convert more than 10% of the shares issued in a particular Sub-Fund, the Board of Directors may decide that redemptions or conversions exceeding such threshold have to be postponed to the next Valuation Day for that Sub-Fund. On that Valuation Day, applications for redemption or conversion which had been postponed shall be given priority over applications for redemption or conversion received in relation to that Valuation Day (and which had not been postponed).

### **Compulsory Redemptions**

The Board of Directors have the right to require the compulsory redemption of all shares held by or for the benefit of a shareholder if the Board of Directors determine that the shares are held by or for the benefit of any shareholder who is or becomes an Ineligible Applicant as described under "Subscriptions". The Company also reserves the right to require compulsory redemption of all shares held by a shareholder in a Sub-Fund if the Net Asset Value of the shares held in such Sub-Fund by the shareholder is less than the applicable minimum holding requirement, as specified in the Appendix.

Shareholders are required to notify the Company immediately if at any time they become US Persons, hold shares for the account or benefit of US Persons or become Ineligible Applicants.

When the Board of Directors become aware that a shareholder (A) is a US Person or is holding shares for the account or benefit of a US Person without prior written consent of the Board of Directors; (B) is holding shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Company or its shareholders; or (C) has failed to provide any information or declaration required by the Board of Directors within ten days of being requested to do so, the Board of Directors will either (i) direct such shareholders to redeem or to transfer the relevant shares to a person who is qualified or entitled to own or hold such shares or (ii) redeem the relevant shares.

If it appears at any time that a holder of shares of a Class restricted to Institutional Investors is not an Institutional Investor or that a holder of shares does not fulfil the eligibility requirements for the relevant Class of Shares, the Company will either redeem the relevant shares in accordance with the above provisions or convert such shares into shares of a Class which is not restricted to Institutional Investors or into a Class of Shares for which the holder of shares fulfils the eligibility requirements (provided there exists such a Class with similar characteristics) and notify the relevant shareholder of such conversion.

Any person who becomes aware that he is holding shares in contravention of any of the above provisions and who fails to transfer or redeem his shares pursuant to the above provisions shall indemnify and hold harmless the Management Company, each of the Directors, the Company, the Depositary, the UCI Administrator, the Investment Adviser (if any), the Investment Manager and the shareholders of the Company (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.

## **XII. CONVERSION OF SHARES**

Pursuant to the Articles and the provisions below, each shareholder has the right to request the Company to convert the shares it holds in one given Class of Shares to shares of another Class within the same Sub-Fund or in another Sub-Fund, provided that the shareholder satisfies the conditions for subscription and holding of the relevant Class of Shares.

The rate at which the shares are converted is calculated by reference to the Net Asset Values of the relevant shares, as determined on the relevant Valuation Day and pursuant to the following formula:

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

E

where:

A: Represents the number of shares to be allocated upon conversion.

B: Represents the number of shares to be converted.

C: Represents the Net Asset Value, as at the applicable Valuation Day, of the shares to be converted.

D: Represents, if appropriate, the average exchange rate, as at the applicable Valuation Day, between the reference currencies of the two relevant Classes of Shares or Sub-Funds.

E: Represents the Net Asset Value, as at the applicable Valuation Day, of the shares to be allotted upon conversion.

Shares may be converted as of each Valuation Day in the relevant Class of Shares or Sub-Fund.

The conditions and notice formalities applicable to the redemption of shares shall apply *mutatis mutandis* to the conversion of shares.

A conversion charge, at the rate disclosed in the Appendix for the relevant Sub-Fund may be charged to shareholders. In case the conversion charge shall be for the benefit of a Sub-Fund, the conversion fee shall be identical for all conversion requests received on the same Valuation Day of that Sub-Fund.

### **XIII. PREVENTION OF MARKET TIMING AND LATE TRADING RISKS**

The Board of Directors will not knowingly authorise any practice associated with *market timing* and *late trading*, and reserves the right to reject any request for the subscription or conversion of shares received from investors that the Board of Directors suspects of employing these practices or practices associated with the same and, where applicable, to take any measures necessary to protect other investors in the Company.

*Market timing* refers to the arbitrage technique whereby an investor systematically subscribes to and redeems or converts shares in the Company over a short period of time by exploiting time differences and/or imperfections or deficiencies of a system for calculating the Net Asset Value of shares in the Company.

*Late trading* refers to the acceptance of an order for the subscription, conversion or redemption of shares received after the deadline for the acceptance of orders as of the applicable Valuation Day and its execution at the price based on the Net Asset Value of the shares as of the applicable Valuation Day.

### **XIV. LISTING**

The shares of the Company may, at the sole discretion of the Directors of the Company, be listed on the Luxembourg Stock Exchange. A list of shares so listed is available upon request from the registered office of the Company.

### **XV. CALCULATION AND PUBLICATION OF THE NET ASSET VALUE OF SHARES AND THE ISSUE, REDEMPTION AND CONVERSION PRICES OF SHARES**

The Net Asset Value per share for each Class of Shares is determined in each Sub-Fund under the responsibility of the Board of Directors, in the currency in which the Class of Shares is denominated.

The Net Asset Value of a share of a particular Class of Shares or from a particular Sub-Fund will be equal to the value obtained by dividing the net assets attributable to this Class of Shares or Sub-Fund by the total number of shares issued and in circulation in this Class of Shares or Sub-Fund.

The Net Asset Value per share is calculated as of each Valuation Day as determined for each Sub-Fund in the Appendix. The assets and liabilities of the Company will be determined according to the principles below:

- (a) The value of cash at hand and on deposit, bills and demand notes and accounts receivable, prepaid expenses, dividends and interest declared or due but not yet collected, shall be deemed to be the full value thereof. However, if it is unlikely that this value will be received in full, the value thereof will be determined deducting the amount the Company considers appropriate to reflect the true value thereof.
- (b) The value of all transferable securities listed or traded on a stock exchange will be determined based on the last available price published on the market considered to be the main market for trading the transferable securities in question.
- (c) The value of all transferable securities traded on another regulated market, operating regularly, recognised and open to the public shall be assessed based on the most recent price available.
- (d) Inasmuch as transferable securities in a portfolio are not traded or listed on a stock exchange or another Regulated Market or if, for securities listed or traded on such an exchange or other market, the price determined in accordance with (b) or (c) above is not representative of the real value of these transferable securities, these will be valued based on their probable realisation value, which will be estimated in a prudent manner and in good faith.
- (e) The liquidation value of financial derivative instruments not traded on stock exchanges will be determined in accordance with the rules set by the Board of Directors in a prudent manner and in good faith.
- (f) Undertakings for collective investment are valued at the latest known Net Asset Value or sale price in the event that prices are listed.
- (g) All other securities and assets are valued at their probable realisation value estimated in a prudent manner and in good faith according to procedures established by the Board of Directors.

The value of all assets and commitments not denominated in the reference currency of the Sub-Fund will be converted into the reference currency of the Sub-Fund at the prevailing market rate of exchange as set by the Depositary Bank. If these prices are not available, the rate of exchange will be determined in a prudent manner and in good faith according to the procedures put in place by the Board of Directors.

The Board of Directors can, at its sole discretion, allow the use of any other valuation method if it considers that aforementioned valuation principles do not reflect the probable realisation value or fair value of an asset held by the Company.

### **Dilution**

A Sub-Fund may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and of the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switches in and out of the Sub-Fund. This is known as "dilution". In order to counter this and to protect Shareholders' interests, the Board of Directors may apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the Board of Directors may make adjustments in the calculations of the Net Asset Values per Share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The Board of Directors may alternatively decide to charge a dilution levy on subscriptions or redemptions, as described below.

### **Swing Pricing**

If on any Valuation Day the aggregate value of transactions in shares of a Sub-Fund results in a net increase or decrease of shares which exceeds a threshold set by the Board of Directors from time to time for that Sub-Fund (relating to the cost of market dealing for that Sub-Fund), the Net Asset Value of the Sub-Fund will be adjusted by an amount (not exceeding 2% of that Net Asset Value) which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Sub-Fund and the estimated bid/offer spread of the assets in which the Sub-Fund invests. The adjustment will be an addition when the net movement results in an increase of all Shares of the Company and a deduction when it results in a decrease.

### **Dilution Levy**

The Company has the power to charge a "dilution levy" of up to 1% of the applicable NAV on individual subscriptions or redemptions, such "dilution levy" to accrue to the affected Sub-Fund. The Company will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose and such dilution levy will not be applied if the swing pricing mechanism is used.

## **XVI. TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE OF SHARES AND THE ISSUE, REDEMPTION AND CONVERSION PRICES OF SHARES**

The Company may suspend the calculation of the Net Asset Value per share of a given Sub-Fund or Class of Shares and, if necessary, the issue, redemption and conversion of shares of this Sub-Fund or Class of Shares under certain circumstances. These circumstances may include:

- a) during any period when any market or stock exchange, on which a material part of the investments of the relevant Sub-Fund for the time being is quoted, is closed, or during which dealings are substantially restricted or suspended.
- b) during the existence of any state of affairs which constitutes an emergency as

a result of which disposal or valuation of assets owned by the Company attributable to such Sub-Fund would be impracticable.

- c) during any breakdown or restriction in the use of the means of communication normally employed to determine the price or value of any of the investments attributable to such Sub-Fund or the current prices or values of any stock exchange.
- d) during any period when the Company is unable to repatriate monies for the purpose of making payments on the redemption of such shares or during which any transfer of monies involved in the realisation or acquisition of investments or payments due on redemption of such shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange.
- e) during any period when in the opinion of the Board of Directors there exist unusual circumstances where it would be impracticable or unfair towards the shareholders to continue dealing with shares of any Sub-Fund or any other circumstance where a failure to do so might result in the shareholders of the Company, a Sub-Fund or a Class of Shares incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the shareholders of the Company, a Sub-Fund or a Class of Shares might not otherwise have suffered.
- f) in the event of the publication (i) of the convening notice to a general meeting of shareholders at which a resolution to wind up the Company or a Sub-Fund is to be proposed, or of the decision of the Board of Directors to wind up one or more Sub-Funds, or (ii) to the extent that such a suspension is justified for the protection of the shareholders, of the notice of the general meeting of shareholders at which the merger of the Company or a Sub-Fund is to be proposed, or of the decision of the Board of Directors to merge one or more Sub-Funds.
- g) in the case of the suspension of the calculation of the net asset value of one or several funds in which a Sub-Fund has invested a substantial portion of assets.

Notice of any suspension will be published by the Company, if it considers it appropriate, and notified to shareholders that have made a request for subscription, redemption or conversion of shares in respect of which calculation of the Net Asset Value has been suspended.

During any suspension of the calculation of the Net Asset Value, requests for subscription, redemption or conversion of shares may be revoked provided such requests reach the Company prior to the lifting of the suspension period. Failing revocation, the issue, redemption or conversion price shall be based on the Net Asset Value calculated as of the first Valuation Day after the end of the suspension period.

Any suspension relating to a Sub-Fund shall have no effect on the calculation of the Net Asset Value, and, if applicable, the issue, redemption or conversion price of the shares of any other Sub-Fund.

## **XVII. GENERAL MEETINGS OF SHAREHOLDERS AND FINANCIAL YEAR**

The annual general shareholders' meeting is held at the registered office of the Company or any other location in Luxembourg specified in the convening notice, at a date and time decided by the Board of Directors being no later than six (6) months after the end of the Company's previous financial year.

Shareholders will meet upon call by the Board of Directors or upon the written request of shareholders representing at least one tenth of the share capital of the Company, pursuant to a notice setting forth the agenda, sent in accordance with Luxembourg laws.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the shares issued and outstanding at a certain date and time preceding the general meeting (the "Record Date"), whereas the right of a shareholder to attend a general meeting of shareholders and to exercise the voting rights attaching to his/its/her shares shall be determined by reference to the shares held by this shareholder as at the Record Date.

The financial year of the Company starts on January 1 and ends on December 31 of the same year.

The first financial year ended on 31 December 2016.

## **XVIII. PERIODICAL REPORTS AND PUBLICATIONS**

The Company publishes an audited annual report and an unaudited semi-annual report. These reports include financial information relating to the various Sub-Funds of the Company as well as the composition and progression of the price of their assets. Each report also contains a consolidated statement of the assets of each Sub-Fund expressed in Euros. Annual reports are published within four months following the close of the financial year. Semi-annual reports are published within two months of the end of the semester. The first semi-annual report was published as of 30 June 2016. The first audited annual report was published as of 31 December 2016.

All these reports will be made available to shareholders at the registered office of the Company, by the UCI Administrator, the Global Distributor and by any appointed sub-distributor or intermediary.

The Net Asset Value per share of each Sub-Fund as well as the issue and redemption prices will be made public at the registered office of the UCI Administrator and of the Company.

The following documents may be consulted free of charge on each Business Day during normal business hours at the Company's registered office:

- The Articles;
- The Prospectus;



- The Key Investor Information Documents;
- The Depositary Bank agreement;
- The UCI Administration Agreement;
- The Investment Management Agreement;
- The Sub-Investment Management Agreements;
- The Management Company Agreement; and
- Annual and semi-annual reports.

A copy of the Articles, the Prospectus and copies of the annual and semi-annual reports of the Company may be requested free of charge from the registered office of the Company.

In addition, the Prospectus and the Key Investor Information Documents, as appropriate, are available on <https://greenash-partners.com/> or <http://www.credit-suisse.com/Multiconcept>.

#### **XIX. DISTRIBUTION POLICY**

The Board of Directors may decide to issue capitalisation or distribution shares within each Sub-Fund, at the option of the Shareholders, as further described in the relevant Appendix to this Prospectus.

Capitalisation shares, in principle, do not entitle their holder to receive a dividend but the amount attributable to the holder from the amount to be distributed is capitalised in the Sub-Fund to which these capitalisation shares belong.

Distribution shares, in principle, give their owners the right to receive a dividend. In case of distributing Classes of Shares, the Board of Directors may decide to distribute dividends at any time either in the form of cash in the relevant Reference Currency or in the form of reinvestment by the purchase of shares of the same class. The Board of Directors may, at its sole discretion, declare annual or interim distributions out of the investment income gains and realised capital gains and, if considered necessary to maintain a reasonable level of dividends, out of any other funds available for distribution such as income, e.g. dividend income and interest income. Distributions may also be made by redemption of shares, at the discretion of the Board of Directors.

Following each distribution, the proportion of the net assets to be attributed to such distribution shares shall be reduced by an amount equal to the amount of the distribution, thus resulting in a reduction of the net assets attributable to such distribution shares.

To the extent that distributions are paid out of sources other than income, such payment of distribution amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that share class. Shareholders may receive a higher distribution than they would have otherwise received in a share class where fees and expenses are deducted from the

distributable income.

Investors should note that the charging of fees and expenses to sources other than income as described above may constrain future capital growth for such shares together with the likelihood that the value of future returns would be diminished.

The payment of fees and expenses out of sources other than income may result in distributions paid effectively out of the capital of such Shares. In these circumstances, distributions made in respect of such shares should be understood by investors as a form of capital reimbursement.

Investors in certain countries may be subject to higher tax rates on distributions than on capital gains from the sale of Company shares. Some investors may therefore prefer to subscribe to capitalising rather than distributing share classes. Investors are advised to consult their tax adviser on this matter.

No distribution shall reduce the share capital of the Company to an amount less than the minimum provided by the 2010 Law.

In the event that a dividend is declared and is not claimed by the beneficiary within five (5) years from the date of declaration, it may no longer be claimed and shall be returned to the relevant Sub-Fund for the benefit of the relevant Class of Shares. No interest will be payable on any dividend declared by the Company and held at the disposal of the beneficiary.

## **XX. TAX TREATMENT OF THE COMPANY AND ITS SHAREHOLDERS**

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of shares and is not intended as tax advice to any particular investor or potential Investor. Prospective Investors should consult their own professional advisers as to the implications of buying, holding or disposing of shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

### **1. Tax treatment of the Company**

The Company is not subject to taxation in Luxembourg on its income, profits or gains.

The Company is not subject to net wealth tax in Luxembourg.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the shares of the Company.

The Sub-Funds are, nevertheless, in principle, subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% *per annum* based on their net asset value at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% *per annum* is however applicable to:

- any Sub-Fund whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both;
- any Sub-Fund or Class provided that their shares are only held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- The portion of any Sub-Fund's assets (*prorata*) invested in a Luxembourg investment fund or any of its sub-fund to the extent it is subject to the subscription tax;
- Any Sub-Fund (i) whose securities are only held by Institutional Investor(s), and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and (iii) whose weighted residual portfolio maturity does not exceed 90 days, and (iv) that have obtained the highest possible rating from a recognised rating agency. If several Classes are in issue in the relevant Sub-Fund meeting (ii) to (iv) above, only those Classes meeting (i) above will benefit from this exemption;
- Any Sub-Fund, whose main objective is the investment in microfinance institutions;
- Any Sub-Fund, (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes are in issue in the relevant Sub-Fund meeting (ii) above, only those Classes meeting (i) above will benefit from this exemption; and
- Any Sub-Fund whose securities are reserved for (i) institutions for occupational retirement pension or similar investment vehicles, set-up on initiative of one or more employers and (ii) companies of one or more employers investing funds they hold to provide retirement benefits to their employees.

## **Withholding tax**

Interest and dividend income received by the Company may be subject to non-recoverable withholding tax in the source countries. The Company may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Company may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.

Distributions made by the Company as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

## **2. Tax treatment of shareholders**

### **Luxembourg resident individuals**

Capital gains realised on the sale of the shares by Luxembourg resident individuals Investors who hold the shares in their personal portfolios (and not as business assets)

are generally not subject to Luxembourg income tax except if:

- (i) the shares are sold within 6 months from their subscription or purchase; or
- (ii) if the shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, of more than 10% of the share capital of the Company.

Distributions received from the Company will be subject to Luxembourg personal income tax. Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*).

### **Luxembourg resident corporate**

Luxembourg resident corporate Investors will be subject to corporate taxation at the applicable rates on capital gains realised upon disposal of shares and on the distribution received from the Company.

Luxembourg resident corporate Investors who benefit from a special tax regime, such as, for example, (i) an undertaking for collective investment subject to the 2010 Law, (ii) specialized investment funds subject to the amended law of 13 February 2007 on specialised investment funds, or (iii) a reserved alternative investment funds subject to the law of 23 July 2016 on reserved alternative investment funds (to the extent they have not opted to be subject to general corporation taxes), or (iv) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies, are exempt from income tax in Luxembourg, but are instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the shares, as well as gains realized thereon, are not subject to Luxembourg income taxes.

The shares shall be part of the taxable net wealth of the Luxembourg resident corporate Investors except if the holder of the shares is (i) a UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitization, (iii) an investment company in risk capital subject to the amended law of 15 June 2004 on the investment company in risk capital, (iv) a specialized investment fund subject to the amended law of 13 February 2007 on specialised investment funds or (v) a reserved alternative investment fund subject to the law of 23 July 2016 on reserved alternative investment funds, or (vi) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth exceeding EUR 500 million.

### **Non-Luxembourg residents**

Shareholders not domiciled, resident or not having a permanent establishment or permanent representative in Luxembourg for taxation purposes are not liable to any corporation, income, transfer, capital or other taxes on holding, sale, purchase or repurchase of Shares in the Fund.

The tax consequences for Shareholders wishing to purchase, subscribe, acquire, hold, convert, sell, redeem or dispose of Shares will depend on the relevant laws of any jurisdiction to which the Shareholder is subject.

### **Automatic Exchange of information**

The Organisation for Economic Co-operation and Development ("OECD") has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("DAC2") was adopted to implement the CRS among the EU Member States. The CRS and the DAC2 were implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law").

The CRS Law requires Luxembourg financial institutions to identify their financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("CRS Reportable Accounts"). The first official list of CRS reportable jurisdictions was published on 24 March 2017 and is updated from time to time. Luxembourg financial institutions will then report the information on such CRS Reportable Accounts to the Luxembourg tax authorities (Administration des Contributions Directes), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its Shareholders to provide information or documentation in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status; and report information regarding a Shareholder and his/her/its account holding in the Company to the Luxembourg tax authorities (Administration des Contributions Directes) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the Company, the Shareholders acknowledge that (i) the Company and the Management Company are responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will inter alia be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (Administration des Contributions Directes) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (Administration des Contributions Directes).

The Company reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

**Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.**

## **South Africa**

The summary below is a general guide and is not intended to constitute a complete analysis of the possible South African tax consequences of an investment in the Company. It neither purports to constitute tax advice in any form whatsoever, nor does it intend to deal with the tax position of any particular shareholder in the Company. It merely draws the attention of shareholders in the company to certain key aspects of the South African tax legislation that may be relevant in their particular circumstances. Shareholders in the Company are advised to consult their own tax advisors about their respective tax positions.

South African tax "residents" (as defined in the Income Tax Act, No. 58 of 1962 (the "**Act**")) are taxable in South Africa on their worldwide income unless they are exempt from tax (e.g. retirement funds and other exempt entities).

In general, shareholders who are South African tax "residents" (other than retirement funds and other exempt entities) will be subject to income tax on any distribution from the Company at the rate at which foreign dividends are taxed in the hands of the relevant shareholder. To the extent that such distribution is subject to any foreign withholding taxes, tax rebate provisions in the Act and South Africa's extensive network of agreements for the avoidance of double taxation should eliminate taxation in excess of the relevant shareholder's normal tax rate. Distributions previously included in the taxable income of a shareholder by virtue of the "controlled foreign company" provisions of the Act (refer below) should, in general, be exempt.

The Company is furthermore a "controlled foreign company" as defined in section 9D of the Act. As such, South African tax resident shareholders in the Company who, together with any "connected person" (as defined in the Act) in relation to them, hold 10% or more of the Shares in the Company at any time, will be subject to income tax in South Africa on their pro-rata share of the "net income" (as defined in section 9D of the Act) of the Company. Tax rebate provisions and/or exemptions should eliminate double taxation on this income.

A specified portion of the capital gain (as determined in accordance with the provisions of the Eight Schedule to the Act) realised on the disposal of Shares in the Company will be subject to tax in the hands of shareholders (other than retirement funds and other exempt entities). The specified portions are as follows:

- Individuals and special trusts: 40% in respect of disposals on or after 1 March 2016 (33,3% in respect of disposals on or after 1 March 2012, but before 1 March 2016, and 25% in respect of disposals before 1 March 2012);
- Companies: 80% in respect of disposals in any year of assessment commencing on or after 1 March 2016 (66,6% in respect of disposals in any year of assessment commencing on or after 1 March 2012 and ending before 1 March 2016 and 50% in respect of disposals prior to the aforementioned period);

- Trusts other than special trusts: 80% in respect of disposals on or after 1 March 2016 (66,6% in respect of disposals on or after 1 March 2012, but before 1 March 2016 and 50% in respect of disposals before 1 March 2012).

### **3. United States ("US") Tax Withholding and Reporting under the Foreign Account Tax Compliance Act ("FATCA")**

The Foreign Account Tax Compliance Act ("FATCA") requires financial institutions outside the U.S. ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified U.S. Persons", directly or indirectly, to the U.S. tax authorities (the Internal Revenue Service, "IRS") on an annual basis. A 30% withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("Luxembourg IGA") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with this Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA ("FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its financial account holders (including certain entities and their controlling persons) that are Specified U.S. Persons for FATCA purposes ("FATCA Reportable Accounts"). Any such information on FATCA Reportable Accounts provided to the Company will be shared with the Luxembourg tax authorities (Administration des Contributions Directes) which will exchange that information on an automatic basis with the IRS.

The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA, and notably the FATCA Law, place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company may:

- a) request information or documentation, including W-9 or W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain that Shareholder's FATCA status;
- b) report information concerning a Shareholder and his/her/its account holding in the Company to the Luxembourg tax authorities (Administration des Contributions Directes) if such account is deemed a FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;
- c) report information to the Luxembourg tax authorities (Administration des Contributions Directes) concerning payments to Shareholders with FATCA status of a non-participating foreign financial institution;

d) deduct applicable U.S. withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and

e) divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Company, the Shareholders acknowledge that (i) the Company and the Management Company are responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (Administration des Contributions Directes) and to the IRS; (iv) responding to FATCA-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (Administration des Contributions Directes).

The Company reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under FATCA, the FATCA Law and the Luxembourg IGA.

**Prospective investors should consult their professional advisor on the individual impact of FATCA.**

## **XXI. CHARGES AND EXPENSES**

The Company will pay all the expenses to be borne by it, including without limitation, expenses relating to the incorporation and subsequent amendment of the Articles, commissions payable to the Management Company, the Investment Manager and/or the Investment Adviser (if any) (as provided in the Prospectus), the Depositary Bank, the UCI Administrator and other agents of the Company, to the members of the Board of Directors and to representatives in those places where the Company is registered, expenses relating to legal advice and auditing of the Company's accounts, expenses associated with fund structuring, regulatory, risk, reporting and fund governance support payable by the Company, expenses in connection with the preparation, advertising, printing and publication of marketing documents, filing or registration expenses, all taxes and duties levied by governmental authorities and stock exchanges, expenses relating to the publication of issue, redemption and conversion prices, all other operating expenses, including finance, banking or brokerage fees incurred on the purchase or sale of assets or otherwise, and all other administrative expenses. In addition, directors may obtain reimbursement of travel, hotel and other expenses incurred in connection with their attendance at Board of Directors' meetings or general shareholders' meetings of the Company.

Expenses relating to the creation of a new Sub-Fund will be amortised over a period of no more than five years on the assets of this Sub-Fund.

UBS Fund Administration Services Luxembourg S.A. and UBS Europe SE, Luxembourg Branch will be paid a remuneration for their depositary bank respectively UCI administration services as disclosed in the relevant Appendix. The depositary bank and UCI administration commissions are payable in arrears and may vary from one



Sub-Fund to another.

Each of the Management Company, the Depositary Bank and the UCI Administrator is entitled to an annual minimum fee from the Company in the amount of EUR 145,000, EUR 110,000 and EUR 150,000 respectively (each a "**Minimum Fee**"). As such, each Sub-Fund will be required to bear its pro rata portion of such Minimum Fees based on the relevant Sub-Fund's net asset value. The actual fees that are borne by each Sub-Fund will be disclosed in the annual report.

The fees payable to the Investment Manager, the Sub-Investment Manager(s) and/or Investment Adviser (if any) are disclosed in the Appendix for each Sub-Fund.

## **XXII. DISSOLUTION OF THE COMPANY**

The Company may be dissolved at any time by decision of the general meeting of shareholders deciding with the same quorum and majority requirements as for the amendment of the Articles.

The question of the dissolution of the Company must also be submitted to the general meeting of shareholders if the share capital falls below two-thirds of the minimum share capital required by the 2010 Law; in this case, the general meeting shall deliberate with no quorum requirement and shall decide by a simple majority of the votes cast.

The question of the dissolution of the Company must also be submitted to the general meeting of shareholders if the share capital falls below one quarter of the minimum share capital required by the 2010 Law; in this case, the general meeting shall deliberate with no quorum requirement and the dissolution may be resolved by shareholders holding a quarter of the shares at the meeting.

Such general meeting of shareholders shall be convened so that it is held within 40 days from the ascertainment that the net assets of the Company have fallen below two-thirds or one quarter of the minimum share capital, as the case may be.

## **XXIII. LIQUIDATION AND MERGER OF SUB-FUNDS**

### **1. Liquidation of a Sub-Fund**

The Board of Directors may decide to close one or more Sub-Funds in the interests of the shareholders, if, in the opinion of the Board of Directors, significant changes in the political or economic situation render this decision necessary or if for any reason the value of the net assets of one or more Sub-Funds falls below an amount considered by the Board of Directors to be the minimum threshold for the Sub-Fund to be managed properly.

The Board of Directors may also decide to convene a general shareholders' meeting for a Sub-Fund for the purpose of deciding its dissolution. This general meeting will deliberate without any quorum requirement and the decision to dissolve the Sub-Fund will be taken by a majority of the votes cast.

In the event of the dissolution of a Sub-Fund or the Company, the liquidation will be carried out pursuant to the provisions of the 2010 Law, governing undertakings for collective investment, which sets out the procedures to enable shareholders to

benefit from liquidation proceeds and in this context provides for the depositing of any amount that could not be distributed to shareholders when the liquidation is complete with the *Caisse de Consignation* in Luxembourg.

## **2. Merger with another Sub-Fund or with another undertaking for collective investment**

The Board of Directors may decide to merge any Sub-Fund with another undertaking for collective investment qualifying as a UCITS (whether subject to Luxembourg law or not) or with another Sub-Fund of the Company.

Any such merger shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for a merger to a meeting of shareholders of the Sub-Fund concerned. No quorum is required for such a meeting and decisions are taken by a simple majority of the votes cast. In case of a merger of a Sub-Fund where, as a result, the Company ceases to exist, the merger shall be decided by a meeting of shareholders resolving in accordance with the quorum and majority requirements for changing the Articles.

Any such merger will be undertaken in accordance with the 2010 Law which provides, *inter alia*, that shareholders will be informed of such mergers and have the possibility to redeem their shares free of charge during 30 days prior to the last day on which such redemptions will be accepted.

## **3. Consolidation / Split of Classes of Shares**

The Board of Directors may also decide to split or consolidate different Classes of Shares within a Sub-Fund. Such decision will be published in accordance with applicable laws and regulations.

## **4. Split of Sub-Funds**

The Board of Directors may decide the reorganisation of a Sub-Fund, by means of a division into two or more Sub-Funds. Such decision will be published in accordance with applicable laws and regulations. Such publication will normally be made one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request redemption of their shares, free of charge, before the operation involving division into two or more Sub-Funds becomes effective.

## **XXIV. DATA PROTECTION**

The Company and the Management Company (the "Controllers") jointly process information relating to several categories of identified or identifiable natural persons (including, in particular but not limited to, prospective or existing investors, their beneficial owners and other natural persons related to prospective or existing investors) who are hereby referred to as the "Data Subjects". This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controllers directly from the Data Subjects or from other sources (including prospective or existing investors, intermediaries such as the Global Distributor, sub-distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "Data".

Detailed and up-to-date information regarding the processing of Data by the Controllers is contained in a data protection notice (the "Data Protection Notice"). Investors and any persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Company are invited to obtain and take the time to carefully consider and read the Data Protection Notice.

### **Obtaining and accessing the Privacy Notice**

The Data Protection Notice will be made available in the application form issued by the Company to the investors and can be accessed or obtained online at <https://www.credit-suisse.com/media/assets/microsite/docs/multiconcept/mcfm-funds-investors-notice-en.pdf>.

The Data Protection Notice notably sets out and describes in more detail:

- the legal basis for processing the Data; and where applicable the categories of Data processed, from which source the Data originate, and the existence of automated decision-making, including profiling (if any).
- that Data will be disclosed to several categories of recipients; that certain of these recipients (the "Processors") are processing the Data on behalf of the Controllers; that the Processors include most of the service providers of the Controllers; and that the Processors will act as processors on behalf of the Controllers and may also process Data as controllers for their own purposes.
- that Data will be processed by the Controllers and the Processors for several purposes (the "Purposes") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investment and interest in the Company, (ii) enabling the Controllers and the Processors to perform their services for the Fund, and (iii) enabling the Controllers and the Processors to comply with legal, regulatory and/or tax (including FATCA/CRS) obligations.
- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data.
- that any communication (including telephone conversations) (i) may be recorded by the Controllers and the Processors and (ii) will be retained for a period of 10 years from the date of the recording.
- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods.
- that failure to provide certain Data may result in the inability to deal with, invest or maintain an investment or interest in, the Company.
- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to

object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

- That the Data Protection Notice may be updated from time to time and the investors will be notified in writing in case of any changes.
- That the Data Protection Notice applies to the investors of the Fund and to any natural persons (including, but not limited to, directors, representatives, agents or employees) whose information the investors provide to the Controllers and the Processors in connection with the relationship with the investors, and that it is the responsibility of the investors to ensure that any of these natural persons whose personal data the investors provide are aware of their rights in this regard and are provided with a copy of the Data Protection Notice.

## APPENDIX: THE SUB-FUNDS

### I. GREEN ASH SICAV – GREEN ASH SHORT DURATION CREDIT FUND

#### 1. Reference currency

The reference currency of the Sub-Fund is the US Dollar (USD).

#### 2. Objectives of the Compartment

The investment objective of the Sub-Fund is to achieve income and capital appreciation by investing in bonds and other debt securities denominated in any currency issued by issuers worldwide including emerging market countries.

#### 3. Investment Policy

The Sub-Fund incorporates ESG criteria into the selection of its holdings. All three (3) criteria of the ESG policy, including environmental, social and governance, will be used by the Investment Manager in order to screen for companies that are taking positive steps to meet and exceed ESG and sustainability goals, whilst excluding industries and companies that do not, including companies involved in the weapons, coal or tobacco industry. For this purpose, external ESG metrics are used to rate the relevant ESG risk of each security, as well as to decide the weightings or exclusions of the relevant securities.

The ESG metrics provided by the external ESG provider are developed on the basis of screening and ranking potential constituents according to their ESG credentials relative to their industry peers. The Investment Manager integrates these ESG metrics into its investment approach and ESG investment methodology which the Investment Manager then applies when selecting securities and constructing the Sub-Fund's portfolio.

The process of security selection is driven both from the top down, using macro, sector and thematic inputs and bottom up, where the focus is on financial and operational trends and credit metrics. The process begins by searching through a large pool of eligible securities and filtering the pool based on specific quantitative criteria including, country of origin, leverage, interest coverage or free cash flow etc. Once the number of securities is reduced further, the qualitative process begins and the individual credits are carefully examined. When a security is selected, a credit template is generated, containing key credit metrics and highlighting the major financial and operational business trends.

The Sub-Fund will invest 100% of its assets in accordance with the ESG policy.

The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund will invest its assets in a diversified portfolio consisting of predominantly investment grade fixed income securities and on an ancillary basis in high yield fixed income securities, all with a short duration profile. Investment grade securities are those that are denominated in any currency and rated "investment grade" (i.e. including and higher than Baa3 by Moody's or BBB- by S&P or equivalent rating issued by a recognized rating agency or considered as such by the Investment Manager). High yield securities are those that are rated "sub-investment grade" (i.e. lower than Baa3 by Moody's or BBB- by S&P or equivalent rating issued by or

considered as such by the Investment Manager). The Sub-Fund will not invest in any securities which are unrated or rated lower than B3 by Moody's or B- by S&P.

The Sub-Fund will invest a minimum of 55% of its net assets in investment grade securities. The Sub-Fund will invest a maximum of 45% of its net assets in high yield securities.

The Sub-Fund will hold securities that collectively have a laddered maturity profile. The aim of the Investment manager is to target a duration of the portfolio not exceeding 2.5 years. The Sub-Fund will invest a maximum of 25% of the portfolio in securities which have a legal final maturity exceeding 4 years but less than 5 years.

The Sub-Fund will invest directly and indirectly (such as via Other UCIs and/or UCITS, derivatives and structured products) in debt and money market related eligible assets, such as, but not limited to Money Market Instruments, floating rate bonds, and fixed rate bonds of issuers worldwide and denominated in any convertible currency as well as time deposit or interest rate instruments.

The Sub-Fund will not invest in contingent convertible bonds nor in ABS/MBS.

With respect to emerging market countries, the Sub-Fund may invest up to 25% of its assets in fixed income securities issued by issuers domiciled in these countries. For this purpose, emerging countries are those defined as not being a high-income economy by the World Bank.

The Investment Manager will endeavour to limit the currency exposure of the Sub-Fund's portfolio to currencies other than USD to 10%. The Sub-Fund may invest in non-USD denominated assets whilst implementing a currency hedge thereon equivalent to between 95% and 105% of the value of such assets. Changes in the value of the non-USD denominated assets or the volume of subscriptions and redemptions may however lead to the level of currency hedging temporarily surpassing the limits set out above. In such cases, the currency hedge will be adjusted without undue delay.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or Other UCIs.

In normal market conditions, the Sub-Fund may invest up to 20% of its net assets in bank deposits at sight, such as cash held in current accounts with a bank accessible at any time. In addition, in exceptionally unfavourable market conditions, the Sub-Fund may invest on a temporary basis up to 100% of its net assets in bank deposits at sight such as cash held in current accounts with a bank accessible at any time if the Investment Manager believes that this is in the best interest of shareholders.

For treasury purposes, the Sub-Fund may invest up to 49% of its net assets in bonds or treasury bills issued by a government of any OECD country or supra national organisations, Money Market Instruments, units and/or shares of UCITS and/or Other UCIs investing in Money Market Instruments, in cash or Money Market Funds. In exceptionally unfavourable market conditions, the Sub-Fund may also invest on a temporary basis up to 100% of its net assets in bonds or treasury bills issued by a government of any OECD country or supra national organisations, in Money Market Instruments and in units and/or shares of UCITS and/or Other UCIs investing in Money

Market Instruments or in cash or Money Market Funds if the Investment Manager believes that this is in the best interest of shareholders.

The composition of the Sub-Fund's portfolio will be determined by the Investment Manager at its sole discretion and is based on its proprietary analysis of markets and market trends.

The Investment Manager seeks to utilise its investment process which focuses on a combination of both top-down and bottom-up analysis and security selection.

### **Additional Investment Restrictions**

#### *Indirect exposures through derivatives and structured products*

Within the limits of the investment restrictions disclosed in the Prospectus, the Sub-Fund may use derivatives. Derivative products linked to debt/credit may be used for duration and credit management, and currency instruments may be used for currency allocation.

The Sub-Fund may use any type of financial derivative instrument, traded on a Regulated Market and/or over-the-counter ("OTC"), provided that they are entered into with leading financial institutions specialised in this type of transaction. In particular, the Sub-Fund may, inter alia but not exclusively, employ futures, options, swaps (such as total return swaps or credit default swaps) and forward contracts (including non-deliverable forwards) on interest rates, transferable securities, a basket of transferable securities, indices (such as on commodities, precious metals, volatility, etc.) or on UCIs.

Derivatives (including but not limited to futures, options, forwards, credit default swaps and total return swaps) and structured instruments may be used to implement the investment strategy, for hedging purposes and for the efficient management of the portfolio.

Structured products and derivatives may for example be used to implement the following strategies:

- Selling or purchasing index or single bond CDS in order to generate a long or short exposure to that index or bond credit risk for the management of credit risk.
- Purchasing or selling bond index or interest rate futures or options and interest rate swaps in order to generate an exposure to that index or bond and its specific duration segment or for duration management.
- Purchasing credit linked notes to gain exposure to a specific bond or basket of bonds.

#### *Currency*

The Sub-Fund may use currency derivatives such as forwards, futures options or swaps for hedging purposes or for currency allocation. In relation to the latter, the Sub-Fund may generate up to 10% leverage.

### *Debt (interest rate and credit)*

The Sub-Fund may use financial derivative instruments for efficient portfolio management, hedging and investment purposes (including but not limited to interest rate and bond futures, interest rates swaps and credit default swaps).

### **Sub-Fund Specific Risk Factors**

Investors should read the risk factors in the main part of the Prospectus and more particularly the following risk factors: "Investments in Fixed Income Securities", "Investments in High Yield Securities", as well as "Investments in Emerging Countries".

### **4. Investment Manager of the Sub-Fund**

The Management Company has appointed Green Ash Partners LLP, 11 Albemarle Street, London, W1S 4HH, United Kingdom, as Investment Manager of the Sub-Fund. For this purpose, an agreement was signed which may be terminated at any time by either party subject to a three months' notice.

### **5. Valuation Day**

The net asset value of every share class in the Sub-Fund is calculated as at each Business Day.

### **6. Deadline for receipt of subscription, redemption and conversion orders**

16:00 (Luxembourg time) one Business Day before the relevant Valuation Day.

### **7. Value date for receipt of the subscription price and payment of the redemption price for shares**

The subscription price for each share must reach the Depositary Bank two Business Days following the applicable Valuation Day.

The redemption price for each share will, in principle, be paid to the shareholder within three (3) Business Days from the applicable Valuation Day.

### **8. Classes of Shares**

The Sub-Fund issues Class R and I capitalisation ("cap.") and distribution ("dist.") shares in such currencies as specified below:

R cap. USD	I cap. USD	I dist. USD
R H cap. EUR	I H cap. EUR	I H dist. EUR
R H cap. CHF	I H cap. CHF	I H dist. CHF
R H cap. GBP	I H cap. GBP	I H dist. GBP

All share classes denominated in a currency other than the reference currency of the Sub-Fund will be hedged ("H") against this reference currency. Investors should consult Section VIII "Hedged Classes" of this Prospectus.



Class R shares are available to all investors. Class R shares shall be subject to a minimum initial subscription and minimum holding amount of USD 10'000 (or the equivalent in another currency).

Class I shares are reserved to Institutional Investors. Class I shares shall be subject to a minimum initial subscription and holding amount of 100'000 USD (or equivalent in another currency). There is no minimum subsequent subscription amount.

## **9. Distribution policy**

It is anticipated that the capitalisation shares issued in this Sub-Fund will not distribute any dividends.

In relation to the distribution policy of the distribution shares issued in this Sub-Fund, please refer to Section XVIII "Distribution Policy" of this Prospectus for further information.

## **10. Subscription, redemption and conversion fees**

A subscription fee of up to 5% of the Net Asset Value per share subscribed may be charged in relation to Class R and I shares for the benefit of the financial intermediaries and other persons involved in the distribution of shares. The Board of Directors may, at its sole discretion, waive fully or partially, such subscription fee.

No redemption or conversion fee shall be charged for Class R or I shares.

## **11. Management Fee, Investment Management Fee, UCI Administration Fee and Depositary Bank Fee**

The maximum management fee for all Shares of all Classes paid out of the assets of the Sub Fund is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 0.85% p.a. (plus any applicable taxes, if any) for Shares of Classes R and (ii) up to 0.50% p.a. (plus any applicable taxes, if any) for Shares of Classes I, subject to a Minimum Fee (each plus any applicable taxes, if any).

The maximum investment management fee for the Investment Manager paid out of the management fee amounts to (i) up to 0.80% p.a. (plus any applicable taxes, if any) for Shares of Classes R and (ii) up to 0.45% p.a. (plus any applicable taxes, if any) for Shares of Class. In addition to such management fee, the UCI Administrator is entitled to receive a UCI administration fee paid out of the assets of the Sub Fund for its UCI administration services up to 0.045%p.a. calculated monthly on the basis of the average Net Asset Value of the respective Class (each plus any applicable taxes, if any), subject to a Minimum Fee (each plus any applicable taxes, if any).

The Depositary Bank is entitled to receive an annual depositary bank fee paid out of the assets of the Sub Fund for its depositary bank services which is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 0.03% p.a. subject to a Minimum Fee (each plus any applicable taxes, if any) plus (ii) a variable amount for transactions depending on the actual number of transactions (plus any applicable taxes, if any) plus (iii) a fixed amount for the services rendered for Depositary Bank monitoring & control of up to EUR 10,000 p.a. (plus any applicable taxes, if any).

The actual fees that are charged shall be disclosed in the respective annual or semi-annual report.

## **12. ESG Expenses**

The Sub-Fund may bear costs, charged by services providers (e.g. MSCI and Bloomberg ESG) outside the Company, related to ESG research costs, ESG labels and costs of ESG reporting for a maximum annual amount of USD 10,000 (VAT excluded).

## **13. Risk Measurement Approach**

The global exposure of the Sub-Fund is measured and controlled using the Commitment Approach.

## **14. SFT Disclosures**

This Sub-Fund will not enter into SFT Transactions except total return swaps (for more details please consult section VI, point 9 of the main part of the Prospectus) as defined in the SFT Regulation.

No more than 10% of the net assets of the Sub-Fund are expected to be subject to total return swaps.

A maximum of 10% of the net assets of a Sub-Fund may be subject to total return swaps.

The Sub-Fund is not expected to have exposure to securities lending transactions, repurchase agreements and reverse repurchase agreements.

## **15. ESG disclosure**

The Company considers that the Sub-Fund meets the criteria in Article 8 of SFDR to qualify as an ESG Orientated Fund as it promotes environmental and social characteristics and limits investments to companies that follow good governance practices.

The Company reserves the right to reassess this classification at any time and shall keep this classification under review.

If the Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Orientated Fund, this section shall be updated in accordance with the revised classification of the Sub-Fund.

### ***Integration of Sustainability Risks***

As part of the process to undertake appropriate due diligence on investments, the Investment Manager will generally conduct a level of research on each company or issuer which will give the Investment Manager an understanding of the company or issuer. This may include a consideration of fundamental and quantitative elements such as financial position, revenue, capital structure etc. It may also involve qualitative and non-financial elements such as the company's approach to ESG factors and consideration of Sustainability Risks.

The Investment Manager integrates these ESG factors and this Sustainability Risk assessment into its investment research process and its risk management process – both initially and on an ongoing basis for the duration of the period the Sub-Fund holds an investment or pursues a particular investment strategy.

In respect of the Sub-Fund, the Investment Manager's investment approach and decision-making processes are based on clearly defined investment objectives, investment policies, investment strategy, investment restrictions and risk management parameters, as contained in this Appendix.

### ***Assessment of the impact on likely returns***

Factoring an assessment of the likely impact of Sustainability Risks into the investment decision-making process has the potential to impact the returns of the Sub-Fund. For example, it is possible that such an assessment may influence a decision by the Investment Manager not to make an investment or dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered to financial-related elements such as financial position, revenue, capital structure etc. Accordingly, an ESG Orientated Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

### ***Environmental or social characteristics promoted by the Sub-Fund***

As noted in the "Investment Objective" section, the Sub-Fund's investment objective is to achieve income and capital appreciation by investing in bonds and other debt securities denominated in any currency issued by issuers worldwide including emerging market countries.

The Investment Manager will manage the Sub-Fund in accordance with its ESG policy on a continuous basis. The ESG policy intends to provide a broad framework for the Investment Manager's approach in respect of integrating ESG considerations into its investment management process. A summary of the ESG integration policy is available on the Investment Manager's website (<https://www.greenash-partners.com/>).

The Investment Manger's ESG investment methodology excludes certain industries and companies from the investment universe such as those that are involved in (i) weapons, (ii) coal, (iii) tobacco, (iv) violations of core international norms and conventions, as described in the United Nations Global Compact Principles.

Systematic evaluation of material ESG criteria is embedded in the investment decision-making process and is undertaken for every issuer within the initial investment universe. The Investment Manager further evaluates those issuers in order to identify the best in class issuer and security.

The Investment Manager also engages directly with the management of each of the issuers. This engagement comprises quarterly conference calls during which the Investment Manager asks specific questions on the topics of ESG to ensure each issuer is either adhering to or is building an integrated ESG approach to its respective operating business. In addition, the Investment Manager works with independent, industry recognised ESG rating agencies to evaluate an issuer's ESG credentials on

both an absolute and peer relative basis. This allows the Investment Manager to then deliver at both a portfolio and security level overall ESG quantitative metrics including an MSCI ESG rating, overall score and specifics like carbon intensity data.

### **Reference Benchmark**

Not applicable. The Sub-Fund does not have a reference benchmark.

### **Please refer to the Sub-Fund's SFDR Annex attached to this Prospectus which contains additional SFDR disclosures for the Sub-Fund.**

The SFDR Annex has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in the SFDR applicable to an Article 8 financial product, and follows the form of the template in Annex II of the Commission Delegated Regulation (EU) 2022/1288.

Unless defined in the SFDR Annex, all defined terms used in the SFDR Annex shall have the same meaning as in the Prospectus.

It is noted that the regulatory technical standards ("RTS") to specify the details of the content and presentation of the information to be disclosed under SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR first become effective on 10 March 2021. It is further noted, that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission).

It is likely that the SFDR Annex will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the Sub-Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the SFDR Annex may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available to investors.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best efforts basis and the Company issues the SFDR Annex as a means of meeting these obligations.

**IMPORTANT: Investors should note that as a financial product which promotes environmental or social characteristics, the Sub-Fund may underperform or perform differently relative to other comparable funds that do not promote environmental or social characteristics.**

### **16. Taxonomy Regulation disclosure**

The Sub-Fund promotes environmental and/or social characteristics, but it does not have a sustainable investment objective and will not make any sustainable investments.

Given the Sub-Fund's investment focus and the asset classes/sectors it invests, the Investment Manager does not integrate a consideration of environmentally

sustainable economic activities into the investment process for the Sub-Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities. The “environmentally sustainable economic activity” has the following definition:

In accordance with the Taxonomy Regulation, an underlying investment of the Sub-Fund shall be considered as environmentally sustainable where its economic activity:

- (a) contributes substantially to one or more of the environmental objectives, as prescribed in the Taxonomy Regulation (the “Environmental Objectives”);
- (b) does not significantly harm any of the Environmental Objectives, in accordance with the Taxonomy Regulation;
- (c) is carried out in compliance with minimum safeguards, prescribed in the Taxonomy Regulation; and
- (d) complies with technical screening criteria established by the European Commission in accordance with the Taxonomy Regulation.

It should be noted that the “do no significant harm” principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities.

## II. GREEN ASH SICAV – GREEN ASH ONYX FUND

### 1. Reference currency

The reference currency of the Sub-Fund is the Euro (EUR).

### 2. Objectives of the Compartment

The investment objective of the Sub-Fund is to achieve long term capital growth and positive returns by investing in a wide range of assets on a worldwide basis.

### 3. Investment Policy

In accordance with Article 8 of SFDR, the Sub-Fund promotes environmental and social characteristics and limits investments to companies that follow good governance practices, but does not have Sustainable Investment as its objective.

The Sub-Fund incorporates ESG criteria into the selection of its holdings and applies a proprietary measure of ESG sustainability value by company and industry to identify positive impact companies and to exclude lower ranked companies and industries in constructing the Sub-Fund's portfolio. All three (3) criteria of the ESG policy including environmental, social and governance, will be used by the Investment Manager in order to screen for companies that are taking positive steps to meet and exceed ESG and sustainability goals, whilst excluding industries and companies that do not, including companies involved in the weapons, coal or tobacco industry. For this purpose, external ESG metrics are used to rate the relevant ESG risk of each security, as well as to decide the weightings or exclusions of the relevant securities.

The ESG metrics provided by the external ESG provider are developed on the basis of screening and ranking potential constituents according to their ESG credentials relative to their industry peers.

The Investment Manager integrates these ESG metrics into its investment approach and applies its ESG investment methodology by systematically and explicitly including the ESG metrics into its investment analysis of issuers and using them to inform the selection of securities and construction of the Sub-Fund's portfolio.

The Sub-Fund will invest 100% of its assets in accordance with the ESG policy.

The Sub-Fund is actively managed without reference to any benchmark. The Sub-Fund will invest its assets in a diversified portfolio consisting of:

- (a) equities and other equity securities or rights of companies from recognised countries;
- (b) fixed-income or variable-interest securities, debt instruments or rights and other interest-bearing investments (including convertible bonds and bonds with warrants, money market instruments, whereby contingent convertible bonds and hybrid-bonds may collectively make up max. 10% of the assets of the Sub-Fund), asset backed securities (ABS) and mortgage backed securities (MBS) (ABS and MBS together accounting for no more than 10% of the Sub-Fund's assets) in all freely convertible currencies issued or

guaranteed by issuers from recognised countries;

- (c) sight deposits and callable deposits; and
- (d) units in other UCITS and/or other UCIs, including exchange traded funds ("target funds"), in accordance with whose investment policy a majority of the assets is invested in accordance with (a), (b) and (c). Up to 100% of the Sub-Fund's assets may be invested in target funds. Any investment in target funds which are not UCITS (including non-UCITS eligible ETF) will be required to meet all regulatory requirements as described in detail in section VI, point 3.1 (c), 3.2 (d) and 3.4 of the main part of the Prospectus.

The Sub-Fund may invest up to 10% of its assets in equities and other equity securities of real estate companies and listed, closed-end real estate funds as well as listed real estate investment trusts (REITs) that meet the requirements of Article 41 para. 1 of the 2010 Law.

The Sub-Fund may invest up to 30% of its assets in transferable securities issued by entities domiciled in an emerging country. For this purpose, emerging countries are those defined as not being a high-income economy by the World Bank.

The Sub-Fund may also invest up to 10% of its assets in structured products, certificates and units of other UCITS and/or other UCIs including exchange traded funds on investments in accordance with (i) and (ii) above as well as on diversified commodity, real estate, hedge-fund, volatility and sub-indices, each of which meets the requirements of Articles 8 and 9 of the Grand Ducal Regulation of 8 February 2008 ("2008 Regulation") and Article 2 of Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions ("Directive 2007/16/EC").

The Sub-Fund may, in addition, invest in derivatives, certificates and structured products on indices, options on equities, currencies and interest rates, each of which meets the requirements of Articles 8 and 9 of the 2008 Regulation and Article 2 of Directive 2007/16/EC.

When implementing the investment policy using financial derivative instruments, only commodity benchmark indices that comply with the rules contained in the section "Investments in financial indices in accordance with Article 9 of the 2008 Regulation" below are used. The performance of the commodity indices and/or commodity sub-indices underlying the derivatives is replicated by concluding one or more swap contracts where, in the event of a positive trend, the counterparty pays the Sub-Fund an amount depending on the level of the nominal volume and performance; conversely, in the event of a negative trend, the Sub-Fund pays the counterparty a contractually agreed amount of compensation. The counterparties are exclusively first-class financial institutions specialising in such transactions. Where the Sub-Fund invests in certificates, these may also be based on individual commodity stocks where permissible. Physical delivery is excluded in all cases.

In normal market conditions, the Sub-Fund may invest up to 20% of its net assets in bank deposits at sight, such as cash held in current accounts with a bank accessible

at any time. In addition, in exceptionally unfavourable market conditions, the Sub-Fund may invest on a temporary basis up to 100% of its net assets in bank deposits at sight such as cash held in current accounts with a bank accessible at any time if the Investment Manager believes that this is in the best interest of shareholders.

For treasury purposes, the Sub-Fund may invest up to 49% of its net assets in convertible bonds, bonds with warrants or Money Market Instruments. In exceptionally unfavourable market conditions, the Sub-Fund may also invest on a temporary basis up to 100% of its net assets in convertible bonds, bonds with warrants or Money Market Instruments if the Investment Manager believes that this is in the best interest of shareholders.

The selection and weighting of the individual securities and types of investments and currencies, as well as the current orientation of the investment strategy, is carried out opportunistically, i.e. the investment focus may vary significantly depending on the assessment of the market at a given time. For this reason, short-term price fluctuations cannot be ruled out.

Furthermore, the Sub-Fund may invest up to 10% of the assets in other assets, as mentioned under section 3 of the main part of the Prospectus.

Moreover, the Sub-Fund may utilise financial derivative instruments (derivatives) for investment and hedging purposes and in the interest of efficient portfolio management. The range of possible derivatives includes in particular – without being limited to – forwards, foreign exchange contracts, futures, options, warrants, swaps, CFD, etc.

When implementing the investment policy, the Company will only invest in assets permissible under Article 41 paragraph 1 of the 2010 Law and which are in accordance with all ordinances enacted and supervisory circulars issued thereupon.

The investments may be denominated in EUR or in other currencies. Foreign currency risks may be fully or partially hedged against the EUR by using currency forwards or futures and options on currency. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

### **Investments in financial indices in accordance with Article 9 of the 2008 Regulation**

The Sub-Fund may invest in derivatives whose underlying assets replicate indices. The Sub-Fund may raise the diversification limits for an index component pursuant to Article 44 of the 2010 Law.

An increase in the diversification limits may occur in exceptional market conditions if one or more components of an index are in a dominant position within a specific market, industry or segment. A dominant position may result from special economic and market developments or from market, industry or segment-specific limitations.

The rebalancing frequency of each index underlying the derivatives in which the Sub-fund may invest will generally be semi-annual or annual. The following cases must be distinguished:

- For exchange-traded derivatives, the rebalancing of the index composition



will only result in a change to the calculation, but has no direct or indirect effect on the costs of the Sub-Fund.

- In the case of OTC derivatives, the counterparty does not usually hold the index component physically but hedges its position mainly through derivative instruments. Should transactions take place as a consequence of the rebalancing of the index composition, this will be carried out on highly liquid derivative markets to ensure that the impact on the costs of the Sub-Fund will be minimal.

In the case of investments in commodity indices, the following rules also apply:

Commodity indices contain a representative, balanced selection of commodities from the entire commodities universe as well as futures. This representative, balanced selection of commodities reflects the existence of several commodities. Investments in individual commodity indices are not permitted. The correlation of different index components is taken into account when evaluating commodity indices.

### **Sub-Fund Specific Risk Factors**

Investors should read the risk factors in the main part of the Prospectus and more particularly the following risk factors: "Use of Derivatives", "Risk related to Contingent Convertible Bonds", "Investments in Asset-Backed Securities and Mortgage-Backed Securities", "Contingent Convertible Fixed Income Instruments" as well as "Investments in Emerging Countries".

## **4. Investment Manager of the Sub-Fund**

The Management Company has appointed Green Ash Partners LLP, 11 Albemarle Street, London, W1S 4HH, United Kingdom, as Investment Manager of the Sub-Fund. For this purpose, an agreement was signed which may be terminated at any time by either party upon three months' notice.

With the approval of the Management Company, the Investment Manager may seek the assistance of Investment Advisers.

## **5. Valuation Day**

The net asset value of every share class in the Sub-Fund is calculated as at each Business Day.

## **6. Deadline for receipt of subscription, redemption and conversion orders**

16:00 (Luxembourg time) one Business Day before the relevant Valuation Day.

## **7. Value date for receipt of the subscription price and payment of the redemption price for shares**

The subscription price for each share must reach the Depositary Bank two (2) Business Days following the applicable Valuation Day.

The redemption price for each share will, in principle, be paid to the shareholder within three (3) Business Days from the applicable Valuation Day.

## 8. Classes of Shares

The Sub-Fund issues Class B, B2, C, E, I and R capitalisation ("cap.") shares in such currencies as specified below. The Sub-Fund does not currently intend to issue distribution ("dist.") shares.

B cap. EUR	B2 cap. EUR	C cap. EUR	E cap. EUR	I cap. EUR	R cap. EUR
B H cap. USD	B2 H cap. USD	C H cap. USD	E H cap. USD	I H cap. USD	R H cap. USD
B H cap. CHF	B2 H cap. CHF	C H cap. CHF	E H cap. CHF	I H cap. CHF	R H cap. CHF
				I H cap. GBP	R H cap. GBP

All share classes denominated in a currency other than the reference currency of the Sub-Fund will be hedged ("H") against this reference currency. Investors should consult Section VIII "Hedged Classes" of this Prospectus.

Class R shares are available to all investors. Class R shares shall be subject to a minimum initial subscription and minimum holding amount of EUR 10,000 (or the equivalent in another currency). There is no minimum subsequent subscription amount.

Class B and B2 shares are available to all investors. Class B2 shares shall be subject to a minimum initial subscription and minimum holding amount of EUR 100,000 (or the equivalent in another currency). There is no minimum subsequent subscription amount. Class B shares are not subject to a minimum initial subscription amount.

Class C shares are reserved to Institutional Investors. Class C shares shall be subject to a minimum initial subscription and holding amount of EUR 100,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

Class I shares are reserved to Institutional Investors. Class I shares shall be subject to a minimum initial subscription and minimum holding amount of EUR 1,000,000 (or the equivalent in another currency). There is no minimum subsequent subscription amount.

Class E shares are issued exclusively to sub-distributors or, respectively, investors domiciled in Italy and to certain additional sub-distributors in other distribution markets, provided the Board of Directors of the Company has decided on a special authorisation for the distribution of Class E shares. The list of the corresponding countries in which Class E shares will be issued is available from the Management Company. All other sub-distributors are not allowed to acquire Class E shares. Class E shares are not subject to a minimum initial subscription amount.

## 9. Distribution policy

It is anticipated that the capitalisation shares issued in this Sub-Fund will not distribute any dividends.

## 10. Subscription, redemption and conversion fees

A subscription fee of up to 3.5% of the Net Asset Value per share subscribed may be charged, except for Class B2, for the benefit of the financial intermediaries and other persons involved in the distribution of shares. The Board of Directors may, at its sole discretion, waive fully or partially, such subscription fee.

No redemption or conversion fee shall be charged for Class B, B2 or C.

If no subscription fee was charged when the Class E Shares were issued, a redemption fee of up to a maximum of 3% of the Net Asset Value may be charged instead.

## 11. Management Fee, Investment Management Fee, UCI Administration Fee and Depository Bank Fee

The maximum management fee for all Shares of all Classes paid out of the assets of the Sub Fund is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 1.795% p.a. (plus any applicable taxes, if any) for Shares of Class B, (ii) up to 1.195% p.a. (plus any applicable taxes, if any) for Shares of Class B2, (iii) up to 1.195% p.a. (plus any applicable taxes, if any) for Shares of Classes C (plus any applicable taxes, if any), (iv) up to 1.795% p.a. (plus any applicable taxes, if any) for Shares of E, (v) up to 1.545% p.a. (plus any applicable taxes, if any) for Shares of Class R and (vi) up to 0.845% p.a. (plus any applicable taxes, if any) for Shares of Class I, subject to a Minimum Fee (each plus any applicable taxes, if any).

The maximum investment management fee for the Investment Manager paid out of the management fee amounts to (i) up to 1.75% p.a. (plus any applicable taxes, if any) for Shares of Class B, (ii) up to 1.15% p.a. (plus any applicable taxes, if any) for Shares of Class B2, (iii) up to 1.15% p.a. (plus any applicable taxes, if any) for Shares of Classes C (plus any applicable taxes, if any), (iv) up to 1.75% p.a. (plus any applicable taxes, if any) for Shares of E, (v) up to 1.5% p.a. (plus any applicable taxes, if any) for Shares of Class R and (vi) up to 0.80% p.a. (plus any applicable taxes, if any) for Shares of Class I.

In addition to such management fee, the UCI Administrator is entitled to receive a UCI administration fee paid out of the assets of the Sub Fund for its UCI administration services up to 0.045% p.a. calculated monthly on the basis of the average Net Asset Value of the respective Class (each plus any applicable taxes, if any), subject to a Minimum Fee (each plus any applicable taxes, if any).

The Depository Bank is entitled to receive an annual depository bank fee paid out of the assets of the Sub Fund for its depository bank services which is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 0.03% p.a. subject to a Minimum Fee (each plus any applicable taxes, if any) plus (ii) a variable amount for transactions depending on the actual

number of transactions (plus any applicable taxes, if any) plus (iii) a fixed amount for the services rendered for Depository Bank monitoring & control of up to EUR 10,000 p.a. (plus any applicable taxes, if any).

The actual fees that are charged shall be disclosed in the respective annual or semi-annual report. For shares of Class E, an additional distribution fee of maximum 0.75% p.a. will be charged.

If applicable, a fee of maximum 0.10% per share Class may be levied for currency hedging (whereas the minimum fee shall amount to EUR 20,000 per share Class).

## 12. Performance Fee

The Investment Manager, is in addition, entitled to receive from the Company in respect of the Sub-Fund a performance-related remuneration (the "**Performance Fee**") in the amount of 10% of the amount by which the GAV (as defined hereafter) per share exceeds the High Watermark ("**HWM**") multiplied by the number of shares in issue in the related class at the end of the relevant Calculation Period (as defined herein after).

Unless otherwise agreed between the parties, the initial calculation period will start at the launch of the Sub-Fund or the relevant share class, as the case may be and each subsequent calculation period (collectively each a "**Calculation Period**") shall commence on the first calendar day of each financial year and end on the last calendar day of the relevant financial year and so on. No Performance Fee will be payable in respect of subsequent Calculation Periods until all subsequent losses for preceding Calculation Period(s) have been recouped, provided that such losses may be reset to zero on a rolling five (5) year basis. With respect to shares which are redeemed, the Calculation Period terminates on the date of the redemption (and performance fees become due and payable if the HWM is exceeded).

The HWM is the higher of: (a) the initial issue price, when shares in the relevant class were first issued, or the subscription price, as applicable, and (b) the highest NAV per share on which a Performance Fee was paid.

The Performance Fee in respect of each Calculation Period will be calculated by reference to the NAV per share before deduction for any accrued Performance Fee (i.e. the "**Gross Asset Value**" or "**GAV**" per share).

The calculation of the Performance Fee and the necessary provisioning take place on each Valuation Day. The accrued Performance Fee shall be payable annually in arrears within thirty (30) days after the end of the respective Calculation Period, and, if shares are redeemed during the Calculation Period, the amount of Performance Fee included in the GAV per share will be due and owed (i.e. crystallize) for these redeemed shares at the time of redemption if the GAV of the shares in question exceed the HWM at the end of the relevant Calculation Period (which terminates on the date of the redemption in this case).

The performance fee calculation, together with the necessary provisioning, takes place on each Valuation Day, however the Performance Fee is only crystallized at the end of the respective Calculation Period (including the day on which the relevant shares are redeemed).

Relevant mechanisms will be put in place in order to set off the effect of artificial increases resulting from new subscriptions when evaluating the Sub-Fund's performance.

If, on the Valuation Date, the GAV of a share class is above the HWM, a Performance Fee of 10% of the outperformance against the HWM by the relevant class (see section 8, "Classes of Shares") shall be deducted. No Performance Fee will be payable in respect of subsequent Reference Periods until all subsequent losses for the preceding Reference Period(s) have been recouped, in which case the historic HWM will be limited to the Calculation Periods during which the relevant class of shares have been in issue. The Performance Fee is calculated on the basis of the shares of the relevant share class that are in circulation during the Calculation Period whereas the effect of new subscriptions is neutralized. New subscriptions will therefore only be impacted by the Performance Fee after they have contributed to the performance of the relevant share class.

If a redemption occurs during a Calculation Period, and the class from which the redemption occurs has accrued a Performance Fee on the relevant Valuation Day, the accrued Performance Fee attributable to the shares to be redeemed is crystallized and will be paid to the Investment Manager at the end of the Calculation Period.

The Company will not adopt an equalisation methodology for the calculation of the Performance Fee. Shareholders may thus underpay/over pay any Performance Fee due to the Investment Manager when subscribing and/ or redeeming their shares.

For shares of Classes R and I, no performance fee will be charged.

The table below is for illustrative purposes only. It demonstrates when the Investment Manager may receive a Performance Fee.

	Starting NAV	Ending NAV	Previous High Watermark NAV (HWM)	Absolute Performance	Perf. Relative to HWM	Performance Fee (Y/N?)	Perf. Fee (%)	Perf. Fee Due (% of NAV)	New High Watermark (HWM) for next calc period
Scenario #1	100	110	105	10%	4.76%	Y	10%	0.48%	110
Scenario #2	100	105	105	5%	0.00%	N	10%	0.00%	105
Scenario #3	100	100	105	0%	-4.76%	N	10%	0.00%	105
Scenario #4	100	95	105	-5%	-9.52%	N	10%	0.00%	105

Scenario #1

An investor buys shares in the Sub-Fund at the Starting NAV of 100. The investor still holds the shares at the end of the Sub-Fund's financial year, when the Ending NAV is 110. The investor's investment has increased by 10% in value over the period. The reference HWM NAV carried forward from the previous performance period is 105. As such the Sub-Fund has outperformed the reference HWM NAV by 4.76% and under the definition of the performance fee calculation, a performance fee is due in this scenario. The performance fee is calculated as 10% of the Sub-Fund's relative outperformance vs the HWM, in this case 4.76%. Therefore a performance fee of  $10\% * 4.76\% = 0.476\%$  is due to the Investment Manager. This will also result in a new HWM NAV being set for the next performance period of 110.

#### Scenario #2

An investor buys shares in the Sub-Fund at the Starting NAV of 100. The investor still holds the units at the end of the Sub-Fund's financial year, when the Ending NAV is 105. The investor's investment has increased by 5% in value over the period. The reference HWM NAV carried forward from the previous performance period is 105. As such the Sub-Fund has delivered a performance which results in the same NAV as the reference HWM NAV, and under the definition of the performance fee calculation, no performance fee is due in this scenario. The HWM NAV remains at 105 and will be carried forward for the calculation of the next performance period.

#### Scenario #3

An investor buys shares in the Sub-Fund at the Starting NAV of 100. The investor still holds the shares at the end of the Sub-Fund's financial year, when the Ending NAV is 100. The investor's investment remains unchanged in value over the period. The reference HWM NAV carried forward from the previous performance period is 105. As such the Sub-Fund has delivered a performance which results in a lower NAV than the reference HWM NAV, and under the definition of the performance fee calculation, no performance fee is due in this scenario. The HWM NAV remains at 105 and will be carried forward for the calculation of the next performance period.

#### Scenario #4

An investor buys shares in the Sub-Fund at the Starting NAV of 100. The investor still holds the shares at the end of the Sub-Fund's financial year, when the Ending NAV is 95. The investor's investment has decreased by 5% in value over the period. The reference HWM NAV carried forward from the previous performance period is 105. As such the Sub-Fund has delivered a performance which results in a lower NAV than the reference HWM NAV, and under the definition of the performance fee calculation, no performance fee is due in this scenario. The HWM NAV remains at 105 and will be carried forward for the calculation of the next performance period.

### 13. ESG Expenses

The Sub-Fund may bear costs, charged by services providers (e.g. MSCI and Bloomberg ESG) outside the Company, related to ESG research costs, ESG labels and costs of ESG reporting for a maximum annual amount of EUR 50,000 (VAT excluded).

#### **14. Information relating to the fund of funds structure**

In situations in which the Sub-Fund invests more than 49% of its assets in target funds, it is considered to be a fund of funds. In addition to the costs charged to the assets of the Su-Fund in accordance with this Prospectus and the articles of association, costs may also be incurred at target fund level for administration, custodian bank fees, auditors' fees, taxes and other items, commissions and fees. In this way, it is possible that similar costs may be charged more than once. The management fees, which are charged to the target funds by their relevant service providers, amount to a maximum of 3%.

The actual fees that are charged shall be disclosed in the respective annual or semi-annual report.

#### **15. Risk Measurement Approach**

The global exposure of the Sub-Fund is measured and controlled using the Commitment Approach.

#### **16. SFT Disclosures**

This Sub-Fund will not enter into SFT Transactions except total return swaps (for more details please consult section VI, point 9 of the main part of the Prospectus) as defined in the SFT Regulation.

No more than 10% of the net assets of the Sub-Fund are expected to be subject to total return swaps.

A maximum of 20% of the net assets of a Sub-Fund may be subject to total return swaps.

#### **17. ESG disclosure**

The Company considers that the Sub-Fund meets the criteria in Article 8 of SFDR to qualify as an ESG Orientated Fund as it promotes environmental and social characteristics and limits investments to companies that follow good governance practices.

The Company reserves the right to reassess this classification at any time and shall keep this classification under review pending finalisation of the regulatory technical standards.

If the Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Orientated Fund, this section shall be updated in accordance with the revised classification of the Sub-Fund.

#### **Integration of Sustainability Risks**

As part of the process to undertake appropriate due diligence on investments, the Investment Manager will generally conduct a level of research on each company or issuer which will give the Investment Manager an understanding of the company or issuer. This may include a consideration of fundamental and quantitative elements such as financial position, revenue, capital structure etc. It may also involve qualitative and non-financial elements such as the company's approach to

ESG factors and consideration of Sustainability Risks.

The Investment Manager integrates these ESG factors and this Sustainability Risk assessment into its investment research process and its risk management process – both initially and on an ongoing basis for the duration of the period the Sub-Fund holds an investment or pursues a particular investment strategy.

In respect of the Sub-Fund, the Investment Manager's investment approach and decision-making processes are based on clearly defined investment objectives, investment policies, investment strategy, investment restrictions and risk management parameters, as contained in this Appendix.

### **Assessment of the impact on likely returns**

Factoring an assessment of the likely impact of Sustainability Risks into the investment decision-making process has the potential to impact the returns of the Sub-Fund. For example, it is possible that such an assessment may influence a decision by the Investment Manager not to make an investment or dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered to financial-related elements such as financial position, revenue, capital structure etc. Accordingly, an ESG Orientated Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

### **Environmental or social characteristics promoted by the Sub-Fund**

As noted in the "Investment Objective" section, the Sub-Fund's investment objective is to achieve long-term capital growth and positive returns by investing in a wide range of assets denominated in any currency on a worldwide basis including emerging market countries.

The Investment Manager will manage the Sub-Fund in accordance with its ESG policy on a continuous basis. The ESG policy intends to provide a broad framework for the Investment Manager's approach in respect of integrating ESG considerations into its investment management process. A summary of the ESG integration policy is available on the Investment Manager's website (<https://www.greenash-partners.com/>).

The Investment Manger's ESG investment methodology excludes certain industries and companies from the investment universe such as those that are involved in (i) weapons, (ii) coal, (iii) tobacco, (iv) violations of core international norms and conventions, as described in the United Nations Global Compact Principles.

Systematic evaluation of material ESG criteria is embedded in the investment decision-making process and is undertaken for every security within the initial investment universe. The Investment Manager further evaluates those companies in order to identify the best in class company and security.

The Investment Manager also engages directly with the management of each of the companies. This engagement comprises quarterly conference calls during which the Investment Manager asks specific questions on the topics of ESG to ensure each company is either adhering to or is building an integrated ESG



approach to its respective operating business. In addition, the Investment Manager works with independent, industry recognised ESG rating agencies to evaluate a company's ESG credentials on both an absolute and peer relative basis. This allows the Investment Manager to then deliver at both a portfolio and security level overall ESG quantitative metrics including an MSCI ESG rating, overall score and specifics like carbon intensity data.

### **Reference Benchmark**

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### **Please refer to the Sub-Fund's SFDR Annex attached to this Prospectus which contains additional SFDR disclosures for the Sub-Fund.**

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It is noted that the RTS to specify the details of the content and presentation of the information to be disclosed under SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR first become effective on 10 March 2021. It is further noted, that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission).

It is likely that the SFDR Annex will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the Sub-Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the SFDR Annex may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available to investors.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best efforts basis and the Company issues the SFDR Annex as a means of meeting these obligations.

**IMPORTANT: Investors should note that as a financial product which promotes environmental or social characteristics, the Sub-Fund may underperform or perform differently relative to other comparable funds that do not promote environmental or social characteristics.**

## **18. Taxonomy Regulation Disclosure**

Given the Sub-Fund's investment focus and the asset classes/sectors it invests, the Investment Manager does not integrate a consideration of environmentally sustainable economic activities (as prescribed in the Taxonomy Regulation) into the

investment process for the Sub-Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The “environmentally sustainable economic activity” has the following definition:

In accordance with the Taxonomy Regulation, an underlying investment of the Sub-Fund shall be considered as environmentally sustainable where its economic activity:

- (a) contributes substantially to one or more of the environmental objectives, as prescribed in the Taxonomy Regulation (the "Environmental Objectives");
- (b) does not significantly harm any of the Environmental Objectives, in accordance with the Taxonomy Regulation;
- (c) is carried out in compliance with minimum safeguards, prescribed in the Taxonomy Regulation; and
- (d) complies with technical screening criteria established by the European Commission in accordance with the Taxonomy Regulation.

## V. GREEN ASH SICAV – CENTRE AMERICAN SELECT EQUITY FUND

### 1. Reference currency

The reference currency of the Sub-Fund is the US Dollar (USD).

### 2. Objectives of the Compartment

The investment objective of the Sub-Fund is to achieve long-term capital growth by investing predominately (at least 80%) in the equity securities of large capitalization U.S. companies across various sectors and industries.

### 3. Investment Policy

In accordance with Article 8 of SFDR, the Sub-Fund promotes environmental and social characteristics and limits investments to companies that follow good governance practices, but does not have Sustainable Investment as its objective.

The Sub-Fund incorporates ESG criteria into the selection of its holdings and applies a proprietary measure of ESG sustainability value by company and industry to identify positive impact companies and to exclude lower ranked companies and industries in constructing the Sub-Fund's portfolio. All three (3) criteria of the ESG policy including environmental, social and governance, will be used by the Sub-Investment Manager in order to screen for companies that are taking positive steps to meet and exceed ESG and sustainability goals, whilst excluding companies that do not. For this purpose, external ESG metrics are used to rate the relevant ESG risk of each security, as well as to decide the weightings or exclusions of the relevant securities.

The ESG metrics provided by the external ESG provider are developed on the basis of screening and ranking potential constituents according to their ESG credentials relative to their industry peers.

The Sub-Investment Manager integrates these ESG metrics into its investment approach and applies its ESG investment methodology by systematically and explicitly including the ESG metrics into its investment analysis of issuers and using them to inform the selection of securities and construction of the Sub-Fund's portfolio.

The Sub-Fund will invest its assets in accordance with the ESG policy, which requires that a minimum of 80% of the Sub-Fund's assets must be used to attain the environmental or social characteristics promoted by the Sub-Fund. The remaining 20% of the assets of the Sub-Fund may be invested in investments which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Sub-Fund will invest in a diversified portfolio consisting of:

- (a) equities and other equity securities or rights (including ADRs (American Depository Receipts) / GDRs (Global Depository Receipts)) of companies in both developed (with a particular focus on the U.S. market) and emerging markets;

- (b) units in other UCITS and/or other UCIs, including exchange traded funds ("target funds"), in accordance with whose investment policy a majority of the assets is invested in accordance with (a) subject to a limit of 10% of the assets of the Sub-Fund. Any investment in target funds which are not UCITS (including non-UCITS eligible ETF) will be required to meet all regulatory requirements as described in detail in section VI, point 3.1 (c), 3.2 (d) and 3.4 of the main part of the Prospectus.

The Sub-Fund's exposure to emerging markets will not exceed 10% of the assets of the Sub-Fund. For the purposes of this Sub-Fund, emerging markets are defined as those countries not defined as a high-income economy by the World Bank.

The Sub-Fund may also invest up to 10% of its assets in certificates as well as on diversified commodity, real estate, hedge-fund, volatility and sub-indices, each of which meets the requirements of Articles 8 and 9 of the Grand Ducal Regulation of 8 February 2008 ("2008 Regulation") and Article 2 of Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions ("Directive 2007/16/EC").

The Sub-Fund may, in addition for hedging or efficient portfolio management purposes only, invest in derivatives, and certificates on indices, options on equities, and currencies, each of which meets the requirements of Articles 8 and 9 of the 2008 Regulation and Article 2 of Directive 2007/16/EC.

When implementing the investment policy using financial derivative instruments, only commodity benchmark indices that comply with the rules contained in the section "Investments in financial indices in accordance with Article 9 of the 2008 Regulation" below are used. The performance of the commodity indices and/or commodity sub-indices underlying the derivatives is replicated by concluding one or more swap contracts where, in the event of a positive trend, the counterparty pays the Sub-Fund an amount depending on the level of the nominal volume and performance; conversely, in the event of a negative trend, the Sub-Fund pays the counterparty a contractually agreed amount of compensation. The counterparties are exclusively first-class financial institutions specialising in such transactions. Where the Sub-Fund invests in certificates, these may also be based on individual commodity stocks where permissible. Physical delivery is excluded in all cases.

In normal market conditions, the Sub-Fund may invest up to 20% of its net assets in bank deposits at sight, such as cash held in current accounts with a bank accessible at any time.

On an ancillary basis (i.e. up to 49% of its net assets), the Sub-Fund may for treasury purposes, invest in bonds with warrants or Money Market Instruments.

In exceptionally unfavourable market conditions, the Sub-Fund may also invest on a temporary basis up to 100% of its net assets in bank deposits at sight such as cash held in current accounts with a bank accessible at any time as well as bonds with warrants or Money Market Instruments if the Sub-Investment Manager considers this to be in the best interests of the Shareholders.

The selection and weighting of the individual securities and types of investments and currencies, as well as the current orientation of the investment strategy, is carried out opportunistically, i.e. the investment focus may vary significantly depending on the assessment of the market at a given time. For this reason, short-term price fluctuations cannot be ruled out.

Moreover, the Sub-Fund may only utilise financial derivative instruments (derivatives) for hedging purposes and in the interest of efficient portfolio management. The range of possible derivatives includes in particular – without being limited to – forwards, foreign exchange contracts, futures, options, warrants, swaps, CFD, etc.

When implementing the investment policy, the Company will only invest in assets permissible under Article 41 paragraph 1 of the 2010 Law and which are in accordance with all ordinances enacted and supervisory circulars issued thereupon.

The investments may be denominated in USD or in other currencies. Foreign currency risks may be fully or partially hedged against the USD by using currency forwards or futures and options on currency. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Sub-Fund may measure its performance relative to the MSCI North America Net Total Return Index (NDDUNA Index) (the "**Benchmark**") for the purpose of performance comparison or investor communication purposes, including in the Company's annual and half-yearly reports. However, the performance of the Sub-Fund relative to the Benchmark is not factored in any way into the investment process and the Sub-Fund does not operate any form of target to outperform the Benchmark. Furthermore, the Benchmark does not constrain the Sub-Fund from being managed on a fully discretionary basis. The Benchmark is designed to measure the performance of the large- and mid-cap segments of the U.S. and Canada markets. With over 700 constituents, the Benchmark covers approximately 85% of the free float-adjusted market capitalization in the U.S. and Canada.

For the hedged share classes of the Sub-Fund (Please see section 8 "Classes of Shares" for more details), it has been determined that appropriate Substitute Benchmarks will be used in order to best represent their performance. Unless the text suggests differently, any reference to Benchmark includes the relevant Substitute Benchmarks for the hedge share classes. Please refer to the table below for further details on the Substitute Benchmarks of the hedged share class(es):

Hedged Class(es)	Share	Hedged Class(es)	Share	Substitute Benchmarks
Class R H cap. GBP		GBP		MSCI North America 100% Hedged to GBP Net Total Return Index (HG127087 Index)
Class I H cap. GBP				
Class F H cap. GBP				
Class N H cap. GBP				
Class R H cap. EUR		EUR		MSCI North America 100% Hedged to EUR Net Total Return Index (M7CXLBP Index)
Class I H cap. EUR				
Class F H cap. EUR				
Class N H cap. EUR				
Class R H cap. CHF		CHF		MSCI North America 100% Hedged to CHF Net Total Return Index (HF137270 Index)
Class I H cap. CHF				
Class F H cap. CHF				
Class N H cap. CHF				

The Sub-Investment Manager makes investment decisions with complete discretion in respect of portfolio allocation and overall level of exposure to the market. The Sub-Fund is not constrained by the Benchmark and as such, can deviate significantly or entirely from the Benchmark. For the avoidance of doubt, the Sub-Fund does not track the performance of the Benchmark.

#### **Investments in financial indices in accordance with Article 9 of the 2008 Regulation**

The Sub-Fund may, for hedging purposes and in the interest of efficient portfolio management only, invest in derivatives whose underlying assets replicate indices. The Sub-Fund may raise the diversification limits for an index component pursuant to Article 44 of the 2010 Law.

An increase in the diversification limits may occur in exceptional market conditions if one or more components of an index are in a dominant position within a specific market, industry or segment. A dominant position may result from special economic and market developments or from market, industry or segment-specific limitations.

The rebalancing frequency of each index underlying the derivatives in which the Sub-Fund may invest will generally be semi-annual or annual. The following cases

must be distinguished:

For exchange-traded derivatives, the rebalancing of the index composition will only result in a change to the calculation, but has no direct or indirect effect on the costs of the Sub-Fund.

In the case of OTC derivatives, the counterparty does not usually hold the index component physically but hedges its position mainly through derivative instruments. Should transactions take place as a consequence of the rebalancing of the index composition, this will be carried out on highly liquid derivative markets to ensure that the impact on the costs of the Sub-Fund will be minimal.

### **Investment Restrictions**

The Sub-Fund will not invest in a collective investment scheme that is organised as a foreign collective investment scheme in hedge funds in accordance with the requirements of the South African legislation governing Foreign Collective Investment Schemes in Hedge Funds.

The Sub-Fund may only invest in a collective investment scheme which ordinarily invest in securities in accordance with the requirements of the South African legislation governing collective investment schemes in securities.

Underlying funds will comply in all material respects with all South African requirements that would allow it to be solicited directly in South Africa.

### **Sub-Fund Specific Risk Factors**

Investors should read the risk factor below together with the risk factors in the main part of the Prospectus and more particularly the following risk factors: "Use of Derivatives", as well as "Investments in Emerging Countries".

### **Borrowings**

In accordance with the general provisions contained in the "Investment Objectives, Policies and Restrictions" section, item 3.2 (c) of the Prospectus, the Sub-Fund may borrow up to 10% of its Net Asset Value on a temporary basis. Such borrowings are permitted only to meet the Sub-Fund's obligations in relation to (i) the administration of the Sub-Fund relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of Shares in the Sub-Fund. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii) in order to comply with the South African Financial Sector Conduct Authority and to allow for the Sub-Fund to be distributed to South African retail investors. However, at all times borrowings on behalf of the Sub-Fund will be in accordance with the Regulations and the requirements of the Central Bank.

## **4. Investment Manager and Sub-Investment Manager of the Sub-Fund**

The Management Company has appointed Green Ash Partners LLP, 11 Albemarle Street, London, W1S 4HH, United Kingdom, as Investment Manager of the Sub-Fund. For this purpose, an agreement was signed which may be terminated at any time by either party upon three months' notice.

The Investment Manager has appointed Centre Asset Management, LLC as Sub-Investment Manager of the Sub-Fund. For this purpose, a sub-investment management agreement was signed which may be terminated at any time by either party subject to three months' notice.

## 5. Valuation Day

The net asset value (the "**NAV**") of every share class in the Sub-Fund is calculated as at each day on which banks in Luxembourg and South Africa are open for business except for 24 December ("**Business Day**").

## 6. Deadline for receipt of subscription, redemption and conversion orders

16:00 (Luxembourg time) one Business Day before the relevant Valuation Day.

## 7. Value date for receipt of the subscription price and payment of the redemption price for shares

The subscription price for each share must reach the Depositary Bank two (2) Business Days following the applicable Valuation Day.

The redemption price for each share will, in principle, be paid to the Shareholder within three (3) Business Days from the applicable Valuation Day.

## 8. Classes of Shares

The Sub-Fund issues Class R, I, F and M capitalisation ("cap.") shares in such currencies as specified below. The Sub-Fund does not currently intend to issue distribution ("dist") shares.

R H cap. EUR	I H cap. EUR	F H cap. EUR		N H cap. EUR
R H cap. CHF	I H cap. CHF	F H cap. CHF		N H cap. CHF
R cap. USD	I cap. USD	F cap. USD	M cap. USD	N cap. USD
R H cap. GBP	I H cap. GBP	F H cap. GBP		N H cap. GBP

All share classes denominated in a currency other than the reference currency of the Sub-Fund will be hedged ("H") against the reference currency. Investors should consult Section VIII "Hedged Classes" of this Prospectus.

Class R shares are available to all investors. Class R shares shall be subject to a minimum initial subscription and holding amount of USD 10,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

Class I shares are reserved to Institutional Investors. Class I shares shall be subject to a minimum initial subscription and holding amount of USD 500,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

Class F shares are designated as founder shares and are intended for investors prepared to support the Sub-Fund with substantial investments at an early stage. Class F shares shall be available for subscription until the first (1st) anniversary of the initial launch date of the Sub-Fund, at which date class F shares will close permanently to new subscriptions. The subscription to Class F shares will be limited



and is subject to the approval of the Board of Directors. Class F shares are not subject to any minimum initial subscription amount or holding amount and there is no minimum subsequent subscription amount.

Class M (USD) shares are available only to certain categories of investors as determined by the Investment Manager in its absolute discretion. Class M (USD) shares are intended for ultra-large Institutional Investors in lieu of a segregated mandate or investors who are investing in the Fund through arrangements managed by the Investment Manager or any associated party.

Class N shares may be offered in certain limited circumstances for distribution in certain countries and through certain distributors and/or financial intermediaries who have separate fee arrangements with their clients. Class N shares shall be subject to a minimum initial subscription and holding amount of USD 1,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

## **9. Launch by merger**

The Sub-Fund will be launched by the merger into the Sub-Fund of an existing Irish UCITS sub-fund managed by the Sub-Investment Manager, at a price per share based on the latest net asset value of this merging sub-fund on a date to be defined by the Board of Directors.

The relevant classes of the merging sub-fund will merge with the Class R cap. USD, Class R H cap. EUR, Class R H cap. GBP, Class I cap. USD, Class I H cap. EUR, Class I H cap. GBP, Class F cap. USD, Class F H cap. EUR, Class F H cap. GBP, Class F H cap. CHF, Class M cap. USD classes, Class N cap. USD, Class N H cap. EUR, and Class N H cap. GBP (the "Receiving Classes") of the Sub-Fund, and the Initial Offer Period for the Receiving Classes will end upon their seeding through the merger.

## **10. Distribution policy**

It is anticipated that the capitalisation shares issued in this Sub-Fund will not distribute any dividends.

## **11. Subscription, redemption and conversion fees**

A subscription fee of up to 3.5% of the Net Asset Value per share subscribed may be charged with respect to Class R shares and Class N shares, for the benefit of the financial intermediaries and other persons involved in the distribution of Class R shares and Class N shares. The Board of Directors may, at its sole discretion, waive fully or partially, such subscription fee.

No redemption or conversion fee shall be charged.

## **12. Management Fee, Investment Management Fee, Sub-Investment Management Fee, UCI Administration Fee and Depositary Bank Fee**

The maximum management fee for all Shares of all Classes paid out of the assets of the Sub Fund is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 1.545% p.a. (plus any applicable taxes, if any) for Shares of Classes R; (ii) up to 1.045% p.a. (plus any applicable taxes, if any)

for Shares of Classes I; (iii) up to 0.795 % p.a. (plus any applicable taxes, if any) for Shares of Classes F, subject to a Minimum Fee; and (iv) up to 1.545% p.a. (plus any applicable taxes, if any) for Shares of Classes N.

The maximum investment management fee for the Investment Manager paid out of the management fee amounts to (i) up to 1.5% p.a. (plus any applicable taxes, if any) for Shares of Class R; (ii) up to 1.0% p.a. (plus any applicable taxes, if any) for Shares of Class I; (iii) up to 0.75% p.a. (plus any applicable taxes, if any) for Shares of Class F; and (iv) up to 1.5% p.a. (plus any applicable taxes, if any) for Shares of Class N. The Investment Manager is not entitled to any fee in respect of the Class M Shares. Shareholders in this class will enter a separate investment management agreement with the Investment Manager.

The maximum sub-investment management fee for the Sub-Investment Manager paid out of the investment management fee amounts to (i) up to 0.75% p.a. (plus any applicable taxes, if any) for Shares of Class R; (ii) up to 0.50% p.a. (plus any applicable taxes, if any) for Shares of Class I; (iii) up to 0.375% p.a. (plus any applicable taxes, if any) for Shares of Class F; and (iv) up to 0.75% p.a. (plus any applicable taxes, if any) for Shares of Class N.

In addition to such management fee, the UCI Administrator is entitled to receive a UCI administration fee paid out of the assets of the Sub Fund for its UCI administration services up to 0.045% p.a. calculated monthly on the basis of the average Net Asset Value of the respective Class (each plus any applicable taxes, if any), subject to a Minimum Fee (each plus any applicable taxes, if any).

The Depository Bank is entitled to receive an annual depository bank fee paid out of the assets of the Sub Fund for its depository bank services which is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 0.03% p.a. subject to a Minimum Fee (each plus any applicable taxes, if any) plus (ii) a variable amount for transactions depending on the actual number of transactions (plus any applicable taxes, if any) plus (iii) a fixed amount for the services rendered for Depository Bank monitoring & control of up to EUR 10,000 p.a. (plus any applicable taxes, if any).

The actual fees that are charged shall be disclosed in the respective annual or semi-annual report.

If applicable, a fee of maximum 0.10% per share Class may be levied for currency hedging (whereas the minimum fee shall amount to EUR 20,000 per share Class).

### **13. ESG Expenses**

The Sub-Fund may bear costs, charged by services providers (e.g. MSCI and Bloomberg ESG) outside the Company, related to ESG research costs, ESG labels and costs of ESG reporting for a maximum annual amount of EUR 10,000 (VAT excluded).

### **14. Risk Measurement Approach**

The global exposure of the Sub-Fund is measured and controlled using the Commitment Approach.

## 15. SFT Disclosures

This Sub-Fund will not enter into SFT Transactions or total return swaps.

## 16. ESG disclosure

The Company considers that the Sub-Fund meets the criteria in Article 8 of SFDR to qualify as an ESG Orientated Fund as it promotes environmental and social characteristics and limits investments to companies that follow good governance practices.

The Company reserves the right to reassess this classification at any time and shall keep this classification under review.

If the Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Orientated Fund, this section shall be updated in accordance with the revised classification of the Sub-Fund.

### ***Integration of Sustainability Risks***

As part of the process to undertake appropriate due diligence on investments, the Sub-Investment Manager will generally conduct a level of research on each company or issuer which will give the Sub-Investment Manager an understanding of the company or issuer. This process combines the application of Economic Value Added, or EVA, which fundamentally ties valuation and long-term growth prospects to companies' ability to generate meaningful economic profit in excess of each company's cost of capital, with an analysis of risk and asymmetrical downside to upside potential for each investment. The due diligence process also includes fundamental qualitative analysis and a review of non-financial elements such as the company's approach to certain ESG factors and consideration of Sustainability Risks.

As part of the ESG analysis, the Sub-Investment Manager primarily focuses on a company's corporate governance standing, which encompasses board independence, shareholder democracy, and business ethics. With a strong governance policy in place, a good steward of capital trying to maximize long-term shareholder value should of their own accord strive to advance environmental and social interests favoured by all stakeholders. Sustainability Risk involves a governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The Sub-Investment Manager integrates the ESG analysis and Sustainability Risk assessment into its EVA-based investment research process and its risk management process – both initially and on an ongoing basis for the duration of the period the Sub-Fund holds an investment or pursues a particular investment strategy.

In respect of the Sub-Fund, the Sub-Investment Manager's investment approach and decision-making processes are based on clearly defined investment objectives, investment policies, investment strategy, investment restrictions and risk management parameters, as contained in this Appendix.

### ***Assessment of the impact on likely returns***

Factoring an assessment of the likely impact of Sustainability Risks into the investment decision-making process has the potential to impact the returns of the Sub-Fund. For example, it is possible that such an assessment may influence a decision by the Sub-Investment Manager not to make an investment or dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered within the EVA framework. Accordingly, an ESG Orientated Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

### ***Environmental or social characteristics promoted by the Sub-Fund***

As noted in the "Investment Objective" section, the Sub-Fund's investment objective is to achieve long-term growth of capital through exposure predominately to equity securities of large capitalization U.S. companies. The Sub-Investment Manager utilizes a disciplined, Economic Value Added (EVA) framework during the fundamental stock selection process, which focuses on finding shareholder value creators and avoiding shareholder value destroyers. The Sub-Investment Manager strives to understand and link the capital allocation decisions being made today by each company and how they will lead to potential future earnings growth. In other words, the Sub-Investment Manager expects the companies in which it invests in to invest in productive assets of the business, organically and through opportunistic purchases which, in turn, should provide the foundation for future revenue and profits growth that should create shareholder value.

Over the long term, firms that generate high EVA tend to outperform low EVA generating firms while high ESG firms outperform low ESG firms. Given that there is a strong correlation between companies generating high EVA and ESG performance, combining aspects of both EVA and ESG during the due diligence process is ideal in our effort to achieve superior long-term results. No industry is excluded from consideration for investment. However, the Sub-Investment Manager thoroughly evaluates each company's governance policies along with company drivers that create true shareholder wealth: capital spending or alternative capital allocations such as acquisitions or dividends, company specific risk levels of a business to determine appropriate hurdle rates, and how good the company is in generating operating returns on its underlying assets vis-a-vis the hurdle rates.

The Sub-Investment Manager will manage the Sub-Fund in accordance with the ESG policy on a continuous basis. The ESG policy intends to provide a broad framework for the Sub-Investment Manager's approach in respect of integrating ESG considerations into its investment management process. A summary of the ESG integration policy is available on <https://www.greenash-partners.com/>.

The Sub-Investment Manger's ESG investment methodology excludes companies from the investment universe that are involved in violations of core international norms and conventions, as described in the United Nations Global Compact Principles.

Systematic evaluation of material ESG criteria is embedded in the investment decision-making process and is undertaken for every security within the initial investment universe. These include a review of: (i) what are the most material ESG issues facing this company, (ii) does the company integrate ESG considerations into its strategy, and (iii) what is diversity like at the board/management level. The Sub-Investment Manager further evaluates those companies in order to identify the best in class company and security. In addition, the Sub-Investment Manager works with independent, industry recognised ESG rating agencies and third-party research providers to evaluate a company's ESG credentials on both an absolute and peer relative basis. This allows the Investment Manager to then deliver at both a portfolio and security level overall ESG quantitative metrics including an MSCI ESG rating and overall score.

### **Reference Benchmark**

The Benchmark has not been designated as a reference benchmark for the purposes of SFDR. Therefore, it is not consistent with the promotion of environmental or social characteristics. For further details on the Benchmark, please refer to the section 3, "Investment Policy".

**Please refer to the Sub-Fund's SFDR Annex attached to this Prospectus which contains additional SFDR disclosures for the Sub-Fund.**

The SFDR Annex has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in the SFDR applicable to an Article 8 financial product, and follows the form of the template in Annex II of the Commission Delegated Regulation (EU) 2022/1288.

Unless defined in the SFDR Annex, all defined terms used in the SFDR Annex shall have the same meaning as in the Prospectus.

It is noted that the RTS to specify the details of the content and presentation of the information to be disclosed under SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR first become effective on 10 March 2021. It is further noted, that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission).

It is likely that the SFDR Annex will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the Sub-Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the SFDR Annex may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available to investors.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best efforts basis and the Company issues the SFDR Annex as a means of

meeting these obligations.

**IMPORTANT: Investors should note that as a financial product which promotes environmental or social characteristics, the Sub-Fund may underperform or perform differently relative to other comparable funds that do not promote environmental or social characteristics.**

## 17. Taxonomy Regulation disclosure

The Sub-Fund promotes environmental and/or social characteristics, but it does not have a sustainable investment objective and will not make any sustainable investments.

Given the Sub-Fund's investment focus and the asset classes/sectors it invests, the Sub-Investment Manager does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Sub-Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities. The "environmentally sustainable economic activity" has the following definition:

In accordance with the Taxonomy Regulation, an underlying investment of the Sub-Fund shall be considered as environmentally sustainable where its economic activity:

- (a) contributes substantially to one or more of the environmental objectives, as prescribed in the Taxonomy Regulation (the "Environmental Objectives");
- (b) does not significantly harm any of the Environmental Objectives, in accordance with the Taxonomy Regulation;
- (c) is carried out in compliance with minimum safeguards, prescribed in the Taxonomy Regulation; and
- (d) complies with technical screening criteria established by the European Commission in accordance with the Taxonomy Regulation.

It should be noted that the "do no significant harm" principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities.

## VI. GREEN ASH SICAV – CENTRE GLOBAL LISTED INFRASTRUCTURE FUND

### 1. Reference currency

The reference currency of the Sub-Fund is the US Dollar (USD).

### 2. Objectives of the Compartment

The investment objective of the Sub-Fund is to achieve long-term capital growth and current income by investing predominately (at least 80%) in global infrastructure-related companies.

### 3. Investment Policy

In accordance with Article 8 of SFDR, the Sub-Fund promotes environmental and social characteristics and limits investments to companies that follow good governance practices, but does not have Sustainable Investment as its objective.

The Sub-Fund incorporates ESG criteria into the selection of its holdings and applies a proprietary measure of ESG sustainability value by company and industry to identify positive impact companies and to exclude lower ranked companies and industries in constructing the Sub-Fund's portfolio. All three (3) criteria of the ESG policy including environmental, social and governance, will be used by the Sub-Investment Manager in order to screen for companies that are taking positive steps to meet and exceed ESG and sustainability goals, whilst excluding companies that do not. For this purpose, external ESG metrics are used to rate the relevant ESG risk of each security, as well as to decide the weightings or exclusions of the relevant securities.

The ESG metrics provided by the external ESG provider are developed on the basis of screening and ranking potential constituents according to their ESG credentials relative to their industry peers.

The Sub-Investment Manager integrates these ESG metrics into its investment approach and applies its ESG investment methodology by systematically and explicitly including the ESG metrics into its investment analysis of issuers and using them to inform the selection of securities and construction of the Sub-Fund's portfolio.

The Sub-Fund will invest its assets in accordance with the ESG policy, which requires that a minimum of 80% of the Sub-Fund's assets must be used to attain the environmental or social characteristics promoted by the Sub-Fund. The remaining 20% of the assets of the Sub-Fund may be invested in investments which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The Sub-Fund will invest in a diversified portfolio consisting of:

- (a) equities and other equity securities or rights (including ADRs (American Depositary Receipts) / GDRs (Global Depositary Receipts)) of infrastructure-related companies in both developed and emerging markets. For this purpose, an "infrastructure-related" company has (i) at least 50% of its assets

(excluding cash) consisting of infrastructure assets, or (ii) 50% of its gross income or net profits attributable to, or derived (directly or indirectly) from the ownership, management, construction, development, operation, use, creation or financing of infrastructure assets. "Infrastructure assets" are the physical structures and networks that provide necessary services for society, including, but not limited to, transportation assets (e.g., railroads, toll roads, bridges, tunnels, airports, parking facilities and seaports); utility assets (e.g., electric transmission and distribution lines, power generation facilities, oil, gas and water distribution facilities and related midstream assets, communications networks and satellites, sewage treatment plants and critical internet networks) and social assets (e.g., hospitals, courts, schools, correctional facilities and subsidized housing); and

- (b) units in other UCITS and/or other UCIs, including exchange traded funds ("target funds"), in accordance with whose investment policy a majority of the assets is invested in accordance with (a) subject to a limit of 10% of the assets of the Sub-Fund. Any investment in target funds which are not UCITS (including non-UCITS eligible ETF) will be required to meet all regulatory requirements as described in detail in section VI, point 3.1 (c), 3.2 (d) and 3.4 of the main part of the Prospectus.

Under normal market conditions, the Sub-Fund will invest at least 40% of its net assets, plus the amount of any borrowings for investment purposes, in securities of companies organized or located in at least three non-U.S. countries. Although the Sub-Fund may invest in emerging market securities, under normal market conditions, the non-U.S. companies in which the Sub-Fund currently intends to invest will be organized or located primarily in developed market countries, such as Japan, Spain, Canada, and the United Kingdom. The Sub-Fund's exposure to emerging markets will not exceed 20% of the assets of the Sub-Fund. For the purposes of this Sub-Fund, emerging markets are defined as those countries not defined as a high-income economy by the World Bank.

The Sub-Fund may also invest up to 10% of its assets in structured products and certificates as well as on diversified commodity, real estate, hedge-fund, volatility and sub-indices, each of which meets the requirements of Articles 8 and 9 of the Grand Ducal Regulation of 8 February 2008 ("2008 Regulation") and Article 2 of Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions ("Directive 2007/16/EC").

The Sub-Fund may, in addition, invest in derivatives, certificates and structured products on indices, options on equities, and currencies, each of which meets the requirements of Articles 8 and 9 of the 2008 Regulation and Article 2 of Directive 2007/16/EC.

When implementing the investment policy using financial derivative instruments, only commodity benchmark indices that comply with the rules contained in the section "Investments in financial indices in accordance with Article 9 of the 2008 Regulation" below are used. The performance of the commodity indices and/or commodity sub-indices underlying the derivatives is replicated by concluding one



or more swap contracts where, in the event of a positive trend, the counterparty pays the Sub-Fund an amount depending on the level of the nominal volume and performance; conversely, in the event of a negative trend, the Sub-Fund pays the counterparty a contractually agreed amount of compensation. The counterparties are exclusively first-class financial institutions specialising in such transactions. Where the Sub-Fund invests in certificates, these may also be based on individual commodity stocks where permissible. Physical delivery is excluded in all cases.

In normal market conditions, the Sub-Fund may invest up to 20% of its net assets in bank deposits at sight, such as cash held in current accounts with a bank accessible at any time.

On an ancillary basis (i.e. up to 49% of its net assets), the Sub-Fund may for treasury purposes, invest in convertible bonds, bonds with warrants or Money Market Instruments.

In exceptionally unfavourable market conditions, the Sub-Fund may also invest on a temporary basis up to 100% of its net assets in bank deposits at sight such as cash held in current accounts with a bank accessible at any time as well as convertible bonds, bonds with warrants or Money Market Instruments if the Sub-Investment Manager considers this to be in the best interests of the Shareholders.

The selection and weighting of the individual securities and types of investments and currencies, as well as the current orientation of the investment strategy, is carried out opportunistically, i.e. the investment focus may vary significantly depending on the assessment of the market at a given time. For this reason, short-term price fluctuations cannot be ruled out.

Moreover, the Sub-Fund may utilise financial derivative instruments (derivatives) for investment and hedging purposes and in the interest of efficient portfolio management. The range of possible derivatives includes in particular – without being limited to – forwards, foreign exchange contracts, futures, options, warrants, swaps, CFD, etc.

When implementing the investment policy, the Company will only invest in assets permissible under Article 41 paragraph 1 of the 2010 Law and which are in accordance with all ordinances enacted and supervisory circulars issued thereupon.

The investments may be denominated in USD or in other currencies. Foreign currency risks may be fully or partially hedged against the USD by using currency forwards or futures and options on currency. A depreciation caused by exchange-rate fluctuations cannot be ruled out.

The Sub-Fund may measure its performance relative to the MSCI World Infrastructure Net Total Return Index (M1W00INF Index) (the "**Benchmark**") for the purpose of performance comparison or investor communication purposes, including in the Company's annual and half-yearly reports. However, the performance of the Sub-Fund relative to the Benchmark is not factored in any way into the investment process and the Sub-Fund does not operate any form of target to outperform the Benchmark. Furthermore, the Benchmark does not constrain the Sub-Fund from being managed on a fully discretionary basis. The Benchmark is

designed to measure the performance of the global opportunity set of companies that are owners or operators of infrastructure assets. Constituents are selected from the equity universe of MSCI World, the parent index, which covers mid and large cap securities across developed markets. All 120 plus index constituents are categorized in one of thirteen sub-industries according to the Global Industry Classification Standard (GICS®), which MSCI then aggregates and groups into five infrastructure sectors: Telecommunications, Utilities, Energy, Transportation and Social.

The Sub-Investment Manager makes investment decisions with complete discretion in respect of portfolio allocation and overall level of exposure to the market. The Sub-Fund is not constrained by the Benchmark and as such, can deviate significantly or entirely from the Benchmark. For the avoidance of doubt, the Sub-Fund does not track the performance of the Benchmark.

### **Investments in financial indices in accordance with Article 9 of the 2008 Regulation**

The Sub-Fund may invest in derivatives whose underlying assets replicate indices. The Sub-Fund may raise the diversification limits for an index component pursuant to Article 44 of the 2010 Law.

An increase in the diversification limits may occur in exceptional market conditions if one or more components of an index are in a dominant position within a specific market, industry or segment. A dominant position may result from special economic and market developments or from market, industry or segment-specific limitations.

The rebalancing frequency of each index underlying the derivatives in which the Sub-Fund may invest will generally be semi-annual or annual. The following cases must be distinguished:

For exchange-traded derivatives, the rebalancing of the index composition will only result in a change to the calculation, but has no direct or indirect effect on the costs of the Sub-Fund.

In the case of OTC derivatives, the counterparty does not usually hold the index component physically but hedges its position mainly through derivative instruments. Should transactions take place as a consequence of the rebalancing of the index composition, this will be carried out on highly liquid derivative markets to ensure that the impact on the costs of the Sub-Fund will be minimal.

### **Sub-Fund Specific Risk Factors**

Investors should read the risk factor below together with the risk factors in the main part of the Prospectus and more particularly the following risk factors: "Use of Derivatives", as well as "Investments in Emerging Countries".

## **4. Investment Manager and Sub-Investment Manager of the Sub-Fund**

The Management Company has appointed Green Ash Partners LLP, 11 Albemarle

Street, London, W1S 4HH, United Kingdom, as Investment Manager of the Sub-Fund. For this purpose, an agreement was signed which may be terminated at any time by either party upon three months' notice.

The Investment Manager has appointed Centre Asset Management, LLC as Sub-Investment Manager of the Sub-Fund. For this purpose, a sub-investment management agreement was signed which may be terminated at any time by either party subject to three months' notice.

## 5. Valuation Day

The net asset value (the "NAV") of every share class in the Sub-Fund is calculated as at each Business Day.

## 6. Deadline for receipt of subscription, redemption and conversion orders

16:00 (Luxembourg time) one Business Day before the relevant Valuation Day.

## 7. Value date for receipt of the subscription price and payment of the redemption price for shares

The subscription price for each share must reach the Depositary Bank two (2) Business Days following the applicable Valuation Day.

The redemption price for each share will, in principle, be paid to the Shareholder within three (3) Business Days from the applicable Valuation Day.

## 8. Classes of Shares

The Sub-Fund issues Class R, I, F and M distribution ("dist.") and capitalisation ("cap.") shares in such currencies as specified below.

R H dist. EUR	I H dist. EUR	F H dist. EUR	
R H dist. CHF	I H dist. CHF	F H dist. CHF	
R dist. USD	I dist. USD	F dist. USD	M dist. USD
R H dist. GBP	I H dist. GBP	F H dist. GBP	
R H cap. EUR	I H cap. EUR	F H cap. EUR	
R H cap. CHF	I H cap. CHF	F H cap. CHF	
R cap. USD	I cap. USD	F cap. USD	M cap. USD
R H cap. GBP	I H cap. GBP	F H cap. GBP	

All share classes denominated in a currency other than the reference currency of the Sub-Fund will be hedged ("H") against the reference currency. Investors should consult Section VIII "Hedged Classes" of this Prospectus.

Class R shares are available to all investors. Class R shares shall be subject to a minimum initial subscription and holding amount of USD 10,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

Class I shares are reserved to Institutional Investors. Class I shares shall be subject to a minimum initial subscription and holding amount of USD 500,000 (or equivalent in another currency). There is no minimum subsequent subscription amount.

Class F shares are designated as founder shares and are intended for investors prepared to support the Sub-Fund with substantial investments at an early stage. Class F shares shall be available for subscription until the first (1st) anniversary of the initial launch date of the Sub-Fund, at which date class F shares will close permanently to new subscriptions. The subscription to Class F shares will be limited and is subject to the approval of the Board of Directors. Class F shares are not subject to any minimum initial subscription amount or holding amount and there is no minimum subsequent subscription amount.

Class M (USD) Shares are available only to certain categories of investors as determined by the Investment Manager in its absolute discretion. Class M (USD) Shares are intended for ultra-large Institutional Investors in lieu of a segregated mandate or investors who are investing in the Fund through arrangements managed by the Investment Manager or any associated party.

## **9. Launch by merger**

The Sub-Fund will be launched by the merger into the Sub-Fund of an existing Irish UCITS sub-fund managed by the Sub-Investment Manager, at a price per share based on the latest net asset value of this merging sub-fund on a date to be defined by the Board of Directors.

The relevant classes of the merging sub-fund will merge with the Class F dist. USD, Class F H dist. GBP, and Class M dist. USD classes (the "Receiving Classes") of the Sub-Fund, and the Initial Offer Period for the Receiving Classes will end upon their seeding through the merger.

## **10. Distribution policy**

It is the Directors' current intention to declare a dividend and pay distributions from net income (income less expenses) (if any) on a quarterly basis in relation to the Classes R, I, F and M, and all realized capital gains (if any) shall be reinvested in the Sub-Fund. Shareholders will have the option at the time of subscription to elect whether to either receive the declared dividend (if any) or re-invest in the purchase of Shares of the relevant class by checking the relevant box within the application form. For the convenience of investors, the Sub-Fund will reinvest all income and capital gains distributions in full and fractional shares of that Sub-Fund, unless the Shareholder elected to receive the distribution payments. Payment will be made by telegraphic transfer in EUR, CHF, USD or GBP, respective to the Share Class held, to the Shareholder's account unless the payment is for an amount less than EUR100 or its equivalent, in which case such payment will be automatically reinvested in the purchase of Shares of the relevant class for the account of the relevant Shareholder.

Any amendment to the dividend policy will be provided for in an updated supplement and Shareholders will be notified in advance.

## **11. Subscription, redemption and conversion fees**

A subscription fee of up to 3.5% of the Net Asset Value per share subscribed may be charged with respect to Class R shares, for the benefit of the financial

intermediaries and other persons involved in the distribution of Class R shares. The Board of Directors may, at its sole discretion, waive fully or partially, such subscription fee.

No redemption or conversion fee shall be charged.

## **12. Management Fee, Investment Management Fee, Sub-Investment Management Fee, UCI Administration Fee and Depository Bank Fee**

The maximum management fee for all Shares of all Classes paid out of the assets of the Sub Fund is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 1.645% p.a. (plus any applicable taxes, if any) for Shares of Classes R; (ii) up to 1.145% p.a. (plus any applicable taxes, if any) for Shares of Classes I; and (iii) up to 0.895 % p.a. (plus any applicable taxes, if any) for Shares of Classes F, subject to a Minimum Fee.

The maximum investment management fee for the Investment Manager paid out of the management fee amounts to (i) up to 1.60% p.a. (plus any applicable taxes, if any) for Shares of Class R; (ii) up to 1.10% p.a. (plus any applicable taxes, if any) for Shares of Class I and (iii) up to 0.85% p.a. (plus any applicable taxes, if any) for Shares of Class F. The Investment Manager is not entitled to any fee in respect of the Class M Shares. Shareholders in this class will enter a separate investment management agreement with the Investment Manager.

The maximum sub-investment management fee for the Sub-Investment Manager paid out of the investment management fee amounts to (i) up to 0.55% p.a. (plus any applicable taxes, if any) for Shares of Class R; (ii) up to 0.45% p.a. (plus any applicable taxes, if any) for Shares of Class I; and (iii) up to 0.425% p.a. (plus any applicable taxes, if any) for Shares of Class F.

In addition to such management fee, the UCI Administrator is entitled to receive a UCI administration fee paid out of the assets of the Sub Fund for its UCI administration services up to 0.045% p.a. calculated monthly on the basis of the average Net Asset Value of the respective Class (each plus any applicable taxes, if any), subject to a Minimum Fee (each plus any applicable taxes, if any).

The Depository Bank is entitled to receive an annual depository bank fee paid out of the assets of the Sub Fund for its depository bank services which is calculated monthly on the basis of the average Net Asset Value of the respective Class and amounts to (i) up to 0.03% p.a. subject to a Minimum Fee (each plus any applicable taxes, if any) plus (ii) a variable amount for transactions depending on the actual number of transactions (plus any applicable taxes, if any) plus (iii) a fixed amount for the services rendered for Depository Bank monitoring & control of up to EUR 10,000 p.a. (plus any applicable taxes, if any).

The actual fees that are charged shall be disclosed in the respective annual or semi-annual report.

If applicable, a fee of maximum 0.10% per share Class may be levied for currency hedging (whereas the minimum fee shall amount to EUR 20,000 per share Class).

## **13. ESG Expenses**

The Sub-Fund may bear costs, charged by services providers (e.g. MSCI and Bloomberg ESG) outside the Company, related to ESG research costs, ESG labels and costs of ESG reporting for a maximum annual amount of EUR 10,000 (VAT excluded).

#### **14. Risk Measurement Approach**

The global exposure of the Sub-Fund is measured and controlled using the Commitment Approach.

#### **15. SFT Disclosures**

This Sub-Fund will not enter into SFT Transactions except total return swaps (for more details please consult section VI, point 9 of the main part of the Prospectus) as defined in the SFT Regulation.

No more than 10% of the net assets of the Sub-Fund are expected to be subject to total return swaps.

A maximum of 20% of the net assets of a Sub-Fund may be subject to total return swaps.

#### **16. ESG disclosure**

The Company considers that the Sub-Fund meets the criteria in Article 8 of SFDR to qualify as an ESG Orientated Fund as it promotes environmental and social characteristics and limits investments to companies that follow good governance practices.

The Company reserves the right to reassess this classification at any time and shall keep this classification under review.

If the Company determines at any future point that the Sub-Fund does not meet the criteria to qualify as an ESG Orientated Fund, this section shall be updated in accordance with the revised classification of the Sub-Fund.

#### ***Integration of Sustainability Risks***

As part of the process to undertake appropriate due diligence on investments, the Sub-Investment Manager will generally conduct a level of research on each company or issuer which will give the Sub-Investment Manager an understanding of the company or issuer. This process combines the application of Economic Value Added, or EVA, which fundamentally ties valuation and long-term growth prospects to companies' ability to generate meaningful economic profit in excess of each company's cost of capital, with an analysis of risk and asymmetrical downside to upside potential for each investment. The due diligence process also includes fundamental qualitative analysis and a review of non-financial elements such as the company's approach to certain ESG factors and consideration of Sustainability Risks.

As part of the ESG analysis, the Sub-Investment Manager primarily focuses on a company's corporate governance standing, which encompasses board independence, shareholder democracy, and business ethics. With a strong

governance policy in place, a good steward of capital trying to maximize long-term shareholder value should of their own accord strive to advance environmental and social interests favoured by all stakeholders. Sustainability Risk involves a governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The Sub-Investment Manager integrates the ESG analysis and Sustainability Risk assessment into its EVA-based investment research process and its risk management process – both initially and on an ongoing basis for the duration of the period the Sub-Fund holds an investment or pursues a particular investment strategy.

In respect of the Sub-Fund, the Sub-Investment Manager's investment approach and decision-making processes are based on clearly defined investment objectives, investment policies, investment strategy, investment restrictions and risk management parameters, as contained in this Appendix.

### ***Assessment of the impact on likely returns***

Factoring an assessment of the likely impact of Sustainability Risks into the investment decision-making process has the potential to impact the returns of the Sub-Fund. For example, it is possible that such an assessment may influence a decision by the Sub-Investment Manager not to make an investment or dispose of an existing investment that would otherwise be considered as attractive to invest in or retain when confining the factors considered within the EVA framework. Accordingly, an ESG Orientated Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics.

### ***Environmental or social characteristics promoted by the Sub-Fund***

As noted in the "Investment Objective" section, the Sub-Fund's investment objective is to achieve long-term growth of capital through exposure predominately to equity securities of U.S. and foreign (non-U.S.) infrastructure-related companies. The Sub-Investment Manager utilizes a disciplined, Economic Value Added (EVA) framework during the fundamental stock selection process, which focuses on finding shareholder value creators and avoiding shareholder value destroyers. The Sub-Investment Manager strives to understand and link the capital allocation decisions being made today by each company and how they will lead to potential future earnings growth. In other words, the Sub-Investment Manager expects the companies in which it invests in to invest in productive assets of the business, organically and through opportunistic purchases which, in turn, should provide the foundation for future revenue and profits growth that should create shareholder value.

Over the long term, firms that generate high EVA tend to outperform low EVA generating firms while high ESG firms outperform low ESG firms. Given that there is a strong correlation between companies generating high EVA and ESG performance, combining aspects of both EVA and ESG during the due diligence process is ideal in our effort to achieve superior long-term results. No industry is excluded from consideration for investment. However, the Sub-Investment Manager thoroughly evaluates each company's governance policies along with company drivers that create true shareholder wealth: capital spending or

alternative capital allocations such as acquisitions or dividends, company specific risk levels of a business to determine appropriate hurdle rates, and how good the company is in generating operating returns on its underlying assets vis-a-vis the hurdle rates.

The Sub-Investment Manager will manage the Sub-Fund in accordance with the ESG policy on a continuous basis. The ESG policy intends to provide a broad framework for the Sub-Investment Manager's approach in respect of integrating ESG considerations into its investment management process. A summary of the ESG integration policy is available on the Sub-Investment Manager's website <https://www.greenash-partners.com/>.

The Sub-Investment Manger's ESG investment methodology excludes companies from the investment universe that are involved in violations of core international norms and conventions, as described in the United Nations Global Compact Principles.

Systematic evaluation of material ESG criteria is embedded in the investment decision-making process and is undertaken for every security within the initial investment universe. These include a review of: (i) what are the most material ESG issues facing this company, (ii) does the company integrate ESG considerations into its strategy, and (iii) what is diversity like at the board/management level. The Sub-Investment Manager further evaluates those companies in order to identify the best in class company and security. In addition, the Sub-Investment Manager works with independent, industry recognised ESG rating agencies and third-party research providers to evaluate a company's ESG credentials on both an absolute and peer relative basis. This allows the Investment Manger to then deliver at both a portfolio and security level overall ESG quantitative metrics including an MSCI ESG rating and overall score.

### **Reference Benchmark**

The Benchmark has not been designated as a reference benchmark for the purposes of SFDR. Therefore, it is not consistent with the promotion of environmental or social characteristics. For further details on the Benchmark, please refer to the section 3, "Investment Policy".

### **Please refer to the Sub-Fund's SFDR Annex attached to this Prospectus which contains additional SFDR disclosures for the Sub-Fund.**

The SFDR Annex has been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in the SFDR applicable to an Article 8 financial product, and follows the form of the template in Annex II of the Commission Delegated Regulation (EU) 2022/1288.

Unless defined in the SFDR Annex, all defined terms used in the SFDR Annex shall have the same meaning as in the Prospectus.

It is noted that the RTS to specify the details of the content and presentation of the



information to be disclosed under SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR first become effective on 10 March 2021. It is further noted, that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission).

It is likely that the SFDR Annex will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the Sub-Fund seeks to meet the SFDR disclosure obligations.

Disclosures in the SFDR Annex may also develop and be subject to change due to ongoing improvements in the data provided to, and obtained by, financial market participants and financial advisers to achieve the objectives of SFDR in order to make sustainability-related information available to investors.

Compliance with the SFDR pre-contractual disclosure obligations is therefore made on a best efforts basis and the Company issues the SFDR Annex as a means of meeting these obligations.

**IMPORTANT: Investors should note that as a financial product which promotes environmental or social characteristics, the Sub-Fund may underperform or perform differently relative to other comparable funds that do not promote environmental or social characteristics.**

## 17. Taxonomy Regulation disclosure

The Sub-Fund promotes environmental and/or social characteristics, but it does not have a sustainable investment objective and will not make any sustainable investments.

Given the Sub-Fund's investment focus and the asset classes/sectors it invests, the Sub-Investment Manager does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Sub-Fund. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities. The "environmentally sustainable economic activity" has the following definition:

In accordance with the Taxonomy Regulation, an underlying investment of the Sub-Fund shall be considered as environmentally sustainable where its economic activity:

- (e) contributes substantially to one or more of the environmental objectives, as prescribed in the Taxonomy Regulation (the "Environmental Objectives");
- (f) does not significantly harm any of the Environmental Objectives, in accordance with the Taxonomy Regulation;
- (g) is carried out in compliance with minimum safeguards, prescribed in the Taxonomy Regulation; and

- (h) complies with technical screening criteria established by the European Commission in accordance with the Taxonomy Regulation.

It should be noted that the “do no significant harm” principle applies only to those investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities.

## PRECONTRACTUAL DISCLOSURE - GREEN ASH SHORT DURATION CREDIT FUND

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Green Ash SICAV - Green Ash Short Duration Credit Fund (the “Sub-fund”)  
 Legal entity identifier: 5493000AVJ3XK1GXR924

### Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

**Yes**    **No**

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**What environmental and/or social characteristics are promoted by this financial product?** *[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

The Sub-fund seeks to invest in the publicly listed equities of corporates with strong and/or improving Environmental, Social and Governance (“ESG”) characteristics, such as climate change, natural capital, pollution & waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, ownership & control,

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

compensation, board composition, business ethics and transparency. The investment process is ESG aware by incorporating sustainability considerations to enhance risk-adjusted returns.

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Sub-fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Sub-fund applies a dedicated ESG exclusion policy on a norm and value-based approach (“Negative Screening Strategy”):

- On a norm-based approach, the United Nations (“UN”) Global Compact Violation and Weapons are applied; and
- On a value-based approach, the following exclusions are applied:
  - Controversial Weapons (Any Tie)
  - Tobacco (producer; <10% of revenues)
  - Gambling (operator; <10% of revenues)
  - Thermal Coal (mining; <10% of revenues)

In addition, the Sub-fund excludes any company that breaches any of the ten principles of the UN Global Compact (“UNGC”) <https://www.unglobalcompact.org/what-is-gc/mission/principles>, the OECD Guidelines for Multinational Enterprises, or the International Labour Organisation’s (the “ILO”) standards.

In order to identify corporates with strong and/or improving ESG characteristics, Green Ash Partners LLP (the “Investment Manager”) adopts a weighted scoring methodology, informed by third party ESG ratings providers (such as MSCI). In addition, the Investment Manager engages with both ESG ratings providers and investee companies where it sees opportunities to improve their ESG disclosures and/or practices.

Additionally, the Investment Manager ensures the Sub-fund’s weighted average ESG score is higher than the MSCI World Total Return Index (M1WO).

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** *[include, for financial products that make sustainable investments, a description of the objectives and how the sustainable investments contribute to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes]*

Not applicable.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** *[include a description for the financial product that partially intends to make sustainable investments]*

Not applicable.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

--- How have the indicators for adverse impacts on sustainability factors been taken into account? *[include an explanation of how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I, are taken into account]*

--- Not applicable. *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: [include an explanation on the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*

Not applicable.

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, \_\_\_\_\_ *[if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available]*

No

**What investment strategy does this financial product follow?** *[provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]*

The investment objective of the Sub-fund is to achieve long-term capital growth and positive returns by investing predominately in equities on a worldwide basis. The investment strategy integrates the sustainability indicators listed above on a continuous basis in the stock selection process. This includes the Green Ash Corporate Governance policy, the Green Risk Management Policy, and the Green Ash Sustainable Investment policy.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

To ensure that the environmental or social characteristics promoted by the Sub-fund can be attained, the Sub-fund will apply a dedicated ESG exclusion policy on a norm and value-based approach. The Sub-fund will also apply the Investment Manager’s ESG scoring, monitoring, and weighting methodology, in line with the Investment Manager’s ESG policies and disclosures.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?** *[include an indication of the rate, where there is a commitment to reduce the scope of investments by a minimum rate]*

Not applicable.

- **What is the policy to assess good governance practices of the investee companies?** *[include a short description of the policy to assess good governance practices of the investee companies]*

In order to ensure that investee companies follow good governance practices, the Sub-fund aims to exclude any company which is flagged by any of the Ten Principles of the UNGC from its investment universe. The UNGC is a corporate sustainability initiative with the aim to create a global movement of sustainable companies and stakeholders to create a better world. The Ten Principles of the UNGC are derived from: The Universal Declaration of Human Rights, the ILO’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Connection against Corruption.

The Investment Manager may seek to engage with an investee company on these matters. Ultimately, if the Investment Manager is not satisfied that an investee company follows good corporate governance practices, it will divest from the investee company.



**Asset allocation** describes the share of investments in specific assets.

*[include note for financial products referred to in Article 6, first paragraph, Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*



are

sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the asset allocation planned for this financial product?** *[include a narrative explanation of the investments of the financial product, including the minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the financial product where that financial products commits to making sustainable investments, and the purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards]*

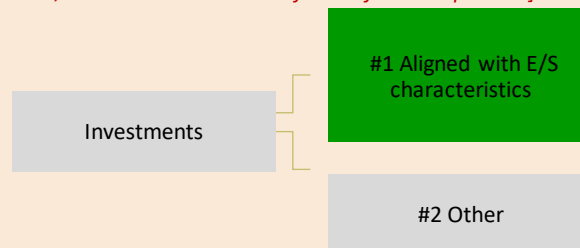
At least 90% of the investments in the Sub-fund are aligned with #1 E/S characteristics. The Sub-fund does not commit to holding sustainable investments. Up to 10% may be allocated to #2 Other investments, which will be cash or cash equivalents.

The Sub-fund holds #2 Other investments for a number of reasons that the Investment Manager considers will be beneficial to the Sub-fund, such as, but not limited to, to manage risk and achieve the Sub-fund's investment objectives.

As noted above, the Sub-fund will be invested in compliance with the Negative Screening Strategy. This ensures that investments made by the Sub-fund align with international environmental and social safeguards such as the UN Global Compact, the UNGC, the OECD Guidelines for Multinational Enterprises and the ILO standards. The Investment Manager believes that the Negative Screening Strategy prevents investments that violate environmental and/or social minimum standards and ensures that the Sub-fund can successfully promote its environmental and social characteristics.

The exact asset allocation of the Sub-fund will be reported in the Sub-fund's mandatory periodic report SFDR template, for the relevant reference period.

*[Include only relevant boxes, remove irrelevant ones for the financial product]*



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

*[include the note below where the financial product commits to making sustainable investments]*

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?** *[for financial products that use derivatives as defined in Article*

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

*2(1), point (29), of Regulation (EU) No 600/2014 to attain the environmental or social characteristics they promote, describe how the use of those derivatives meets those characteristics]*

The Sub-fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-fund. The Sub-fund may make use of derivatives for hedging, liquidity, efficient portfolio management and/or investment purposes, however, it does not utilise derivatives for such purposes outside the intended share of investments allocated to the #2 Other category. In the event the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, environmental or social risk factors are taken into account.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include a section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 15(1), point (a), of this Regulation, the description referred to in Article 15(1), point (b), of this Regulation, a clear explanation as referred to in Article 15(1), point (c), of this Regulation, a narrative explanation as referred to in Article 15(1), point (d), of this Regulation and the information referred to in Article 15(3) of this Regulation]*

0%. The Sub-fund does not intend to make Taxonomy-aligned investments, however it may be that, on occasion, a proportion of holdings are Taxonomy aligned. As data transparency in relation to EU Taxonomy improves, the Investment Manager may consider setting a target on Taxonomy-aligned investments. The Investment Manager currently relies on 3<sup>rd</sup> party data, including data relating to companies that do not disclose the EU Taxonomy alignment of their activities. EU taxonomy-alignment data is not yet subject to review by 3<sup>rd</sup> parties.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

Yes: *[specify below, and details in the graphs of the box]*

In fossil gas     In nuclear energy

No

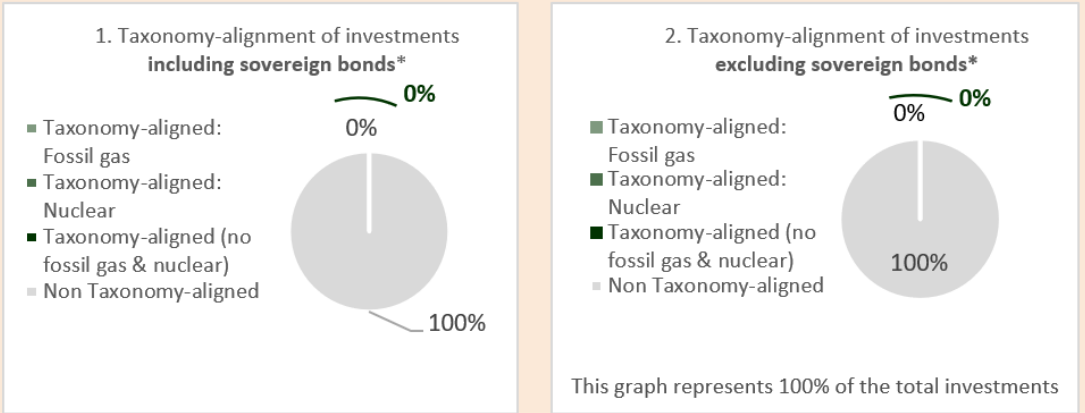
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<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.





The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

- **What is the minimum share of investments in transitional and enabling activities?** [include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

0%, however, on occasion, it may be that a proportion of holdings are in transitional or enabling activities.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** [include section only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 where the financial product invests in economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]

0%. The Sub-fund promotes ESG characteristics, as outlined above and in the Green Ash sustainable investment framework. Amongst these may be investment that are not EU-Taxonomy aligned



**What is the minimum share of socially sustainable investments?** [include section only where the financial product includes sustainable investments with a social objective]



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Investments which are neither aligned with the environmental or social characteristics nor qualified as sustainable investments will only constitute a small fraction of the Sub-fund’s total portfolio. Such #2 Other investments include cash and cash equivalents. These #2 Other investments are held to manage risk and achieve the Sub-fund’s investment objectives. Environmental and social safeguards are not relevant to these assets.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

Not applicable.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

- **How does the designated index differ from a relevant broad market index?**

Not applicable.

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:** *[include a hyperlink to the website referred to in Article 23 of this Regulation]*

[www.greenash-partners.com](http://www.greenash-partners.com) and [www.credit-suisse.com/microsites/multiconcept/en/our-funds.html](http://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html)

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



## PRECONTRACTUAL DISCLOSURE - GREEN ASH ONYX FUND

**Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name: Green Ash SICAV - Green Ash Onyx Fund (the "Sub-fund")**

**Legal entity identifier: 5493000AVJ3XK1GXR924**

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

**Yes**
  
 **No**

<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</b>	<input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
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**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

**The EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**What environmental and/or social characteristics are promoted by this financial product?** *[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

The Sub-fund seeks to invest in the publicly listed equities of corporates with strong and/or improving Environmental, Social and Governance ("ESG") characteristics, such as climate change, natural capital, pollution & waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, ownership & control, compensation, board composition, business ethics and transparency. The investment

process is ESG aware by incorporating sustainability considerations to enhance risk-adjusted returns.

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Sub-fund.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Sub-fund applies a dedicated ESG exclusion policy on a norm and value-based approach (“Negative Screening Strategy”):

- On a norm-based approach, the United Nations (“UN”) Global Compact Violation and Weapons are applied; and
- On a value-based approach, the following exclusions are applied:
  - Controversial Weapons (Any Tie)
  - Tobacco (producer; <10% of revenues)
  - Gambling (operator; <10% of revenues)
  - Thermal Coal (mining; <10% of revenues)

In addition, the Sub-fund excludes any company that breaches any of the ten principles of the UN Global Compact (“UNGC”) <https://www.unglobalcompact.org/what-is-gc/mission/principles>, the OECD Guidelines for Multinational Enterprises, or the International Labour Organisation’s (the “ILO”) standards.

In order to identify corporates with strong and/or improving ESG characteristics, Green Ash Partners LLP (the “Investment Manager”) adopts a weighted scoring methodology, informed by third party ESG ratings providers (such as MSCI). In addition, the Investment Manager engages with both ESG ratings providers and investee companies where it sees opportunities to improve their ESG disclosures and/or practices.

Additionally, the Investment Manager ensures the Sub-fund’s weighted average ESG score is higher than the MSCI World Total Return Index (M1WO).

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** *[include, for financial products that make sustainable investments, a description of the objectives and how the sustainable investments contribute to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributes]*

Not applicable.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** *[include a description for the financial product that partially intends to make sustainable investments]*

Not applicable.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account? *[include an explanation of how the indicators for adverse impacts in Table 1 of Annex I and any relevant indicators in Tables 2 and 3 of Annex I, are taken into account]*

Not applicable. *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: [include an explanation on the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights]*

Not applicable.

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, \_\_\_\_\_ *[if the financial product considers principal adverse impacts on sustainability factors, include a clear and reasoned explanation of how it considers principal adverse impacts on sustainability factors. Indicate where, in the information to be disclosed pursuant to Article 11(2) of Regulation (EU) 2019/2088, the information on principal adverse impacts on sustainability factors is available]*

No



**What investment strategy does this financial product follow?** *[provide a description of the investment strategy and indicate how the strategy is implemented in the investment process on a continuous basis]*

The investment objective of the Sub-fund is to achieve long-term capital growth and positive returns by investing predominately in equities on a worldwide basis. The investment strategy integrates the sustainability indicators listed above on a continuous basis in the stock selection process.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

This includes the Green Ash Corporate Governance policy, the Green Risk Management Policy, and the Green Ash Sustainable Investment policy.

**Asset allocation** describes the share of

**Good governance** practices include sound management

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

To ensure that the environmental or social characteristics promoted by the Sub-fund can be attained, the Sub-fund will apply a dedicated ESG exclusion policy on a norm and value-based approach. The Sub-fund will also apply the Investment Manager's ESG scoring, monitoring, and weighting methodology, in line with the Investment Manager's ESG policies and disclosures.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?** *[include an indication of the rate, where there is a commitment to reduce the scope of investments by a minimum rate]*

Not applicable.

- **What is the policy to assess good governance practices of the investee companies?** *[include a short description of the policy to assess good governance practices of the investee companies]*

In order to ensure that investee companies follow good governance practices, the Sub-fund aims to exclude any company which is flagged by any of the Ten Principles of the UNGC from its investment universe. The UNGC is a corporate sustainability initiative with the aim to create a global movement of sustainable companies and stakeholders to create a better world. The Ten Principles of the UNGC are derived from: The Universal Declaration of Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Connection against Corruption.

The Investment Manager may seek to engage with an investee company on these matters. Ultimately, if the Investment Manager is not satisfied that an investee company follows good corporate governance practices, it will divest from the investee company.

**What is the asset allocation planned for this financial product?** *[include a narrative explanation of the investments of the financial product, including the minimum proportion of the investments of the financial product used to meet the environmental or social characteristics promoted by the financial product in accordance with the binding elements of the investment strategy, including the minimum proportion of sustainable investments of the financial product where that financial products commits to making sustainable investments, and the purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards]*

At least 90% of the investments in the Sub-fund are aligned with #1 E/S characteristics. The Sub-fund does not commit to holding sustainable investments. Up to 10% may be allocated to #2 Other investments, which will be cash or cash equivalents.

The Sub-fund holds #2 Other investments for a number of reasons that the Investment Manager considers will be beneficial to the Sub-fund, such as, but not limited to, to manage risk and achieve the Sub-fund's investment objectives.

*[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

*[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



As noted above, the Sub-fund will be invested in compliance with the Negative Screening Strategy. This ensures that investments made by the Sub-fund align with international environmental and social safeguards such as the UN Global Compact, the UNGC, the OECD Guidelines for Multinational Enterprises and the ILO standards. The Investment Manager believes that the Negative Screening Strategy prevents investments that violate environmental and/or social minimum standards and ensures that the Sub-fund can successfully promote its environmental and social characteristics.

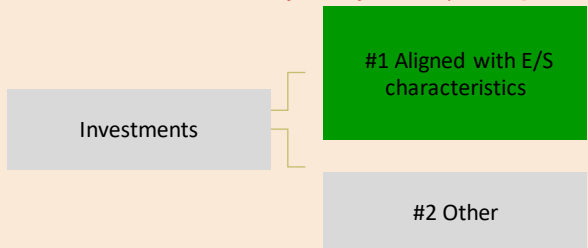
The exact asset allocation of the Sub-fund will be reported in the Sub-fund’s mandatory periodic report SFDR template, for the relevant reference period.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?** *[for financial products that use derivatives as defined in Article 2(1), point (29), of Regulation (EU) No 600/2014 to attain the environmental or social characteristics they promote, describe how the use of those derivatives meets those characteristics]*

The Sub-fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-fund. The Sub-fund may make use of derivatives for hedging, liquidity, efficient portfolio management and/or investment purposes, however, it does not utilise derivatives for such purposes outside the intended share of investments allocated to the #2 Other category. In the event the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, environmental or social risk factors are taken into account.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include a section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include the graphical representation referred to in Article 15(1), point (a), of this Regulation, the description referred to in Article 15(1), point (b), of this Regulation, a clear explanation as referred to in Article 15(1), point (c), of this Regulation, a narrative explanation as referred to in Article 15(1), point (d), of this Regulation and the information referred to in Article 15(3) of this Regulation]*

*[Include only relevant boxes, remove irrelevant ones for the financial product]*



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

*[include the note below where the financial product commits to making sustainable investments]*

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

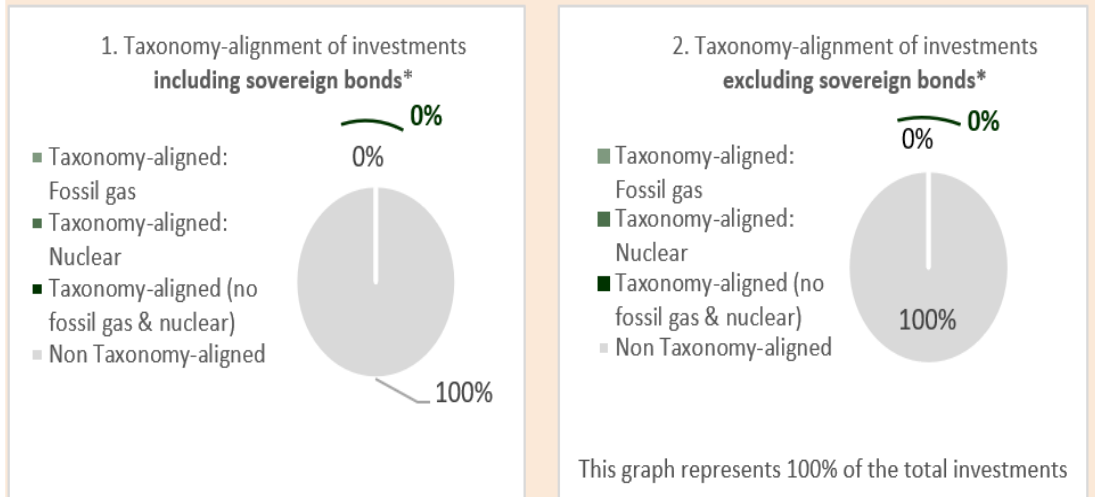
are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

0%. The Sub-fund does not intend to make Taxonomy-aligned investments, however it may be that, on occasion, a proportion of holdings are Taxonomy aligned. As data transparency in relation to EU Taxonomy improves, the Investment Manager may consider setting a target on Taxonomy-aligned investments. The Investment Manager currently relies on 3<sup>rd</sup> party data, including data relating to companies that do not disclose the EU Taxonomy alignment of their activities. EU taxonomy-alignment data is not yet subject to review by 3<sup>rd</sup> parties.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

- Yes: *[specify below, and details in the graphs of the box]*
  - In fossil gas
  - In nuclear energy
- No

**The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



- **What is the minimum share of investments in transitional and enabling activities?** *[include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

0%, however, on occasion, it may be that a proportion of holdings are in transitional or enabling activities.



*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

**Reference**

**benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** *[include section only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 where the financial product invests in economic activities that are not environmentally sustainable economic activities and explain why the financial product invests in sustainable investments with an environmental objective in economic activities that are not Taxonomy-aligned]*

0%. The Sub-fund promotes ESG characteristics, as outlined above and in the Green Ash sustainable investment framework. Amongst these may be investment that are not EU-Taxonomy aligned



**What is the minimum share of socially sustainable investments?** *[include section only where the financial product includes sustainable investments with a social objective]*

0%, however, on occasion, it may be that a proportion of holdings are in socially sustainable investments.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Investments which are neither aligned with the environmental or social characteristics nor qualified as sustainable investments will only constitute a small fraction of the Sub-fund’s total portfolio. Such #2 Other investments include cash and cash equivalents. These #2 Other investments are held to manage risk and achieve the Sub-fund’s investment objectives. Environmental and social safeguards are not relevant to these assets.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

Not applicable.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.



Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

- **How does the designated index differ from a relevant broad market index?**

Not applicable.

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:** *[include a hyperlink to the website referred to in Article 23 of this Regulation]*

[www.greenash-partners.com](http://www.greenash-partners.com) and [www.credit-suisse.com/microsites/multiconcept/en/our-funds.html](http://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html)

## PRECONTRACTUAL DISCLOSURE - CENTRE AMERICAN SELECT EQUITY FUND

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Green Ash SICAV - Centre American Select Equity Fund (the "Sub-fund")

Legal entity identifier:

## Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

Yes  No

It will make a minimum of sustainable investments with an environmental objective:

\_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of sustainable investments with a social objective: \_\_\_%

It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**What environmental and/or social characteristics are promoted by this financial product?** *[indicate the environmental and/or social characteristics promoted by the financial product and whether a reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

The Sub-fund seeks to invest in the publicly listed equities of corporates with strong and/or improving Environmental, Social and Governance ("ESG") characteristics, such as climate change, natural capital, pollution & waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, ownership & control, compensation, board composition, business ethics and transparency. The investment process is ESG aware by incorporating sustainability considerations to enhance risk-adjusted returns.

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Sub-fund.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Sub-fund excludes any company that breaches any of the ten principles of the UN Global Compact (“**UNGC**”) <https://www.unglobalcompact.org/what-is-gc/mission/principles>, the OECD Guidelines for Multinational Enterprises, or the International Labour Organisation’s (the “**ILO**”) standards. These include a review of: (i) the most material ESG issues facing this company, (ii) whether the company integrates ESG considerations into its strategy, and (iii) what diversity is like at the board/management level.

In order to identify corporates with strong and/or improving ESG characteristics, Centre Asset Management, LLC (the “**Sub-Investment Manager**”), utilises Green Ash Partners’ (the “**Investment Manager**”) ESG policy and resources, adopting a weighted scoring methodology, informed by third party ESG ratings providers (such as MSCI).

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

— ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

Not applicable.

— ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

Not applicable.

**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes,

No



## What investment strategy does this financial product follow?

The investment objective of the Sub-fund is to achieve long-term capital growth and positive returns by investing predominately (at least 80%) in U.S. equities. The investment strategy integrates a fundamentally-driven bottom-up Economic Value Added (EVA) philosophy with the sustainability indicators listed above on a continuous basis in the stock selection process. This includes the Green Ash Corporate Governance policy, the Green Risk Management Policy, and the Green Ash Sustainable Investment policy.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

To ensure that the environmental or social characteristics promoted by the Sub-fund can be attained, the Sub-fund has the following binding elements:

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

1. From an exclusion perspective, the Sub-fund does not invest in companies that are in violation of the UN Global Compact Violation and Weapons, the ten principles of the UNGC (<https://www.unglobalcompact.org/what-is-gc/mission/principles>), the OECD Guidelines for Multinational Enterprises, or the ILO standards.
2. As a minimum, 90% of the Sub-fund’s investments will be in companies that are not involved in any of the following: the production of controversial weapons (Any Tie), thermal coal (mining; >10% of revenues), gambling (operator; >10% of revenues) or tobacco (producer; >10% of revenues) industry.
3. From an integration perspective, the Sub-fund incorporates ESG criteria into the selection of its holdings and applies a proprietary measure of ESG sustainability value by company and industry to identify positive impact companies and to exclude lower ranked companies and industries in constructing the Sub-fund’s portfolio. The Sub-fund will only invest in companies that the Investment Manager has identified (based on its integration of ESG metrics into its investment analysis of issuers) as companies which are taking positive steps to



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

meet and exceed ESG and sustainability goals, whilst excluding industries and companies in line with the above points.

4. The Sub-fund will also apply the Investment Manager's ESG scoring, monitoring, and weighting methodology, in line with the Investment Manager's ESG policies and disclosures.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable.

- **What is the policy to assess good governance practices of the investee companies?**

In order to ensure that investee companies follow good governance practices, the Sub-fund aims to exclude any company which is flagged by any of the Ten Principles of the UNGC from its investment universe. The UNGC is a corporate sustainability initiative with the aim to create a global movement of sustainable companies and stakeholders to create a better world. The Ten Principles of the UNGC are derived from: The Universal Declaration of Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Connection against Corruption.

Ultimately, if the Sub-Investment Manager is not satisfied that an investee company follows good corporate governance practices, it will divest from the investee company.

### **What is the asset allocation planned for this financial product?**

At least 80% of the investments in the Sub-fund are aligned with #1 E/S characteristics. The Sub-fund does not commit to holding sustainable investments. Up to 20% may be allocated to #2 Other investments, which may also include cash or cash equivalents.

The Sub-fund holds #2 Other investments for a number of reasons that the Sub-Investment Manager considers will be beneficial to the Sub-fund, such as, but not limited to, to manage risk and achieve the Sub-fund's investment objectives.

As noted above, the Sub-fund will be invested in compliance with international environmental and social safeguards such as the UNGC, the OECD Guidelines for Multinational Enterprises and the ILO standards. The Sub-Investment Manager believes that this prevents investments that violate environmental and/or social minimum standards and ensures that the Sub-fund can successfully promote its environmental and social characteristics.

The exact asset allocation of the Sub-fund will be reported in the Sub-fund's mandatory periodic report SFDR template, for the relevant reference period.

**Good governance**  
practices include sound management structures, employee relations, remuneration of staff and tax compliance.

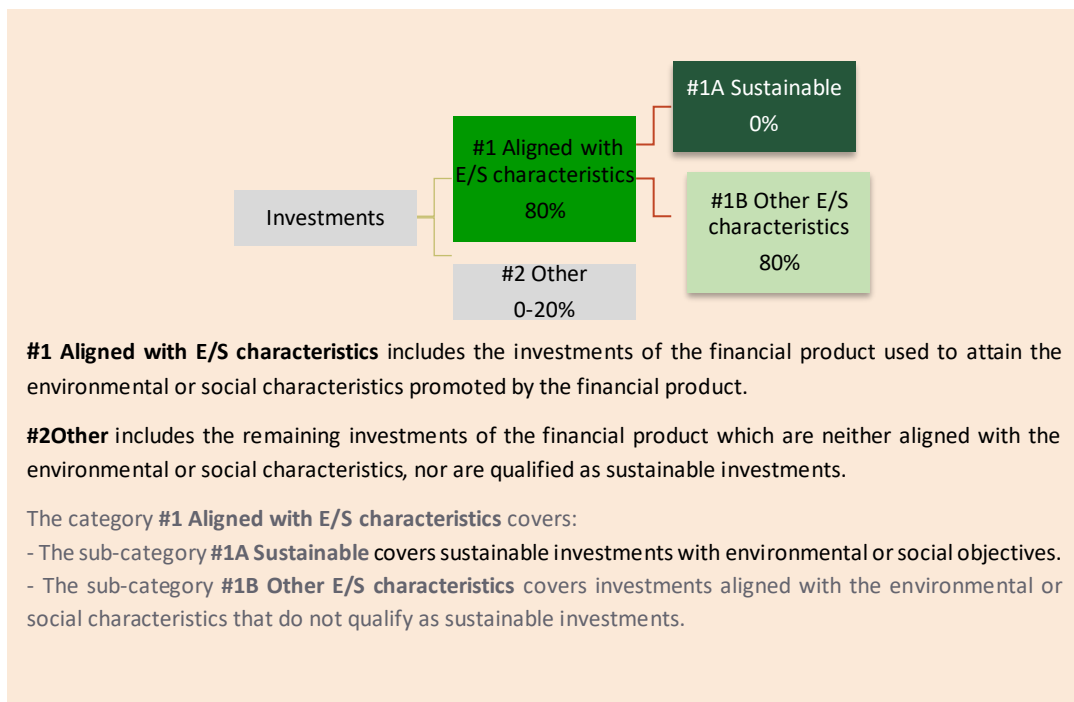
**Asset allocation**  
describes the share of investments in specific assets.



*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



*[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-fund. The Sub-fund may purchase or sell exchange-traded derivative products, such as exchange-traded futures and options, for capital preservation, enhancement of returns, temporary cash management, or investment transition purposes. However, it does not utilise derivatives for such purposes outside the intended share of investments allocated to the #2 Other category. In the event the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, environmental or social risk factors are taken into account.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

0%. The Sub-fund does not intend to make Taxonomy-aligned investments, however it may be that, on occasion, a proportion of holdings are Taxonomy aligned. As data transparency in relation to EU Taxonomy improves, the Sub-Investment Manager may consider setting a target on Taxonomy-aligned investments.

[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

**Regulation (EU) 2020/852**  
To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

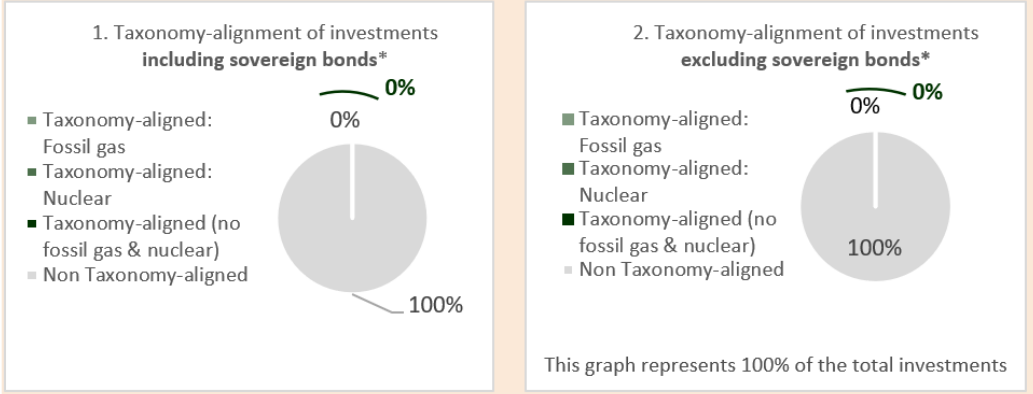
**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

- Yes: [specify below, and details in the graphs of the box]
  - In fossil gas     In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**  
0%, however, on occasion, it may be that a proportion of holdings are in transitional or enabling activities.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

0%. The Sub-fund promotes ESG characteristics, as outlined above and in the Green Ash sustainable investment framework. Amongst these may be investment that are not EU-Taxonomy aligned



**What is the minimum share of socially sustainable investments?**

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



0%, however, on occasion, it may be that a proportion of holdings are in socially sustainable investments.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Investments which are neither aligned with the environmental or social characteristics nor qualified as sustainable investments will only constitute a small fraction of the Sub-fund’s total portfolio. Such #2 Other investments include cash and cash equivalents. These #2 Other investments are held to manage risk and achieve the Sub-fund’s investment objectives. Environmental and social safeguards are not relevant to these assets.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable.



- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.

**Where can I find more product specific information online?**



More product-specific information can be found on the website:

[www.greenash-partners.com](http://www.greenash-partners.com) and [www.credit-suisse.com/microsites/multiconcept/en/our-funds.html](http://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html)

## PRECONTRACTUAL DISCLOSURE - CENTRE GLOBAL LISTED INFRASTRUCTURE FUND

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Green Ash SICAV - Centre Global Listed Infrastructure Fund (the "Sub-fund")  
 Legal entity identifier:

### Environmental and/or social characteristics

Does this financial product have a sustainable investment objective? *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

Yes  No

It will make a minimum of **sustainable investments with an environmental objective:** \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective:** \_\_\_%

It promotes **Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make any sustainable investments**

#### What environmental and/or social characteristics are promoted by this financial product?

The Sub-fund seeks to invest in the publicly listed equities of corporates with strong and/or improving Environmental, Social and Governance ("ESG") characteristics, such as climate change, natural capital, pollution & waste, environmental opportunities, human capital, product liability, stakeholder opposition, social opportunities, ownership & control, compensation, board composition, business ethics and transparency. The investment process is ESG aware by incorporating sustainability considerations to enhance risk-adjusted returns.



No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Sub-fund.

## Sustainability

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Sub-fund excludes any company that breaches any of the ten principles of the UN Global Compact (“**UNGC**”) <https://www.unglobalcompact.org/what-is-gc/mission/principles>, the OECD Guidelines for Multinational Enterprises, or the International Labour Organisation’s (the “**ILO**”) standards. These include a review of: (i) the most material ESG issues facing this company, (ii) whether the company integrates ESG considerations into its strategy, and (iii) what diversity is like at the board/management level.

In order to identify corporates with strong and/or improving ESG characteristics, Centre Asset Management, LLC (the “**Sub-Investment Manager**”), utilises Green Ash Partners’ (the “**Investment Manager**”) ESG policy and resources, adopting a weighted scoring methodology, informed by third party ESG ratings providers (such as MSCI).

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes,

No



## What investment strategy does this financial product follow?

The investment objective of the Sub-fund is to achieve long-term capital growth and current income by investing predominately (at least 80%) in global infrastructure related companies. The investment strategy integrates a fundamentally-driven bottom-up Economic Value Added (EVA) philosophy with the sustainability indicators listed above on a continuous basis in the stock selection process. This includes the Green Ash Corporate Governance policy, the Green Risk Management Policy, and the Green Ash Sustainable Investment policy.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

To ensure that the environmental or social characteristics promoted by the Sub-fund

*[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]*

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

can be attained, the Sub-fund has the following binding elements:

1. From an exclusion perspective, the Sub-fund does not invest in companies that are in violation of the UN Global Compact Violation and Weapons, the ten principles of the UNGC (<https://www.unglobalcompact.org/what-is-gc/mission/principles>), the OECD Guidelines for Multinational Enterprises, or the ILO standards.
2. As a minimum, 90% of the Sub-fund’s investments will be in companies that are not involved in any of the following: the production of controversial weapons (Any Tie), thermal coal (mining; >10% of revenues), gambling (operator; >10% of revenues) or tobacco (producer; >10% of revenues) industry.
3. From an integration perspective, the Sub-fund incorporates ESG criteria into the selection of its holdings and applies a proprietary measure of ESG sustainability value by company and industry to identify positive impact companies and to exclude lower ranked companies and industries in constructing the Sub-fund’s portfolio. The Sub-fund will only invest in companies that the Investment Manager has identified (based on its integration of ESG metrics into its investment analysis of issuers) as companies which are taking positive steps to



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**Asset allocation** describes the share of investments in specific assets.

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

meet and exceed ESG and sustainability goals, whilst excluding industries and companies in line with the above points.

4. The Sub-fund will also apply the Investment Manager’s ESG scoring, monitoring, and weighting methodology, in line with the Investment Manager’s ESG policies and disclosures.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable.

- **What is the policy to assess good governance practices of the investee companies?**

In order to ensure that investee companies follow good governance practices, the Sub-fund aims to exclude any company which is flagged by any of the Ten Principles of the UNGC from its investment universe. The UNGC is a corporate sustainability initiative with the aim to create a global movement of sustainable companies and stakeholders to create a better world. The Ten Principles of the UNGC are derived from: The Universal Declaration of Human Rights, the ILO’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Connection against Corruption.

Ultimately, if the Sub-Investment Manager is not satisfied that an investee company follows good corporate governance practices, it will divest from the investee company.

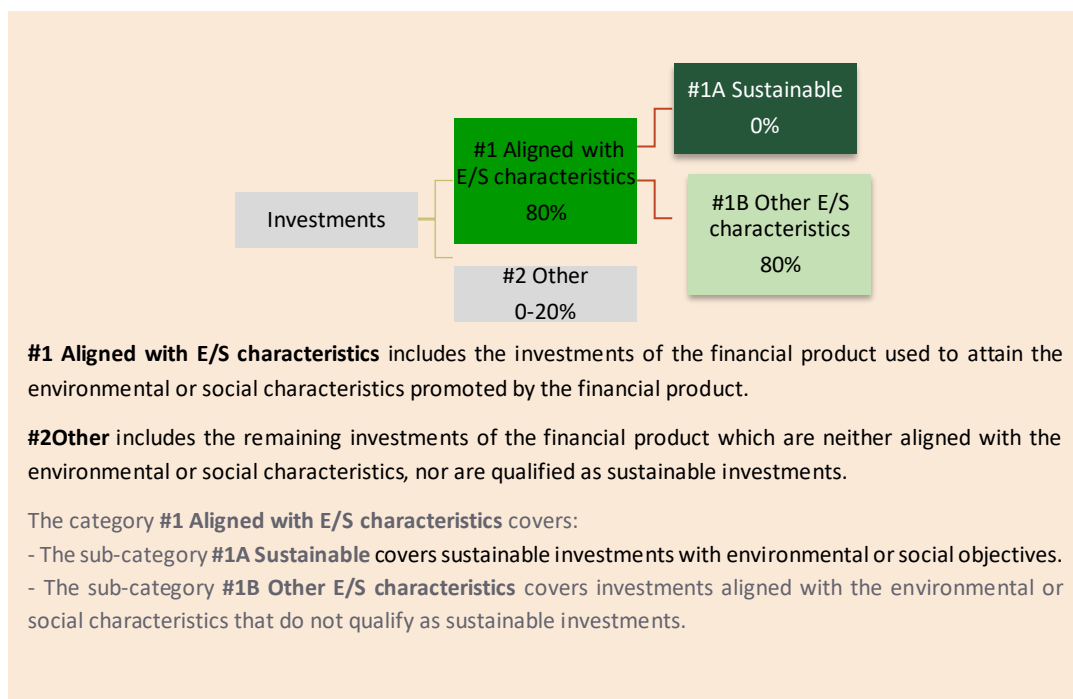
**What is the asset allocation planned for this financial product?**

At least 80% of the investments in the Sub-fund are aligned with #1 E/S characteristics. The Sub-fund does not commit to holding sustainable investments. Up to 20% may be allocated to #2 Other investments, which may also include cash or cash equivalents.

The Sub-fund holds #2 Other investments for a number of reasons that the Sub-Investment Manager considers will be beneficial to the Sub-fund, such as, but not limited to, to manage risk and achieve the Sub-fund’s investment objectives.

As noted above, the Sub-fund will be invested in compliance with international environmental and social safeguards such as the UNGC, the OECD Guidelines for Multinational Enterprises and the ILO standards. The Sub-Investment Manager believes that this prevents investments that violate environmental and/or social minimum standards and ensures that the Sub-fund can successfully promote its environmental and social characteristics.

The exact asset allocation of the Sub-fund will be reported in the Sub-fund’s mandatory periodic report SFDR template, for the relevant reference period.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-fund. The Sub-fund may purchase or sell exchange-traded derivative products, such as exchange-traded futures and options, for capital preservation, enhancement of returns, temporary cash management, or investment transition purposes. However, it does not utilise derivatives for such purposes outside the intended share of investments allocated to the #2 Other category. In the event the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, environmental or social risk factors are taken into account.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy<sup>1</sup>?**

0%. The Sub-fund does not intend to make Taxonomy-aligned investments, however it may be that, on occasion, a proportion of holdings are Taxonomy aligned. As data transparency in relation to EU Taxonomy improves, the Sub-Investment Manager may consider setting a target on Taxonomy-aligned investments.

the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

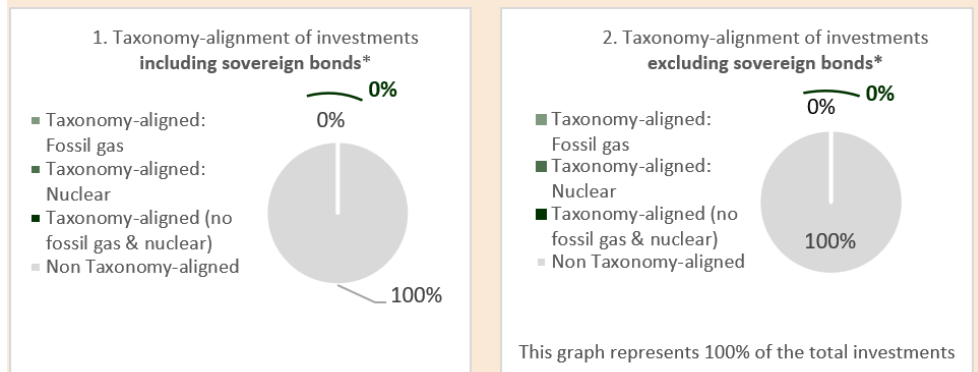
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

• Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

- Yes: [specify below, and details in the graphs of the box]
- In fossil gas     In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● What is the minimum share of investments in transitional and enabling activities?

0%, however, on occasion, it may be that a proportion of holdings are in transitional or enabling activities.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

0%. The Sub-fund promotes ESG characteristics, as outlined above and in the Green Ash sustainable investment framework. Amongst these may be investment that are not EU-Taxonomy aligned



What is the minimum share of socially sustainable investments?

0%, however, on occasion, it may be that a proportion of holdings are in socially sustainable investments.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

[include note for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]



## What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments which are neither aligned with the environmental or social characteristics nor qualified as sustainable investments will only constitute a small fraction of the Sub-fund’s total portfolio. Such #2 Other investments include cash and cash equivalents. These #2 Other investments are held to manage risk and achieve the Sub-fund’s investment objectives. Environmental and social safeguards are not relevant to these assets.

### Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable.

- *How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?*

Not applicable.

- *How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?*

Not applicable.

- *How does the designated index differ from a relevant broad market index?*

Not applicable.

- *Where can the methodology used for the calculation of the designated index be found?*

Not applicable.

### Where can I find more product specific information online?

More product-specific information can be found on the website:

[www.greenash-partners.com](http://www.greenash-partners.com) and [www.credit-suisse.com/microsites/multiconcept/en/our-funds.html](http://www.credit-suisse.com/microsites/multiconcept/en/our-funds.html)





## INFORMATION FOR THE INVESTORS IN SWITZERLAND

### i. General Information

Effective as of 30 April 2024, the Representative of the Company in Switzerland is UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, CH-4051 Basel as a result of the merger by absorption with Credit Suisse Funds AG.

Effective 01 July 2024, the Paying Agent of the Company in Switzerland is UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich, as a result of the merger by absorption with Credit Suisse (Switzerland) Ltd.

Shareholders may obtain the Prospectus, the Key Investor Information Document, copies of the Articles of Incorporation and the latest annual and semi-annual reports free of charge from the Representative in Switzerland.

All notices to Shareholders shall be published at least on the electronic platform "[www.swissfunddata.ch](http://www.swissfunddata.ch)". The issue and the redemption prices or the Net Asset Value together with a reference stating "excluding commissions" shall be published on each valuation day on the electronic platform "[www.swissfunddata.ch](http://www.swissfunddata.ch)" as a minimum.

With respect to Shares offered (the term offering also includes advertising such Shares pursuant to art. 127a of the Swiss Collective Investment Schemes Ordinance of 22 November 2006) in Switzerland, the place of performance is at the registered office of the Representative in Switzerland. The place of jurisdiction is at the registered office of the Representative in Switzerland or registered office or the domicile of the Shareholder.

### ii. Information in Relation to the Distribution

The Company and its agents may pay retrocessions as remuneration for offering activity in respect of Shares in Switzerland. This remuneration may be deemed payment for the following services in particular:

- Stocking and distribution of marketing and legal documents;
- Forwarding and/or providing the publications required by law as well as other publications;
- Complying to due diligence requirements delegated by the Management Company and pertaining to the Distributor;
- Clarifying and answering specific investor queries regarding the investment product or the provider.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors. The disclosure of the receipt of retrocessions is governed by the relevant provisions of the Swiss Financial Services Act of 15 June 2018.

In the case of offering activity in Switzerland, the Company and its agents may, upon request, pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates by the Company are permitted provided that

- they are paid from fees received by the Company and therefore do not represent an additional charge on the fund assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the Company may include:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behavior shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the Company must disclose the amounts of such rebates free of charge.

### **iii. Possibility of Forwarding the Investment Management Fee**

The Investment Manager may, at its sole discretion, forward all or part of its Investment Management Fee to investors or other recipients.

24.179RS