

PROSPECTUS FOR SWITZERLAND

June 2024

NEW CAPITAL FUND LUX

*Organisme de placement collectif en valeurs mobilières (OPCVM)
Société d'investissement à capital variable (SICAV)*

The Directors of the Company, whose names appear under the heading "Management and Administration" in the Prospectus accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of the information.

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IMPORTANT INFORMATION

THE INFORMATION IN THIS PROSPECTUS IS BASED ON THE DIRECTORS' UNDERSTANDING OF CURRENT LAW AND PRACTICE (INCLUDING AS TO TAXATION) AT THE DATE HEREOF. BOTH LAW AND PRACTICE MAY BE SUBJECT TO CHANGE. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

It should be remembered that the price of shares of the Company and income from them can go down as well as up and that investors may not receive back the amount they originally invested.

Shares are available for issue on the basis of the information and representations contained in this Prospectus and the relevant PRIIPs Key Information Documents (as defined hereafter). Any further information given or representations made by any person with respect to any shares must be regarded as unauthorised.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make misleading any statement herein whether of fact or opinion. All the Directors accept responsibility accordingly.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

Listing on a Stock Exchange

The Directors may decide to list some Classes of shares of the Sub-Funds on one or more stock exchanges. Further information on the stock exchange listings may be obtained from the Management Company upon request.

Selling and transfer restrictions

The shares have not been and will not be registered under the Securities Act of 1933 of the United States (as amended) (the “**1933 Act**”) or the securities laws of any of the States of the United States. The shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any “US Person” as defined in Regulation S under the 1933 Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable State laws.

The shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act. Each applicant for shares will be required to certify whether it is a US Person.

The Company will not be registered under the United States Investment Company Act of 1940 (the “**1940 Act**”). Based on interpretations of the 1940 Act by the United States Securities and Exchange Commission, if the Company has more than 100 beneficial owners of its shares who are US Persons, it may become subject to certain requirements under the 1940 Act. To ensure that the number of holders of shares who are US Persons does not exceed this limit, the Directors may require the compulsory redemption of shares beneficially owned by US Persons.

General

The distribution of this Prospectus and the offering of the shares may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Prospective applicants for shares should inform themselves as to legal requirements so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The PRIIPs Key Information Documents of each Class of each Sub-Fund, the latest annual and semiannual reports of the Company (if any), are available at the registered office of the Company and will be sent to investors upon request. Such reports shall be deemed to form part of this Prospectus.

Before subscribing to any Class and to the extent required by local laws and regulations each investor shall consult the relevant PRIIPs Key Information Document(s). The PRIIPs Key Information Documents provide information on historical performance, the synthetic risk and reward indicator and charges. Investors may obtain the PRIIPs Key Information Documents in paper form or on any other durable medium agreed between the Company or the intermediary and the investor.

The Directors draw the investors' attention to the fact that any investor will only be able to fully exercise its investor rights directly against the Company, notably the right to participate in general meetings of shareholders if the investor is registered himself and in its own name in the Company's register of shareholders maintained by the Registrar and Transfer Agent. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors should seek advice from their salesman or intermediary on their rights in the Company.

Copies of the Prospectus and of the PRIIPs Key Information Document of the Sub-Funds may be obtained free of charge from:

Waystone Management Company (Lux) S.A.
19, rue de Bitbourg
L-1273 Luxembourg
Luxembourg

HSBC Continental Europe, Luxembourg
18, boulevard de Kockelscheuer
L-1821 Luxembourg
Luxembourg

EFG Bank AG
Bleicherweg 8,
P.O. Box 6012,
CH-8022 Zurich
Switzerland

DIRECTORY

Registered Office of the Company	19, rue de Bitbourg L-1273 Luxembourg Grand Duchy of Luxembourg
Board of Directors of the Company	<p>Salvino Ferrante (Chairman) Independent director Grand Duchy of Luxembourg</p> <p>William Heath Independent director Grand Duchy of Luxembourg</p> <p>Nicolas Charpenter Chief Operating Officer EFG Asset Management (UK) Limited London, United Kingdom</p> <p>Giordano Battaini Head of Operations EFG Asset Management (Switzerland) SA Lugano, Switzerland</p>
Management Company	Waystone Management Company (Lux) S.A. 19, rue de Bitbourg L-1273 Luxembourg Grand Duchy of Luxembourg
Depositary	EFG Bank (Luxembourg) S.A. 56, Grand-Rue L-1660 Luxembourg Grand Duchy of Luxembourg
Administration Agent, Registrar and Transfer Agent and Paying Agent in Luxembourg	HSBC Continental Europe, Luxembourg 18, boulevard de Kockelscheuer L-1821 Luxembourg Grand Duchy of Luxembourg
Domiciliary Agent and Company Secretary	Waystone Corporate Services (Lux) S.A. 19, rue de Bitbourg L-1273 Luxembourg Grand Duchy of Luxembourg

Investment Manager of all Sub-Funds except New Capital Fund Lux – Prudent Multi-Asset Fund USD and New Capital Fund Lux – Global Fixed Maturity Bond Fund USD 2024	EFG Asset Management (Switzerland) SA Quai du Seujet 24 P.O. Box 2391 1211 Geneva 2 Switzerland
Investment Manager of New Capital Fund Lux – Prudent Multi-Asset Fund USD and New Capital Fund Lux – Global Fixed Maturity Bond Fund USD 2024 Global Distributor	EFG Asset Management (UK) Limited Park House 116 Park Street London W1K 6AF United Kingdom
Sub-Investment Manager of New Capital Fund Lux – Prudent Multi-Asset Fund USD	EFG Asset Management (Switzerland) SA Quai du Seujet 24 P.O. Box 2391 1211 Geneva 2 Switzerland
Paying Agent in Switzerland	EFG Bank AG Bleicherweg 8, P.O. Box 6012, CH-8022 Zurich. Switzerland
Auditors	Deloitte Audit 20, Boulevard de Kockelscheuer L - 1821 Luxembourg Grand Duchy of Luxembourg
Legal Adviser as to matters of Luxembourg law	Dechert (Luxembourg) LLP 29, Avenue de la Porte-Neuve L-2227 Luxembourg Grand Duchy of Luxembourg
Legal Representative in Switzerland	CACEIS (Switzerland) SA Route de Signy 35 CH-2259 Nyon 2 Switzerland

GLOSSARY

1915 Law	Luxembourg Law of 10 August 1915 relating to commercial companies, as amended.
2010 Law	Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended.
Administration Agent	HSBC Continental Europe, Luxembourg, acting in its capacity as administration agent of the Company.
Alternative UCITS	UCITS which follow alternative investment strategies, such as, but not limited to, absolute return funds that pursue hedge fund type strategies using derivatives instruments as part of their investment strategy.
Application Form	The application form for the subscription of shares in a Sub-Fund available at the registered office of the Company and from distributors (if any).
Articles of Incorporation	The articles of incorporation of the Company, as may be amended from time to time.
Auditors	Deloitte Audit.
A Shares	Shares in companies based in the People's Republic of China that trade on the SSE and the SZSE.
Asset-Backed Commercial Paper(s) or ABCP	A short-term debt instrument issued on a discount basis. The proceeds of ABCP issuance are primarily used to obtain interests in various assets for example trade receivables, consumer debt receivables or auto loans. Such financings may take the form of a traditional asset purchase or a secured loan.
Base Currency	The base currency of a Sub-Fund, as disclosed in the relevant Sub-Fund Appendix.
Business Day	Normal bank business days in Luxembourg (i.e. each day on which the banks are open during normal business hours) except individual, non- statutory rest days and days on which stock exchanges in the main countries in which the Sub-Funds invest are closed, or on which 50% or more of the Sub-Funds' investments cannot be adequately valued.
CHF	The official currency of Switzerland.
Class(es)	Pursuant to the Articles of Incorporation, the Directors may decide to issue, within each Sub-Fund, separate classes of shares (hereinafter referred to as a " Class ") whose assets will be commonly invested but where a specific initial or redemption charge structure, fee structure, minimum subscription amount, currency, dividend policy or other feature may be applied. If different Classes are issued within a Sub-Fund, the details of each Class are described in the relevant Sub-Fund Appendix.

Company	New Capital Fund Lux.
Contingent Convertible Bonds or "CoCos"	Type of bonds that contains features of both debt and equity. CoCos feature conversion into equity of the issuer in case the trigger conditions are met at a pre-determined conversion price/ratio or a write-down of the principal amount of the bonds upon the occurrence of a specific trigger event.
CSSF	<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority.
Debt Securities	Debt instrument that can be bought or sold between two parties and has basic terms defined, such as notional amount (amount borrowed), interest rate and maturity/renewal date. Debt securities include government bonds, corporate bonds, CDs, commercial papers, municipal bonds, preferred stock, hybrids, collateralized securities, inflation linked bonds, covered bonds, floaters, callable or puttable, perpetual, sinking, GDP linked, step up/down, collateralized securities and zero-coupon securities.
Default Securities	A transferable security as to which (a) the issuer of such security has defaulted in the payment of principal or interest in accordance with its issuing documents or (b) with respect to which any bankruptcy, insolvency or receivership proceeding has been initiated in respect of the issuer of such security.
Depository	EFG Bank (Luxembourg) S.A., acting in its capacity as depository bank of the Company.
Depository Agreement	Depository agreement entered into between the Company and the Depository.
Directors	The members of the board of directors of the Company.
EEA	European Economic Area.
Eligible State	Any state in Eastern and Western Europe, Asia, Africa, Australia, North and South America and Oceania.
Equity-Like Instruments	Securities equivalent to shares in companies and any other negotiable securities which carry the right to acquire such transferable securities by subscription or exchange.
ESG	Environment, social and governance.
ESMA	The European Securities and Markets Authority.
EU	European Union.
EUR	The legal currency of the European Union (the "Euro").
Exchange Traded Funds / ETFs	An investment fund traded on stock exchanges. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day.

FATCA	The Foreign Account Tax Compliance provisions of the US. Hiring Incentives to Restore Employment Act enacted in March 2010.
Global Distributor	EFG Asset Management (UK) Limited.
Group of Twenty (G20)	The informal group of twenty finance ministers and central bank governors from twenty major economies: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, USA and the European Union.
HKSCC	Hong Kong Securities and Clearing Corporation Limited.
Institutional Investor(s)	Institutional investor(s) within the meaning of article 174 of the 2010 Law.
Investment Managers	Shall mean the entities responsible for the management of the assets of the Sub-Funds, as detailed in Section 14.
Liquid Assets	Bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavourable market conditions.
Luxembourg	The Grand Duchy of Luxembourg.
Management Company	Waystone Management Company (Lux) S.A.
Mark-to-Market	The valuation of positions at readily available closing prices that are sourced independently, including exchange prices, screen prices, or quotes from several independent reputable brokers.
Mark-to-Model	Any valuation which is benchmarked, extrapolated or otherwise calculated from one or more market inputs, internal financial model or a combination of both.
Member State(s)	Shall mean a member state of the EU. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the EU, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the EU.
MMF Regulation	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds as may be amended or replaced from time to time.
Money Market Fund or MMF	A fund qualifying as Money Market Fund under the MMF Regulation.
Money Market Instruments	Instruments as defined in Article 2(1) of the UCITS Directive and as referred to in Article 3 of Commission Directive 2007/16/EC.
Net Asset Value	The net asset value of any Class within any Sub-Fund determined in accordance with the relevant provisions detailed in Section 10.

Northbound Link	Stock Connect link through which investors can deal in select securities listed on the SSE and SZSE through the SEHK and clearing house in Hong Kong.
OECD	Organisation for Economic Co-operation and Development.
Other UCI or UCI	An Undertaking for collective investment within the meaning of Article 1 paragraph (2), point (a) and point (b) of UCITS Directive.
PRIIPs Key Information Document	Shall mean the key information document produced in accordance with Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.
Private Borrowers	Any private entity financing its activities through the issue of debt instruments.
Prospectus	The prospectus of the Company.
Public Local Authorities	An administrative body for a small geographic area, such as a city, town, county, or state that only has control over its specific geographical region and cannot pass or enforce laws that will affect a wider area.
Reference Currency	The reference currency of a Class as disclosed in the relevant Sub-Fund Appendix.
Registrar and Transfer Agent	HSBC Continental Europe, Luxembourg, acting as registrar and transfer agent of the Company.
Regulated Market	A regulated market as defined in the Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by the Directive 2004/39/EC and any other market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.
Repurchase Agreement	Any agreement in which one party transfers securities or any rights related to that title to a counterparty, subject to a commitment to repurchase them at a specified price on a future date specified or to be specified.
Reverse Repurchase Agreement	Any agreement in which one party receives securities, or any rights related to a title or security from a counterparty subject to a commitment to sell them back at a specified price on a future date specified or to be specified.

Securities physically backed by precious metals	Securities that track the price of physical metal and are backed by an entitlement to allocated metal or precious metal such as gold, silver, platinum or palladium.
Securitisation	<p>A transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having both of the following characteristics:</p> <p>(a) payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;</p> <p>(b) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme.</p>
SEHK	Stock Exchange of Hong Kong.
Semi-Public Enterprises	Organizations whose legal status under private law and public law, or a sector of the economy governed by private law but controlled by a public entity.
SFDR	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 amended.
SFTs	Securities financing transactions within the meaning of the Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse.
Sovereign/ Supranational	Nonphysical juridical entity represented by one centralized government that can pass or enforce laws over a geographic area.
Southbound Link	Stock Connect link through which investors can deal in select securities listed on the SEHK through the SSE, the SZSE and ChinaClear.
SSE	Shanghai Stock Exchange.
Standard MMF	A MMF that invests in eligible instruments referred to in Article 10(1) and (2) of the MMF Regulation that is subject to the portfolio rules set out in Article 25 of the MMF Regulation. A standard MMF can only be a VNAV MMF.
Stock Connect	Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the mutual market access programme through which investors can deal in select securities through the Northbound Link and the Southbound Link.
Sub-Fund	A specific portfolio of assets and liabilities within the Company having, among others, its own investment objective, investment restrictions and Net Asset Value per share. It is represented by one or more Classes.
Sub-Fund Appendix	Part of the Prospectus containing information relating to each Sub-Fund.

SZSE	Shenzhen Stock Exchange.
Transferable Securities	Transferable securities as defined in Article 2(1)(n) of the UCITS Directive, and instruments as referred to in Article 2(1) of Directive 2007/16/EC.
UCITS	An Undertaking for collective investment in Transferable Securities and other eligible assets authorised pursuant to Directive 2009/65/EC, as amended.
UCITS Directive	Directive 2009/65/EC, as amended from time to time.
US Person	A citizen or resident of the United States of America, a partnership organised or existing under the laws of any state, territory or possession of the United States of America, or a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which from sources outside the United States of America is not includable in gross income for the purpose of computing United States income tax payable by it.
USD	The legal currency of the United States of America.
Valuation Day	The Net Asset Value per share of each Class is determined on each day that is a valuation day for that Sub-Fund. Subject to any further restrictions as specified in the relevant Section “Introduction”, a “Valuation Day” is a Business Day other than a day on which any exchange or market on which a substantial portion of the relevant Sub-Fund’s investments is traded, is closed. When dealings on any such exchange or market are restricted or suspended, the Management Company may, in consideration of prevailing market conditions or other relevant factors, determine whether a Business Day shall be a Valuation Day or non-valuation day. Requests for issue, redemption, transfer and switching of shares of any Class are accepted by the Company in Luxembourg on any Valuation Day of the relevant Sub-Fund. By derogation to the above, on New Year’s Eve, provided that such day is not a Saturday or Sunday, the Net Asset Value per share of each Class in respect of this day shall be made available at the registered office of the Company although no deals will be processed on that day. A list of expected non-valuation days is available from the Management Company on request.
Variable Net Asset Value MMF or VNAV MMF	A MMF as defined under Article 2(13) of the MMF Regulation that complies with the specific requirements laid down in Articles 29, 30 and 33(1) of the MMF Regulation.
WAL	The average length of time to legal maturity of all of the underlying assets in the MMF reflecting the relative holdings in each asset.
WAM	The average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in the MMF reflecting the relative holdings in each asset.

GENERAL PART

1. STRUCTURE OF THE COMPANY

- 1.1 The Company is an open-ended umbrella investment company with variable capital (*société d'investissement à capital variable*) incorporated under the form of a *société anonyme* in Luxembourg on 21 March 2000, under the name “BSI-MULTINVEST”. It qualifies as an undertaking for collective investment in transferable securities (UCITS) under Part I of the 2010 Law. As an umbrella structure, the Company may operate separate Sub-Funds, each being distinguished among others by their specific investment policy or any other specific feature as further detailed in the relevant Sub-Fund Appendix. Within each Sub-Fund, different Classes with characteristics detailed in the relevant Sub-Fund Appendix may be issued.
- 1.2 The Company constitutes a single legal entity, but the assets of each Sub-Fund are segregated from those of the other Sub-Fund(s) in accordance with the provisions of article 181 of the 2010 Law. This means that the assets of each Sub-Fund shall be invested for the shareholders of the corresponding Sub-Fund and that the assets of a specific Sub-Fund are solely accountable for the liabilities, commitments and obligations of that Sub-Fund.
- 1.3 The Directors may at any time resolve to set up new Sub-Fund(s) and/or create within each Sub-Fund one or more Classes. The Directors may also at any time resolve to close a Sub-Fund, or one or more Classes within a Sub-Fund, to further subscriptions.
- 1.4 The capital of the Company shall be equal at all times to its net assets. The minimum capital of the Company shall be the minimum prescribed by the 2010 Law, which at the date of this Prospectus is the equivalent of EUR 1,250,000.
- 1.5 The Company is registered with the *Registre de Commerce et des Sociétés, Luxembourg* (Luxembourg register of commerce and companies) under number B74740. The Articles of Incorporation are deposited with the *Registre de Commerce et des Sociétés, Luxembourg*.
- 1.6 The reference currency of the Company is EUR and all the financial statements of the Company will be presented in EUR.

2. INVESTMENT OBJECTIVES AND POLICIES OF THE COMPANY AND THE SUB-FUNDS

- 2.1 The exclusive objective of the Company is to place the funds available to it in Transferable Securities and other permitted assets of any kind, to the extent permitted by “Appendix 1. General Investment Restrictions”, with the purpose of spreading investment risks and affording its shareholders the results of the management of its portfolios. Each of the Sub-Funds may employ financial derivative instruments to hedge market and currency risk and for the purposes of efficient portfolio management.
- 2.2 Specific provisions apply to the Cash Sub-Fund, as detailed in Appendix 2.
- 2.3 In pursuing the investment objectives of the Sub-Funds, the Directors at all times seek to maintain an appropriate level of liquidity in the assets of the relevant Sub-Fund so that redemptions of shares under normal circumstances may be made without undue delay upon request by the shareholders.
- 2.4 Whilst using their best endeavours to attain the investment objectives, the Directors cannot guarantee the extent to which these objectives will be achieved. The value of the shares and the income from them can fall as well as rise and investors may not realise the value of their initial investment. Changes in the rates of exchange between currencies may also cause the value of the shares to diminish or to increase.

3. RISK MANAGEMENT PROCESS

- 3.1 The Management Company, on behalf of the Company, employs 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. 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 instrument and shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.
- 3.2 The global risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.
- 3.3 In the framework of the risk management process, either the commitments approach, or relative or absolute “value-at-risk” approach (hereinafter “**VaR**”) may be used to manage and measure the global risk exposure of each Sub-Fund. The choice of the approach used is based on the investment strategy of each Sub-Fund and on the type and on the complexity of the financial derivative instruments in which the relevant Sub-Fund may invest, and also the proportion of financial derivative instruments held by the Sub-Fund.
- 3.4 The commitments approach measures the overall risk exposure linked to investment in financial derivative instruments and other investment techniques (taking into account the netting and hedging effects), which shall not exceed the Net Asset Value. Pursuant to this approach, each financial derivative instrument is in principle converted to the market value of an equivalent investment in the underlying asset to this financial derivative instrument.
- 3.5 The VaR measures the maximum expected loss taking into account a given confidence level and a given period.
- 3.6 The VaR calculation is processed on the basis of a unilateral confidence interval of 99% and a twenty days time horizon.
- 3.7 When using relative VaR, the calculated overall global risk exposure related to the whole portfolio investments of the relevant Sub-Fund does not exceed twice the VaR of the reference portfolio.
- 3.8 When using absolute VaR, the VaR of the relevant Sub-Fund is limited to a maximum of 20% of its Net Asset Value.
- 3.9 The commitment approach is used to monitor and measure the global exposure of the Sub-Funds, unless otherwise provided in the relevant Sub-Fund Appendix.
- 3.10 The expected level of leverage for each Sub-Fund using VaR is indicated for each Sub-Fund in the relevant Sub-Fund Appendix. In certain circumstances, this level of leverage may however be exceeded. The method used for determining the expected level of leverage of these Sub-Funds is based on the sum of the notionals.

4. RISK CONSIDERATIONS

- 4.1 Investment in any Sub-Fund carries with it a degree of risk, including, but not limited to, those referred to below. Potential investors should read the Prospectus in its entirety, read the relevant PRIIPs Key Information Document and consult with their legal, tax and financial advisors prior to making a decision to invest.
- 4.2 The value of the investment can be affected by national and international macro-economic trends, by interest-rate fluctuations or by changes in the value of the currencies of the countries of investment just as much as it can by exchange-control regulations, by the tax legislation of the individual countries of investment, including the regulations governing withholding tax, by

changes of government or by changes in economic and currency policy in the countries concerned. No guarantee can therefore be given that the investment objectives will actually be achieved.

- 4.3 Taking into account the investment restrictions in Appendix 1, each Sub-Fund may pursue different strategies in order to reduce the investment risks and optimize the yield of its portfolio. These strategies currently include the use of options, currency futures contracts, futures contracts and options on futures contracts. Market conditions and the applicable legal regulations may restrict the use of these instruments. No guarantee can be given that such strategies will be successful. Sub-Funds that trade on the futures and options markets, as well as Sub-Funds that enter into currency swap transactions are subject to risks and expenses in connection with these specific investments to which they would not have been subject if no use had been made of such transactions. Should the Investment Managers' assessments of movements on the securities, foreign-exchange and interest-rate markets prove inaccurate, the Sub-Fund may find itself in a more unfavourable situation than would have been the case if the risk-hedging or optimization strategies had not be utilized.

Interest Rate Risk

- 4.4 This risk is present in each Sub-Fund having Debt Securities in its investment universe. The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.
- 4.5 The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments.

Credit Risk

- 4.6 Credit risk involves the risk that an issuer of a bond (or similar money-market instruments) held by a Sub-Fund may default on its obligations to pay interest and repay principal and the Sub-Fund will not recover its investment.

Currency Exchange Risk

- 4.7 A Sub-Fund may hold assets denominated in currencies that differ from its Base Currency and may be affected by exchange rate fluctuations between the Base Currency and the other currencies and by changes in exchange rate controls. If the currency in which a security is denominated appreciates in relation to the Base Currency of the Sub-Fund, the exchange value of the security in the Base Currency will appreciate; conversely, a depreciation of the denomination currency will lead to depreciation in the exchange value of the security.
- 4.8 When an Investment Manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

Liquidity risk

- 4.9 Certain types of securities may be difficult to buy or sell, particularly during adverse market conditions, which may affect their value. The fact that the shares may be listed on a stock exchange is not an assurance of liquidity in the shares.

Stock Market Volatility

- 4.10 The Net Asset Value of a Sub-Fund will reflect the volatility of the stock market. Stock markets are volatile and can move significantly in response to the issuer, demand and supply, political, regulatory, market and economic developments.

Issuer-Specific Risk

- 4.11 The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.

Execution and Counterparty Risk

- 4.12 The Company may be subject to the risk of the inability of the counterparty, or any other entities, in or with which an investment or transaction is made, to perform in respect of undertaken transactions, whether due to insolvency, bankruptcy or other causes.
- 4.13 In some markets there may be no secure method of delivery against payment which would minimize the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of the securities or, as the case may be, sale proceeds.

Conflicts of interest

- 4.14 The Management Company and/or the Investment Managers may carry out operations in which they directly or indirectly have an interest that could conflict with their obligations towards the Company. The Management Company and its delegates will ensure that these operations are carried out under conditions that are as favorable for the Company as those that would have prevailed in the absence of the potential conflict of interest and that applicable policies and procedures are complied with. Such conflicts of interest or commitments may arise from the fact that the Management Company and its delegates have directly or indirectly invested in the Company. More specifically, the Management Company and its delegates, by virtue of the rules of conduct applicable to them, must endeavor to manage all conflicts of interest in accordance with their respective conflicts of interest policies.

Investments in emerging markets

- 4.15 Payment suspensions and default in developing countries are due to various factors, such as political instability, bad financial management, a lack of currency reserves, capital leaving the country, internal conflicts or the lack of the political will to continue servicing the previously contracted debt.
- 4.16 The ability of issuers in the private sector to face their obligations may also be affected by these same factors. Furthermore, these issuers suffer the effect of decrees, laws and regulations introduced by the government authorities. These may be the modification of exchange controls and amendments to the legal and regulatory system, expropriations and nationalizations and the introduction of, or increase in, taxes, such as deduction at source.

Investment in UCI and UCITS

- 4.17 Sub-Funds, whose assets are partially or fully invested in UCI and UCITS in accordance with their particular investment policies, accordingly have either partially or fully the structure of a fund of funds.
- 4.18 The general advantage of a fund of funds compared with direct investment in specific funds is the broader diversification or spread of risk. In a fund of funds, portfolio diversification extends not only to its own investments because the investment objects (target funds) themselves are also governed by the stringent principles of risk diversification. A fund of funds enables the investor to invest in a product which spreads its risks on two levels and thereby minimizes the risks inherent in the individual investment object.

- 4.19 Certain commission payments and expenses may occur more than once when investing in UCI and UCITS (for example, commission for the depositary bank and the central administrative agency, management/advisory fees and issuing/redemption commission of the UCI and/or UCITS in which an investment is made). Such commission payments and expenses are charged at the level of the target fund as well as of the underlying funds.
- 4.20 This commission may be incurred up to three times where alternative investments are concerned (funds of hedge funds, funds of real estate funds).
- 4.21 In the case of investments in units of funds managed directly or indirectly by the Management Company itself or another company related to it by common management or control, or by a direct or indirect holding of more than 10% of the capital or the voting shares, the Sub-Fund may not be charged a subscription fee or a redemption fee.
- 4.22 The general expenses and the costs incurred when investing in UCI and UCITS are examined in detail in the Sections 12.

Investments in equities

- 4.23 Sub-Funds mainly focusing their investments in equities may be exposed to the following risks: the value of the Sub-Fund's investments is geared towards their respective market values. The Net Asset Value can fluctuate substantially depending on the general stock-market trend and the performance of securities held in the portfolio of the Sub-Fund. A fall in the Net Asset Value over a considerable period cannot be ruled out. There is no guarantee that investors will achieve a specific return.

Investment in Contingent Convertible Bonds

- 4.24 Contingent Convertibles Bonds, also known as “CoCo bonds”, are complex regulated instruments. They often offer better performance than conventional bonds as a result of their specific structure and the place they occupy in the capital structure of the issuer (subordinated debt). Hybrids instruments, including CoCo bonds, contain features of both debt and equity. CoCo bonds are slightly different to regular convertible bonds because they are designed to convert into shares if a pre-set trigger (or at the discretion of Regulatory Authorities in some cases) is breached in order to provide a shock boost to capital levels.
- 4.25 The following list contains examples of specific risks connected to CoCo bonds; this list being not exhaustive:
- 4.25.1 Trigger risk level: each instrument has its own characteristics. The level of conversion risk may vary, for example depending on the distance between the issuer's Tier 1 ratio and a threshold defined in the terms of issue. The occurrence of the contingent event may result in a conversion into shares or even a temporary or definitive writing off of all or part of the debt.
 - 4.25.2 Conversion risk: the behaviour of this instrument in the event of conversion may be unpredictable. The Investment Managers may be required to sell its securities in the event of a conversion into shares in order to comply with the Sub-Fund's investment policy.
 - 4.25.3 Coupon cancellation: with certain type of CoCo bonds, the payments of coupons are entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

- 4.25.4 Capital structure inversion risk: contrary to classic capital hierarchy, CoCo bonds investors may suffer a loss of capital when equity holders do not. This is particularly the case when the trigger threshold is set at a high level.
- 4.25.5 Call extension risk: certain type of CoCo bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that investors will be able to recover their capital on the optional reimbursement dates provided for in the terms of issue.
- 4.25.6 Unknown risk: the structure of the instruments is innovative yet untested. The behaviour of the CoCo bonds during a period of stress and testing of conversion levels may be highly unpredictable.
- 4.25.7 Yield/Valuation risk: Yield has been a primary reason this asset class has attracted strong demand but It may not be the only criterion guiding the valuation and the investment decision. It should be viewed as a complexity premium.
- 4.25.8 Liquidity risk: as with the high yield bond market, the liquidity of CoCo bonds may be affected significantly in the event of a period of turmoil in the markets.
- 4.25.9 Risk of concentration in a single industry: to the extent that CoCo bonds are issued by a single category of issuer, adverse events in the industry could affect investments in this type of instrument in a global manner.

Investment in Warrants

- 4.26 Investors should be aware of, and prepared to accept, the greater volatility in the prices of warrants which may result in greater volatility in the price of the shares. Thus, due to their nature, warrants may involve shareholders in a greater degree of risk than conventional securities would do.

Investment in Lower Rated, Higher Yielding Debt Securities

- 4.27 The Company may invest in lower rated, higher yielding Debt Securities, which are subject to greater market and credit risks than higher rated securities. Generally, lower rated securities pay higher yields than more highly rated securities to compensate investors for the higher risk. The lower ratings of such securities reflect the greater possibility that adverse changes in the financial condition of the issuer, or rising interest rates, may impair the ability of the issuer to make payments to holders of the securities.

Investments in distressed or Defaulted Securities

- 4.28 Holding distressed securities creates significant risk due to the possibility that bankruptcy may render such securities worthless (zero recovery). While potentially lucrative, these investment strategies require significant levels of resources and expertise to analyze each instrument and assess its position in an issuer's capital structure along with the likelihood of ultimate recovery. Distressed securities tend to trade at substantial discounts to their intrinsic or par value and are therefore considered to be below investment grade. Under certain circumstances the Sub-Fund could sale these positions in the investor interest. A major risk of investing in distressed securities comes from the difficulties in appraising them at fair value.

Use of derivatives

- 4.29 While observing the restrictions set out in the Appendix 1 “General Investment Restrictions”, the Company may, in relation to each Sub-Fund, use derivatives. Derivatives are instruments that derive their value from another financial instrument (underlying asset).

- 4.30 Derivatives may be conditional or unconditional. Conditional derivatives (contingent claims) are those that give a party to the legal transaction the right, but not the obligation, to use a derivative instrument (e.g. an option). Unconditional derivatives (futures) impose the obligation on both parties to provide the service owed at a specific time defined in the contract (e.g. forwards, futures, swaps).
- 4.31 The derivatives are traded on stock exchanges (exchange-traded derivatives), as well as over the counter (OTC derivatives). In the case of derivatives traded on a stock exchange (e.g. futures), the stock exchange itself is also one of the parties in each transaction. These transactions are cleared and settled through a clearing house (clearing agent). OTC derivatives (e.g. forwards and swaps) are entered into directly by two parties, whereas exchange-traded derivatives are entered into using a middleman.
- 4.32 Investments in derivatives are subject to market, settlement, credit and liquidity risk. However, the nature of these risks may be altered as a result of the special features of the derivative instruments, and may in some cases be higher than the risks associated with investments in the underlying financial instrument. Therefore, the use of derivatives requires not only an understanding of the underlying financial instruments but also in-depth knowledge of the derivative itself.
- 4.33 The credit risk inherent to derivatives consists in the risk that one party does not or cannot meet its obligations from one or more of its contracts. The credit risk of derivatives traded on a stock exchange is, generally speaking, lower than that of OTC derivatives on the open market, because the clearing agents, that acts as counterparty of every market traded derivative (see above) accepts a settlement guarantee. To reduce the overall risk of default, such guarantee is supported by a daily payment system maintained by the clearing agent, in which the assets required for cover are calculated (see below). If derivatives do not possess any such settlement guarantee, their default risk is generally limited by the investment restrictions set out in Appendix I. Even in cases where the difference between the mutually owed payments (e.g. interest rate swaps, total return swaps) is owed, as opposed to the delivery or exchange of the underlying assets (e.g. options, forwards, credit default swaps), the Sub-Fund's potential loss is limited to this difference in the event of default by the counterparty. The credit risk can be reduced by depositing collateral. To trade derivatives on a stock exchange, participants must deposit collateral with a clearing agent in the form of liquid assets (initial margin). The clearing agent will evaluate (and settle, where appropriate) the outstanding positions of each participant, as well as re-evaluate the existing collateral on a daily basis. If the collateral's value falls below a certain threshold (maintenance margin), the participant in question will be required by the clearing agent to bring this value up to its original level by paying in additional collateral (variation margin). With OTC derivatives, this credit risk may also be reduced by the respective counterparty providing collateral (see below), by offsetting different derivative positions that were entered into with this counterparty, as well as through a careful selection process for counterparties (please also see Appendix I).
- 4.34 There are also liquidity risks since it may be difficult to buy or sell certain instruments. When derivative transactions are particularly large, or the corresponding market is illiquid (as may be the case with OTC derivatives on the open market), under certain circumstances it may not always be possible to fully execute a transaction or it may only be possible to liquidate a position by incurring increased costs.
- 4.35 Additional risks connected with the employment of derivatives lie in the incorrect determination of prices or valuation of derivatives. There is also the possibility that derivatives do not completely correlate with their underlying assets, interest rates or indices. Many derivatives are complex and frequently valued subjectively. Inappropriate valuations can result in higher demands for cash by counterparties or in a loss of value for the relevant Sub-Fund.

Securities lending and borrowing, repurchase and reverse repurchase agreements

- 4.36 Securities lending transactions and repurchase agreements involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.
- 4.37 The principal risk when engaging in securities lending transactions and repurchase agreements is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Sub-Fund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.
- 4.38 Securities lending transactions, repurchase agreements and buy-sell back transactions also entail liquidity risks due, inter alia, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Sub-Funds or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of Company to meet redemption requests. The Sub-Funds may also incur operational risks such as, inter alia, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

Use of futures and options

- 4.39 While taking account of the restrictions set forth in Appendix 1, the Investment Managers may buy and sell futures contracts or options on financial instruments, as well as enter into transactions involving options on Transferable Securities for purposes of hedging or sound portfolio management. The purchase or sale of futures on indices will allow the Investment Managers to increase or decrease, at lower costs, the Sub-Fund's market exposure. The purchase or sale of call or put options on Transferable Securities/indices will allow the Investment Managers to increase or decrease the exposure to the underlying with respect to the market conditions/trends.
- 4.40 Options on Transferable Securities/indices: an option on Transferable Securities or on indices gives the purchaser, or "Holder", the right, but not the obligation, to purchase, in the case of a call option, or sell, in the case of a put option, a set amount of the underlying at a fixed price by a stated expiration date. The Holder pays a commission (a 'premium') for the option but cannot lose more than this amount, plus associated transaction fees. Compared with futures, options only impose an obligation on the seller or 'Issuer'. If the option is exercised by the Holder, the Issuer is obliged to settle the transaction by surrendering the underlying asset or the cash, based on the value of the underlying asset. An option becomes worthless for the holder if it is not exercised within the period of validity.
- 4.41 Such options may be traded on the official listings of a stock market for Transferable Securities, or traded 'over-the-counter' with first-class financial institutions specialized in this type of transaction. When purchasing an OTC option, the holder will be subject to the default risk of the issuer; for this reason, the purchase of this type of option may require that a guarantee be provided in the form of a margin deposit.
- 4.42 A future is a bilateral contract conferring the purchase or sale of a fixed amount of financial instruments (such as index or other instrument) at a stated time in the future for a fixed price. Under these terms, a future has a specific redemption date at which the index value must be surrendered by the seller and acquired by the buyer. The purchase or sale of futures differs from the purchase or sale of Transferable Securities or other types of instruments in that no initial purchase price is paid. Instead, a variable cash sum no greater than the contract value is deposited with a broker as an 'initial margin'. Subsequent payments from or to the broker will be made daily taking into

account the variation, for example, of the index. The use of futures instead of investing in the underlying has the advantage of lower transaction fees.

Use of credit default swaps (CDS)

- 4.43 The Company may enter into credit default swaps (CDS) transactions for purposes of hedging or sound portfolio management.
- 4.44 A credit default swap is a bilateral financial contract in which one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference price. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The International Swaps and Derivatives Association Inc. (ISDA)[®] has produced standardized documentation for these transactions under the umbrella of its ISDA Master Agreement.
- 4.45 The Company may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection.
- 4.46 Moreover, the following rules must be complied with where CDS contracts are executed with a purpose other than hedging:
- 4.46.1 The CDS must be used in the exclusive interest of the investors by allowing a satisfactory return compared to the risks incurred by the Company;
 - 4.46.2 The risk exposure arising from these transactions, together with the overall risk exposure relating to derivative financial instruments may not exceed at any time the value of the net assets of each Sub-Fund of the Company;
 - 4.46.3 The general investment restrictions must apply to the CDS issuer and to the CDS' final debtor risk ("underlying");
 - 4.46.4 The use of CDS must fit the investment and the risk profiles of the Sub-Funds concerned;
 - 4.46.5 The Company must ensure to guarantee adequate permanent hedging of commitments linked to the CDS and must always be in a position to carry out the investors' repurchase requests;
 - 4.46.6 The CDS selected by the Company must be sufficiently liquid so as to allow the Company to sell/settle the contracts in question at the defined theoretical prices
 - 4.46.7 The Company will only enter into credit default swap transactions with highly rated financial institutions specialized in this type of transaction and only in accordance with the standard terms laid down by the ISDA[®].

Stock Connect risk

- 4.47 To the extent that a Sub-Fund's investments in China are traded via Stock Connect, such dealing may be subject to additional risk factors. In particular, shareholders should note that Stock Connect is a relatively new trading programme. The relevant regulations are untested and subject to change.

Compensation scheme risk

- 4.48 Investment of the relevant Sub-Fund through Stock Connect will not be covered by Hong Kong's Investor Compensation Fund nor by the China Securities Investor Protection Fund.

Risks from difference in stock exchange trading hours

- 4.49 Stock Connect operates only on days when (i) the SEHK and the SSE/SZSE are open for trading and (ii) banks in Hong Kong and the People's Republic of China are open on the corresponding settlement days. Consequently, it is possible that there are price fluctuations.

Securities recall risk and other trade restriction risks

- 4.50 The relevant Sub-Fund may be, *inter alia*, restricted from buying securities if (i) an A Share is under "risk alert", (ii) the daily quota (as explained below) is reached; (iii) the corresponding share in companies based in the People's Republic of China that trade on the SEHK and other foreign stock exchanges of an A Share subsequently ceases to be traded on SEHK; or (iv) an A Share is recalled from the scope of Stock Connect.

Quota

- 4.51 Trading are respectively subject to a separate set of Daily Quota, which will be monitored by SEHK and SSE/SZSE respectively and is further set out in the Stock Connect's frequently asked questions. The Daily Quota is applied on a "net buy" basis. Under that principle, investors are always allowed to sell their cross-boundary securities or input order cancellation requests regardless of the quota balance.

Risk of restrictions for foreign investors

- 4.52 The Company for the account of the relevant Sub-Fund may be subject to a forced-sale in relation to A Shares. A foreign investor may not hold more than 10% of the issued A Shares of one issuer ("10% Limit") and the aggregate shareholding of foreign investors in the A Shares issued by an issuer may not exceed 30% ("30% Limit"). Some issuers may be subject to lower limits. If the 10% Limit is exceeded the shares exceeding the limit will be dispersed by the relevant Sub-Fund. If the 30% Limit is exceeded SSE/SZSE informs SEHK which in turn issues forced-sale notifications on a last-in-first-out basis.

Restriction of shareholder rights when investing in A Shares

- 4.53 A Shares are held by Hong Kong Securities and Clearing Corporation Limited for its account holders. A physical deposit and withdrawal of A Shares is not possible. Sub-Funds will be only the beneficial owner of A Shares and therefore only eligible to exercise their rights through Hong Kong Securities and Clearing Corporation Limited.
- 4.54 Under the law of the People's Republic of China, the relevant Sub-Fund as the beneficial owner of A Shares traded via Stock Connect cannot appoint proxy holders to attend shareholders' meetings on its behalf. It may however pass on instructions to the shareholder of record.
- 4.55 Generally, HKSCC is not obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of a Sub-Fund in the People's Republic of China. In case of a default of ChinaClear HKSCC will under current Hong Kong Central Clearing and Settlement System rules (i) seek recovery, in good faith, of the outstanding A Shares and monies from ChinaClear through available legal channels and through China Clear's liquidation process, if applicable and (ii) distribute the A Shares or monies recovered to clearing participants on a pro-rata basis as prescribed by the relevant Stock Connect authorities.

- 4.56 It is uncertain whether the courts of the People's Republic of China would recognise the ownership interest of the Sub-Fund to allow them standing to take legal action against the relevant entities in case disputes arise.

Risk of HKSCC default

- 4.57 A failure or delay by HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of A Shares or monies in connection with them and the relevant Sub-Fund may suffer losses as a result. Neither the relevant Sub-Fund nor the relevant Investment Manager shall be responsible or liable for any such losses.

Suspension risk

- 4.58 Sub-Funds may lose access to the market of the People's Republic of China via Stock Connect if Stock Connect is suspended. SEHK and SSE/SZSE have reserved the right to suspend the Northbound or the Southbound Link to ensure an orderly and fair market and the prudent management of risks. Consent from the other regulator would be sought before a suspension is triggered.

Downgrading Risk

- 4.59 Investment grade bonds may be subject to the risk of being downgraded to non-investment grade bonds. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Sub-Fund's investment value in such security may be adversely affected.
- 4.60 The Investment Managers may or may not dispose of the securities, subject to the investment objective of the Sub-Fund. If downgrading occurs, the non-investment grade debt risk outlined in the paragraph below will apply.

Regulatory Reforms

- 4.61 The Prospectus has been drafted in line with currently applicable laws and regulations. It cannot be excluded that the Company and/or the Sub-Funds and their respective investment objective and policy may be affected by any future changes in the legal and regulatory environment. New or modified laws, rules and regulations may not allow, or may significantly limit the ability of, the Sub-Fund to invest in certain instruments or to engage in certain transactions. They may also prevent the Sub-Fund from entering into transactions or service contracts with certain entities. This may impair the ability of all or some of the Sub-Funds to carry out their respective investment objectives and policies. Compliance with such new or modified laws, rules and regulations may also increase all or some of the Sub-Funds' expenses and may require the restructuring of all or some of the Sub-Funds with a view to complying with the new rules. Such restructuring (if possible) may entail restructuring costs. When a restructuring is not feasible, a termination of affected Sub-Funds may be required.

Operations

- 4.62 The Company's operations (including investment management and distribution) are carried out by several service providers. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, switchings and redemption of shares) or other disruptions.

Effect of substantial withdrawals

- 4.63 Substantial withdrawals by shareholders within a short period of time could require the liquidation of positions more rapidly than would otherwise be desirable, which could adversely affect the value of the assets of the Company. The resulting reduction in the assets of the Company could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

Political risks

- 4.64 The value of the Company's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Company may invest.

General economic conditions

- 4.65 The success of any investment activity is influenced by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for both equity and interest rate sensitive securities. Unexpected volatility or illiquidity in the markets in which the Company directly or indirectly holds positions could impair the ability of the Company to carry out its business and could cause it to incur losses. In addition, the rate of inflation will affect the actual rate of return on the shares.

Large Shareholder Risk

- 4.66 Shares may be purchased or redeemed by investors holding a large portion of the issued and outstanding shares of a Sub-Fund ("large shareholders"). If a large shareholder redeems all or a portion of its investment in the Sub-Fund, the Sub-Fund may have to incur transaction costs in the process of making the redemption. Conversely, if a large shareholder makes a significant purchase in the Sub-Fund, the Sub-Fund may have to hold a relatively large position in cash for a period of time while the Investment Manager finds suitable investments. This may negatively impact the performance of the Sub-Fund.

Real Estate Industry and REIT Risk

- 4.67 Certain Sub-Funds may invest part of their assets in the real estate industry through investment in listed securities issued by closed-ended Real Estate Investment Trusts ("REITs"). As a result, investment in those Sub-Funds will be closely linked to the performance of the real estate markets. Property values may fall due to increasing vacancies or declining rents resulting from unanticipated economic, legal, cultural or technological developments. Real estate company prices also may drop because of the failure of borrowers to pay their loans and poor management.
- 4.68 REITs are companies that acquire and/or develop real property for long term investment purposes. They invest the majority of their assets directly in real property and derive their income primarily from rents.
- 4.69 There are special risk considerations associated with investing in the securities of companies principally engaged in the real estate industry. These risks include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnation losses, environmental risks, regulatory limitations on rents, changes in neighborhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the relevant Sub-Fund's investments.

Infrastructure Companies Risk

4.70 Securities and instruments of infrastructure companies are more susceptible to adverse economic or regulatory occurrences affecting their industries. Infrastructure companies may be subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction and improvement programs, high leverage, costs associated with environmental and other regulations, the effects of economic slowdown, surplus capacity, increased competition from other providers of services, uncertainties concerning the availability of fuel at reasonable prices, the effects of energy conservation policies and other factors. Infrastructure companies may also be affected by or subject to:

- 4.70.1 high interest costs in connection with capital construction and improvement programs;
- 4.70.2 difficulty in raising capital in adequate amounts on reasonable terms in periods of high inflation and unsettled capital markets;
- 4.70.3 inexperience with and potential losses resulting from a developing deregulatory environment;
- 4.70.4 costs associated with compliance with and changes in environmental and other regulations;
- 4.70.5 regulation by various government authorities;
- 4.70.6 government regulation of rates charged to customers;
- 4.70.7 service interruption due to environmental, operational or other mishaps;
- 4.70.8 the imposition of special tariffs and changes in tax laws, regulatory policies and accounting standards;
- 4.70.9 technological innovations that may render existing plants, equipment or products obsolete; and
- 4.70.10 general changes in market sentiment towards infrastructure and utilities assets.

5. SHARES

5.1 The Directors may, within each Sub-Fund, decide to create different Classes of shares whose assets will be commonly invested pursuant to the specific investment policy of the relevant Sub-Fund, but where a specific fee structure, hedging strategy, reference currency, distribution policy or other specific features may apply to each Class. A separate Net Asset Value per share, which may differ as a consequence of these variable factors, will be calculated for each Class. The offering details of each Sub-Fund, including the name and characteristics of the different Classes created in each Sub-Fund are disclosed in the relevant Sub-Fund Appendix.

5.2 The following Classes can be issued within each Sub-Fund:

- 5.2.1 Class O whose shares can be subscribed by any type of retail investors;
- 5.2.2 Class X whose shares can only be subscribed by Institutional Investors who entered a specific contractual arrangement with the Fund, the Management Company, or the Investment Manager for the purpose of investing in class X of the relevant Sub-Fund unless the Board of Directors agrees at its discretion to admit any type of investors to class X of the relevant Sub-Fund; and

- 5.2.3 Class I whose shares can only be subscribed by Institutional Investors investing either for their own account or for the account of clients managed under a discretionary portfolio management mandate with such Institutional Investors, provided it is a credit institution or an investment firm.

The Directors may at any time decide to issue further Classes of shares in each Sub-Fund, in which case the relevant Sub-Fund Appendix will be amended accordingly.

- 5.3 Fractions of shares up to three decimal places will be issued as decided by the Directors. Such fractions shall not be entitled to vote but shall be entitled to participate in the net assets and any distributions attributable to the relevant Class on a pro rata basis.
- 5.4 All shares must be fully paid-up; they are of no nominal value and carry no preferential or pre-emptive rights. Each share of the Company, irrespective of its Sub-Fund, is entitled to one vote at any general meeting of shareholders, in compliance with Luxembourg law and the Articles of Incorporation. The Company will recognize only one holder in respect of each share. In the event of joint ownership, the Company may suspend the exercise of any voting right deriving from the relevant share(s) until one person shall have been designated to represent the joint owners *vis-à-vis* the Company.
- 5.5 The Company may issue currency hedged Classes, where the Base Currency of the Sub-Fund is systematically hedged against the Reference Currency of the hedged Classes, in order to minimize the effect of exchange rate fluctuations between the Base Currency of the Sub-Fund and the Reference Currency of the hedged Classes.
- 5.6 Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Management Company. However, over-hedged positions will not exceed 105% of the net asset value of the currency hedged Classes and under-hedged positions will not fall below 95% of the net asset value of the currency hedged Classes. The hedged positions will be kept under review to ensure that the levels set out above are complied with.
- 5.7 Shares will in principle be freely transferable to investors complying with the eligibility criteria of the relevant Class and provided that shares are neither acquired nor held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Directors may in this connection require a shareholder to provide such information as they may consider necessary to establish whether he is the beneficial owner of the shares which he holds.

Contract notes

- 5.8 Contract notes which are not proofs of ownership are provided to the investor as soon as practicable after the Net Asset Value is available.

Form of shares

- 5.9 Shares are only issued in registered form and ownership of shares will be evidenced by entry in the register of shareholders of the Company.

6. HOW TO SUBSCRIBE

Application

- 6.1 Applicants buying shares for the first time need to complete the Application Form which can be sent first by approved electronic transmission to the Registrar and Transfer Agent. The original

Application Form has to be sent before the cut-off time for any applicable Valuation Day to the Registrar and Transfer Agent by post. Any subsequent purchase of shares can be made by other form of transmission previously agreed upon between the applicant and the Registrar and Transfer Agent.

Dealing cut-off times

- 6.2 The dealing cut-off times are indicated in the relevant Sub-Fund Appendix.
- 6.3 Applications received after the relevant cut-off times will normally be dealt on the next applicable Business Day.

Acceptance

- 6.4 The right is reserved by the Company, represented by its Directors, to reject any subscription or conversion application in whole or in part without giving the reasons thereof. If an application is rejected, the application monies or balance thereof will be returned at the risk of the applicant and without interest as soon as practicable.

Anti-money laundering and prevention of terrorist financing

- 6.5 Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 (as amended) on the fight against money laundering and terrorist financing, as amended, 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 replacement, obligations have been imposed on professionals of the financial sector to prevent the use of undertakings for collective investment such as the Company for money laundering and terrorist financing purposes.
- 6.6 As a result of such provisions, the registrar and transfer agent of a Luxembourg undertaking for collective investment shall ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require applicants to provide any document it deems necessary to effect such identification. In addition, the Registrar 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 (as defined in Section 20).
- 6.7 In case of delay or failure by an applicant to provide the documents required, the application for subscription will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the Company, the Management Company, nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.
- 6.8 Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under relevant laws and regulations.
- 6.9 The list of identification documents to be provided by each applicant to the Registrar and Transfer Agent will be based on the requirements as stipulated in the CSSF's circulars and regulations as amended from time to time. These requirements may be amended following any new Luxembourg regulations.
- 6.10 Applicants may be asked to produce additional documents for verification of their identity before acceptance of their applications. In case of refusal by the applicant to provide the documents required, the application will not be accepted.

- 6.11 Before redemption proceeds are released, the Registrar and Transfer Agent will require original documents or certified copies of original documents to comply with the Luxembourg regulations.

Settlement

In cash

- 6.12 Subscription proceeds must be paid in the Reference Currency of the relevant Class specified in the relevant Sub-Fund Appendix within the timeframe provided for in the relevant Sub-Fund Appendix (settlement date).
- 6.13 Settlement may be made by electronic transfer net of bank charges to the relevant correspondent bank(s) quoting the applicant's name and stating the appropriate Sub-Fund / Class into which settlement monies are paid. Details of the relevant correspondent bank(s) are given on the Application Form or may be obtained from a distributor.
- 6.14 If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement date will be on the next business day on which those banks are open. Payment should arrive in the transfer agent's appropriate bank account, as specified in the Application Form by the settlement date at the latest as specified in the relevant Sub-Fund Appendix and subject to the foregoing.

In kind

- 6.15 The Directors may, at their discretion, decide to accept securities as valid consideration for a subscription provided that these comply with the investment policy and restrictions of the relevant Sub-Fund. A special report of the Company's Auditors will be issued. Additional costs resulting from a subscription in kind (including the costs of the Auditors' report) will be borne exclusively by the subscriber concerned, unless the Directors considers that the subscription in kind is in the best interests of the Company or made to protect the interests of the Company, in which case such costs may be borne in all or in part by the Company.

Share allocation

- 6.16 Shares are provisionally allotted but not allocated until settlement has been received by the Company or to its order. Payment for subscribed shares must be received by the Company or by a correspondent bank to its order, not later than the deadlines set forth in the relevant Sub-Fund Appendix.
- 6.17 If timely settlement is not made by the subscriber, the subscription may lapse and be cancelled at the cost of the subscriber or its financial intermediary. If the subscriber does not settle the subscription price in a timely manner, no shares will be issued to the defaulting subscriber.
- 6.18 Failure to proceed to timely settlement by the settlement date may result in the Company / Management Company bringing an action against the defaulting subscriber or its financial intermediary or deducting any costs or losses incurred by the Company / Management Company against any existing holding of the subscriber. Money returnable to the subscriber may be netted taking into account any costs or losses incurred by the Company / Management Company due to non-settlement of subscription proceeds within the Sub-Fund's timeline.

Data Protection

- 6.19 The personal data or information given in an Application Form or otherwise collected, provided to or obtained by the Company, acting as data controller (the "**Data Controller**"), in connection with an application to subscribe for, or for the holding of, one or more shares, or at any other time, as well as details of the investor's holding of share(s) ("**Personal Data**"), will be stored in digital form

or otherwise and collected, used, stored, retained, transferred and/or otherwise processed for the purposes described below (the “**Processing**”), in compliance with the provisions of the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the “**General Data Protection Regulation**”, together with other laws and regulations applicable in Luxembourg (the “**Data Protection Law**”)).

- 6.20 The Data Controller will collect, use, store, retain, transfer and/or otherwise process the Personal Data: (i) on the basis of the investor’s consent; (ii) where necessary to perform any services resulting from the Application Form, including the holding of one or more shares in general; (iii) where necessary to comply with a legal or regulatory obligation of the Data Controller; (iv) where necessary for the purposes of the legitimate interests pursued by the Data Controller, the Management Company, the Investment Managers, the Global Distributor, the Administrator, the Depositary, other service providers to the Company (including without limitation its Auditors and information technology providers) or any other company within the EFG Group as well as the Paying Agent and other agents delegates and sub-delegates (such as accountants, legal advisers and administrative support providers including processing, paying or mailing agents), any lender to the Data Controller or related entities (including without limitation their respective general partner or management company/investment manager and service providers) in or through which the Data Controller intend to invest, and any of the foregoing respective agents, delegates, affiliates, subcontractors and/or their successors and assigns generally (together the “**Data Processors**” and each a “**Data Processor**”), which mainly consist in the provision of the services in connection with the Application Form to the investor or compliance with foreign laws and regulations and/or any order of a foreign court, government, regulatory or tax authority, including when providing such services in connection with the Application Form to the investor, and to any beneficial owner(s) and any person holding a direct or indirect interest in the investor and/or any beneficial owner who has not directly entered into the Application Form (“**Relevant Persons**”), except where such legitimate interests are overridden by the interest or fundamental rights and freedoms of the investor or any Relevant Person(s). Should the investor refuse to communicate its Personal Data or the collection, use, storage, retention, transfer and/or any other processing of its Personal Data as described herein, the Administrator may refuse the subscription of share(s).
- 6.21 The Processing includes, without limitation, the collection, use, storage, retention, transfer and/or any other processing of Personal Data for any of the following purposes:
- 6.21.1 to process, manage and administer the investor’s share(s) and any related accounts on an on-going basis;
 - 6.21.2 for any specific purpose(s) to which the investor has consented in addition to its consent in the Application Form in compliance with the Data Protection Law;
 - 6.21.3 to comply with legal or regulatory requirements applicable to the Data Controller, a Data Processor and/or the investor;
 - 6.21.4 where necessary for the purposes of tax reporting to one or more relevant authorities; and
 - 6.21.5 to fulfill the terms and conditions of, and any services required by, the investor in relation to the Application Form and the holding of the share(s) and to execute all tasks that are carried out under the Application Form and in relation to the investor’s share(s).
- 6.22 The Personal Data that will be collected, used, retained, stored, transferred and/or otherwise processed includes without limitation: (i) the name, address, email address, telephone numbers, business contact information, current employment, career history, current investments, historic investments, investment preferences, and credit history of the investor and of related individuals of

the investor (including without limitation the investor's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees and/or any Relevant Person(s)); (ii) any other data required by the Data Controller to perform services in connection with or resulting from the Application Form, the investor's share(s), and/or any contract with any Data Processor; and (iii) any data required by the Data Controller to comply with any legal and/or regulatory obligations. The Personal Data will be directly collected from the investor or, as the case may be, through public sources, social media, subscription services, other third party data sources or, through the investor's authorized intermediaries, directors, officers, individual representatives (including, without limitation, legal representatives), trustees, settlors, signatories, shareholders, unitholders, investors, nominees or employees.

6.23 Each investor is required to:

6.23.1 have duly and completely informed all natural persons (including, without limitation, the subscriber's directors, officers, individual representatives, legal representatives, trustees, settlors, signatories, shareholders, unitholders, investors, nominees, employees, any Relevant Person(s) and representatives of legal persons) and other data subjects whose Personal Data will be processed in the context of the investor holding of share(s) about the collection, use, storage and/or transfer and/or any other processing of their Personal Data and their rights as described in this Section 6 in accordance with the information requirements under the Data Protection Law; and

6.23.2 where necessary and appropriate, have obtained any consent that may be required for the Processing of said Personal Data in accordance with the requirements of the Data Protection Law.

6.24 The Data Controller shall be entitled to assume that those persons have, where necessary, given any such consent and have been informed of all information relating to the collection, use, storage and/or transfer and/or processing of their Personal Data and of their rights as described in this Section 6.

6.25 Each investor acknowledges, understands and, to the extent necessary, consents that for purposes of and in connection with the Processing:

6.25.1 the Data Processors may collect, use, retain, store transfer and/or otherwise process Personal Data on behalf of the Data Controller in accordance with Data Protection Law; and

6.25.2 Personal Data may also be shared, transferred and disclosed, out of the context of any delegation, to any Data Processors and to third parties, acting as data controllers, including the investor's professional and financial advisers, any Data Processor's auditors, technology providers, board of managers or directors, delegates, duly appointed agents and related, associated or affiliated companies, in each case which may be located in a jurisdiction that does not have equivalent data protection laws to those of the EEA, including the Data Protection Law and the Luxembourg law of 5 April 1993 on the financial sector, as amended which provides for a professional secrecy obligation, or that are not subject to an adequacy decision of the European Commission, for their own purposes, including, without limitation, developing and processing the business relationship with any shareholder(s) and/or any Relevant Person(s).

6.26 Each investor acknowledges, understands and, to the extent necessary, will be asked to consent to the collection, use, processing, storage and retention of Personal Data by the Administrator, acting as a data processor, for the provision of the services to be provided under the administration agreement and for other related purposes for which it acts as a data controller and also

acknowledges and consents: (1) to the transfer of such Personal Data to other companies or entities within the Administrator's group, including its offices outside Luxembourg and the EEA; and (2) to the transfer of such Personal Data to third party companies or entities including their offices outside the EEA where the transfer is necessary for the maintenance of records, administrations or provision of services under the administration agreement in relation to any investment product or services of any group of companies. The maintenance of records, administrations and provision of the services contemplated under the administration agreement will leverage operational and technological capabilities located outside Luxembourg and the EEA. Personal Data including the identity of the investor and the values of its share in the Company will therefore be accessible to other companies or entities within the Administrator's and promoter's group. Personal Data may be transferred by the Administrator to a country which does not maintain a legal and regulatory framework to protect confidentiality of personal data (including, without limitation, Personal Data) equivalent to that of Luxembourg and the EEA.

- 6.27 Each investor acknowledges and, to the extent necessary, will be asked to consent to the fact that the Depositary may collect, use, store and retain and/or otherwise process the Personal Data, acting as a data processor, for the purpose of carrying out its obligations under the Depositary Agreement and for other related purposes, for which it acts as a data controller, including auditing, monitoring and analysis of its business, fraud and crime prevention, fighting against money laundering and terrorism financing, legal and regulatory compliance, and the marketing by the Depositary of other services. The Depositary may disclose Personal Data to a sub-custodian or other custodial delegate, a securities depository, a securities exchange or other market, an issuer, a broker, a third party agent or subcontractor, a professional advisor or public accountant, a revenue authority or any governmental entity in relation to and as required for the purpose of processing of any tax relief claim (the "**Authorized Recipients**") for the purpose of enabling the Depositary to perform its duties under the Depositary Agreement (the "**Permitted Purpose**") with the full support of the relevant Authorized Recipients who need to obtain such Personal Data to provide relevant support, and to use communications and computing systems operated by the Authorized Recipients, for the Permitted Purpose, including where such Authorized Recipients are present in a jurisdiction outside Luxembourg or in a jurisdiction outside the EEA, which does not maintain a legal and regulatory framework to protect confidentiality of Personal Data (including, without limitation, Personal Data) equivalent to that of Luxembourg.
- 6.28 Each investor acknowledges and, to the extent necessary, consents to the collection, use, storage, retention and/or other processing of Personal Data by the concerned Data Processors, for the provision of services under the relevant distribution or sub-distribution agreements including the promotion and marketing of shares, the transfer of information requested by any Data Processors to comply with any law, regulation or recommendation from supervisory or tax authorities applicable to it or them (including without limitation anti-money laundering rules and regulations), process complaints and assist in relation to facilitating the subscription process and preparation and contents of the investor's due diligence questionnaires. In particular, each investor (i) will be asked to consent to the transfer of such Personal Data to any Data Processor, which may be established in a jurisdiction which does not ensure an adequate protection of personal data, and/or in other countries which may or not maintain a legal and regulatory framework to protect confidentiality of Personal Data equivalent to that of Luxembourg and the EEA and (ii) will be asked to acknowledge and consent to the fact that the transfer of such Personal Data is necessary for the purposes described hereinabove and more generally, the admittance of the investor as a Shareholder.
- 6.29 Each investor acknowledges and, to the extent necessary, will be asked to consent to the fact that Personal Data the investor is supplying or that is collected will enable the Company as well as, where relevant, any of the Data Processors, to process, manage and administer the investor's share(s) and any related account(s) on an on-going basis, and to provide appropriate services to the investor as a Shareholder. Any of the Data Processors may collect, use, store, retain or otherwise process the Personal Data for the purposes described in the Application Form, this Prospectus, the administration agreement, the Depositary Agreement, the Investment Management Agreement, as

well as for the purposes of the investor's (and any Relevant Person's) anti-money laundering identification and tax identification in this context, and in order to comply with their applicable legal obligations including without limitation prevention of terrorism financing, prevention and detection of crime, tax reporting obligations, FATCA agreement and CRS (the common reporting system pursuant to the Organization for Economic Co-operation and Development Standard for the Automatic Exchange of Financial Account Information in Tax Matters) (if any).

- 6.30 Without prejudice to the paragraph below, and notwithstanding the investor's consent to the processing of its Personal Data in the manner set forth in the Application Form, the investor has the right to object at any time to processing of its Personal Data (including, without limitation, for direct marketing purposes, which includes profiling to the extent that it is relating to such marketing).
- 6.31 Each investor acknowledges, understands, and to the extent necessary, will be asked to consent to the fact that the Data Controller as well as, where relevant, the Data Processors, may be required by applicable laws and regulations to transfer, disclose and/or provide Personal Data, in full compliance with applicable laws and regulations, and in particular Article 48 of the General Data Protection Regulation (when applicable), to supervisory, tax, or other authorities in various jurisdictions, in particular those jurisdictions where (i) the Company is or is seeking to be registered for public or limited offering of the investor's shares, (ii) investors are resident, domiciled or citizens or (iii) the Company is, or is seeking to, be registered, licensed or otherwise authorized to invest.
- 6.32 By investing, each investor acknowledges, understands, and to the extent necessary, will be asked to consent to the fact that the transfer of the investor's data, including Personal Data, may be transferred to a country that does not have equivalent data protection laws to those of the EEA, as described above, or that are not subject to an adequacy decision of the European Commission, including the Data Protection Law and the Luxembourg law of 5 April 1993 on the financial sector, as amended which provides for a professional secrecy obligation. The Data Controller will transfer the Personal Data (i) on the basis of any adequacy decision of the European Commission with respect to the protection of personal data; (ii) on the basis of appropriate safeguards listed by and subject to the provisions of Article 46 of the General Data Protection Regulation (when applicable), such as standard contractual clauses, binding corporate rules, an approved code of conduct, or an approved certification mechanism; (iii) on the basis of the consent; (iv) where necessary for the performance of the services resulting from the Application Form; (v) where necessary for the performance of services by the Data Processors provided in connection with the Application Form; (vi) where necessary for important reasons of public interest; (vii) where necessary for the establishment, exercise or defense of legal claims; (viii) where the transfer is made from a register which is legally intended to provide information to the public and which is open to consultation, in accordance with applicable laws and regulations, provided that the transfer does not involve the entirety of the personal data or entire categories of the personal data contained in the Shareholders' register; or (ix) subject to the provisions of Article 49.1 of the General Data Protection Regulation (when applicable), where the transfer is necessary for the purposes of compelling legitimate interests pursued by the Data Controller which are not overridden by the interests or rights and freedoms of the relevant data subjects.
- 6.33 Each investor has the right to request a copy of Personal Data held in relation to it, and to request that they be amended, updated, completed or deleted as appropriate, if incorrect, and to request a limitation to a processing of its Personal Data and the portability of any Personal Data processed by the Data Controller in the manner and subject to the limitations prescribed in the Data Protection Law.
- 6.34 Each investor is entitled to address any claim relating to the processing of its Personal Data to a data protection supervisory authority; in Luxembourg, the *Commission Nationale pour la Protection des Données*.

- 6.35 The Personal Data will be held until the investor ceases to be a Shareholder and a period of 10 years thereafter where necessary to comply with applicable laws and regulation or to establish, exercise or defend actual or potential legal claims, subject to the applicable statutes of limitation, unless a longer period is required by applicable laws and regulations.
- 6.36 The Data Controller and the Data Processors processing the Personal Data on its behalf will accept no liability with respect to an unauthorized third party receiving knowledge of, or having access to, its Personal Data, except in the case of proven negligence or serious misconduct by the Data Controller and/or any Data Processor that processes the Personal Data on its behalf or by any of their respective employees, officers, affiliates, agents and sub-contractors. In any event, the liability of the Data Controller with respect to the processing of Personal Data remains strictly limited to what is imposed by the Data Protection Law.

7. HOW TO SELL SHARES

Request

- 7.1 Redemption requests should be made directly to the Registrar and Transfer Agent. Such requests may be made by any form of transmission previously agreed upon between the applicant and the Registrar and Transfer Agent.
- 7.2 In compliance with the forward pricing principle, redemption requests received after the applicable cut-off time (as detailed, for each Sub-Fund in the relevant Sub-Fund Appendix) will be deferred to the next applicable Business Day.
- 7.3 Redemptions can be only made in number of shares.

Settlement

In cash

- 7.4 Redemption proceeds will be paid in the Reference Currency of the relevant Class specified in the relevant Sub-Fund Appendix within the timeframe provided for in the relevant Sub-Fund Appendix.
- 7.5 If, on the settlement date, banks are not open for business in the country of the currency of settlement, then settlement will be on the next business day on which those banks are open.

In kind

- 7.6 With the prior consent of the shareholder(s) concerned and having due regard to the principle of equal treatment of Shareholders, the Directors may satisfy the payment of sale proceeds in whole or in part in specie by allocating to the selling Shareholder(s) portfolio securities of the relevant Sub-Fund equal in value to the Net Asset Value of the shares being sold.

Contract notes

- 7.7 Contract notes are sent to shareholders as soon as practicable after the transaction has been effected.

Compulsory redemption

- 7.8 The Company may compulsorily redeem any shares that are acquired or held by or on behalf of any person in breach of the law or requirements of any country or governmental or regulatory authority, or which might have adverse taxation or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or

requirements of any country or authority, or by any persons due which the Company fails to comply with FATCA or CRS, as further detailed in the Articles of Incorporation.

- 7.9 If it appears at any time that a holder of shares of a Class or of a Sub-Fund reserved to Institutional Investors (in the meaning of Article 174 of the 2010 Law) is not an Institutional Investor, the Directors will switch the relevant shares into shares of a Class or of a Sub-Fund which is not restricted to Institutional Investors (provided that there exists such a Class or of a Sub-Fund with similar characteristics) or compulsorily redeem the relevant shares in accordance with the provisions set forth in the Articles of Incorporation.

Deferral of redemption

- 7.10 In order to ensure that shareholders who remain invested in the Company are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited period, the Directors may apply the procedures set out below in order to permit the orderly disposal of securities to meet redemptions.
- 7.11 The Company shall not be bound to redeem on any Valuation Day shares representing more than 10% of the Net Asset Value of any Sub-Fund (net of subscriptions on the same Valuation Day). For this purpose and provided the conversion of shares is authorized for the relevant Sub-Fund, conversions of shares out of a Class shall be treated as redemptions of such shares. Redemption requests received on a Valuation Day may, in the absolute discretion of the Directors, be scaled down pro-rata so that shares representing not more than 10% of the Net Asset Value of any Sub-Fund may be redeemed on a Valuation Day. In these circumstances redemptions may be deferred by the Company to the next Valuation Day after the date of receipt of the redemption request. Redemptions that are deferred when processed will be effected in priority to the redemption requests received on such following Valuation Day.
- 7.12 The Company will accept shareholder instructions to redeem by facsimile at the shareholder's own risk and provided that the Shareholder has executed a facsimile instruction indemnity form. Redemption requests may not be withdrawn except in the event of a suspension set out under the Section 10, sub-section "Temporary suspension" or deferral of the right to redeem shares of the relevant Class. Payment of redemption proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible to transfer the redemption proceeds to the country where the redemption was requested.

Cancellation right

- 7.13 Requests for redemption may in principle only be withdrawn in the event of a suspension or deferral of the right to redeem shares of the relevant Sub-Fund. In exceptional circumstances, the Company may however, in its sole discretion and taking due consideration of the principle of equal treatment between shareholders, the interests of the relevant Sub-Fund and applicable market timing rules, decide to accept any withdrawal of an application for redemption.

8. HOW TO CONVERT SHARES

- 8.1 In accordance with the provisions of the Articles of Incorporation and subject to the provisions below, each shareholder may switch from one Sub-Fund to another Sub-Fund.
- 8.2 The conversion of shares within a Sub-Fund or between different Sub-Funds may take place on any Business Day. Conversions will be subject to the condition that all conditions to subscribe in shares relating to the new Sub-Fund/Class are met.

8.3 **Within the relevant Sub-Fund, the conversion of shares of “Class I” into shares of “Class O” is allowed but the conversion from shares of “Class O” into shares of “Class I” or the conversion into shares of “Class X” shall not be permitted unless the Management Company, in consultation with the Company, shall otherwise agree. Conversions of shares between Class I (i.e., Class I Acc and Class I Inc) are allowed.**

8.4 The conversion application should be sent by the shareholder to HSBC Continental Europe, Luxembourg as Registrar and Transfer Agent by telex or in writing. The procedure and the time periods that are applicable to the repurchase of shares apply by analogy to the conversion of shares.

8.5 A conversion application is executed when the prerequisite set out below has been met.

8.6 HSBC Continental Europe, Luxembourg as Transfer Agent has received a properly completed conversion application form.

8.7 The rate at which all or part of the shares in an original Sub-Fund and/or Class are converted into shares in a new Sub-Fund and/or Class is determined in accordance with the following formula:

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

The meanings are as follows:

A: the number of shares to be issued in the new Sub-Fund/Class

B: the number of shares in the original Sub-Fund/Class

C: Net Asset Value per share to be converted

D: currency conversion factor

E: Net Asset Value per share to be issued

8.8 The Company may charge a conversion commission of a maximum of 1%, as detailed for each Sub-Fund in the relevant Sub-Fund Appendix.

8.9 Any conversion request shall in principle be irrevocable, except in the event of a suspension of the calculation of the Net Asset Value of the Class or of the Sub-Fund concerned or deferral. The Management Company may however, in its sole discretion and taking due consideration of the principle of equal treatment between shareholders and the interests of the relevant Sub-Fund, decide to accept any withdrawal of an application for conversion.

9. LATE TRADING AND MARKET TIMING

9.1 “Late Trading” is understood to be the acceptance of a subscription (or switching or redemption) order after the applicable cut-off time on the relevant Valuation Day and the execution of such order at a price based on the Net Asset Value per share applicable for such same day. Late Trading is strictly forbidden.

9.2 “Market Timing” is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or switches shares within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value per share of a given Sub-Fund. Market Timing practices may disrupt the investment management of the Sub-Fund and harm the performance of the relevant Sub-Fund.

9.3 In order to avoid such practices, shares are issued, redeemed and switched at an unknown price and the Company will not accept orders received after the relevant cut-off time.

- 9.4 The Company reserves the right to refuse dealing orders with respect to a Sub-Fund by any person who is suspected of Market Timing activities and to take appropriate measures to protect other investors of the Company.

10. NET ASSET VALUE AND DEALING PRICES

Calculation of the net asset value

- 10.1 The net asset value of each Class within each Sub-Fund (expressed in the Reference Currency of the Class) is determined by aggregating the value of securities and other permitted assets of the Company allocated to that Class and deducting the liabilities of the Company allocated to that Class.
- 10.2 The assets of each Class within each Sub-Fund, except the Cash Sub-Fund, are valued as of each Valuation Day as follows:
- 10.2.1 Securities and other investments listed on a stock exchange are valued at the last available closing price. If the same security or investment is quoted on several stock exchanges, the last available closing price on the stock exchange that represents the major market for this security will apply. In the case of securities and other investments where the trade on the stock market is thin but which are traded between securities dealers on a secondary market using usual market price formation methods, the Management Company and/or the Company can use the prices on this secondary market as the basis for their valuation of these securities and investments. Securities and other investments that are not listed on a stock exchange, but which are traded on another Regulated Market which is recognized, open to the public and operating regularly, are valued at the last available closing price on this market.
- 10.2.2 Securities and other investments that are not listed on a stock exchange are valued at the last available closing price; if this is not available, the Management Company and/or the Company values these securities according to other principles of its choosing on the basis of the likely sales prices.
- 10.2.3 The value of Money Market Instruments which are not listed on a stock exchange or traded on another Regulated Market open to the public is based on the appropriate curves. The valuation based on the curves refers to the interest rate and credit spread components. The following principles are applied in this process: for each money market instrument, the interest rates nearest the residual maturity are interpolated. The interest rate calculated in this way is converted into a market price by adding a credit spread that reflects the underlying borrower. This credit spread is adjusted if there is a significant change in the credit rating of the borrower.
- 10.2.4 In the case of assets which are not denominated in the currency of the relevant Sub-Fund, the value shall be converted into the currency of such Sub-Fund at prevailing market rates as determined by the Depositary with the Directors.
- 10.2.5 Securities and other investments that are denominated in a currency other than the Base Currency of the relevant Sub-Fund and which are not hedged by means of currency transactions are valued at mid closing spot rate.
- 10.2.6 Time and sight deposits are valued at their nominal value plus any accrued interest.
- 10.2.7 The value of swap transactions is calculated by the swap counterparty, on the basis of the net present value of all cash flows, both inflows and outflows; this is a valuation method recognized by the Management Company and/or the Company and checked by the auditors.

- 10.2.8 The financial derivative instruments which are not listed on any official stock exchange or traded on any other organized market will be valued in accordance with market practice.
- 10.2.9 Shares or units in underlying open-ended investment funds (UCITS and UCI) shall be valued at their last available net asset value reduced by any applicable charges. In some particular circumstances, subject to Directors prior approval, shares or units in UCITS or UCI may also be valued on the basis of the estimated net asset value for such shares or units available prior to the time of calculation of the net asset value of the Sub-Fund in case the estimated net asset value provides a more accurate value of these shares or units.
- 10.3 The Directors may, at their discretion, employ any other valuation method if it is of the opinion that such a valuation reflects more accurately the probable realization value of an asset held by the Company.
- 10.4 The latest Net Asset Value per share and the issue, repurchase and conversion prices of the shares may be obtained on request for each Sub-Fund of the Company from the Management Company's and/or Administrative Agent's registered office during business hours.
- 10.5 The accounts of the Company for the purpose of its financial reports shall be expressed in EUR.

Swing pricing

- 10.6 Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the shareholders' interests in a Sub-Fund. In order to protect shareholders' interests and to prevent this effect, called "dilution", the Directors have the authority to allow for the Net Asset Value per share of any Sub-Fund to be adjusted upwards or downwards to reflect effective dealing and other costs and fiscal charges which would be payable on the effective acquisition or disposal of assets in the relevant Sub-Fund if the net capital activity exceeds ("partial swing"), as a consequence of the sum of all subscriptions, redemptions or conversions in such a Sub-Fund, such threshold percentage (as may be determined from time to time by the Directors) of the Sub-fund's total net assets on a given Valuation Day.
- 10.7 Typically, such adjustments will increase the Net Asset Value per share when there are net subscriptions into the Sub-Fund and decrease the Net Asset Value per share when there are net redemptions out of the Sub-Fund. The Directors are responsible for setting the threshold, which will be a percentage of the net assets of the respective Sub-Fund. The threshold is based on objective criteria such as the size of a Sub-Fund, and may be revised from time to time.
- 10.8 The swing pricing mechanism may be applied across all Sub-Funds of the Company.
- 10.9 The percentage by which the Net Asset Value per Share may be swing may not exceed 2 % of the Net Asset Value of the relevant Sub-Fund (the "**Swing Factor**"). The Swing Factor measures the size of the Net Asset Value adjustment and is determined and reviewed on a regular basis by the Directors by taking into account the bid/offer spreads for the underlying securities, transaction costs, broker commissions, transaction taxes and other tax related matters. The Net Asset Value per share of each Class in a Sub-Fund will be calculated separately but any adjustment will be made on Sub-Fund level and in percentage terms, equally affecting the Net Asset Value per share of each Class. If swing pricing is applied to a Sub-Fund on a particular Valuation Day, the Net Asset Value adjustment will be applicable to all transactions placed on that day. Investors are advised that the volatility of the Sub-Fund's Net Asset Value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

Temporary suspension

- 10.10 The Company may, for each Sub-Fund, suspend the calculation of the Net Asset Value, the issue, repurchase and conversion of shares of one class into those of another class of share under the circumstances described below:
- 10.10.1 when one or more of the stock exchanges or other markets on which a substantial portion (at least 50%) of the Company's assets attributable to such Sub-Fund is regularly quoted or traded is closed for a reason other than general public holidays, or when transactions thereon are suspended or restricted, provided that this closure, restriction or suspension affects the valuation of the Company's assets quoted or traded thereon.
 - 10.10.2 when, in the Directors' opinion, an emergency situation exists on account of which the Company is unable to dispose of at least 50% of invested assets attributable to a particular Sub-Fund or if it cannot determine the value of such invested assets; or
 - 10.10.3 during any breakdown in the means of communication or calculation normally used to determine the price or value of any investments of such Sub-Fund or the prices on a stock exchange or another market in respect of the assets attributable to such Sub-Fund; or
 - 10.10.4 as long as the Company is unable to raise sufficient funds to effect payments for the repurchase of shares of such Sub-Fund or as long as the transfer of funds connected with the acquisition of invested assets or with payments for the repurchase of shares cannot, in the Directors' opinion, be effected at normal exchange rates; in that event, subscription, redemption, and conversion applications in the pipeline will be processed simultaneously on the basis of the Net Asset Value so calculated; or
 - 10.10.5 when for any other reason the value of an invested asset of the Company attributable to such Sub-Fund cannot be established or determined with the necessary speed or accuracy; or
 - 10.10.6 upon publication of the notice convening a general meeting which is to decide on the winding up of the Company.
- 10.11 In conformity with the legal requirements and if the Directors deem it appropriate, such a suspension shall be published and notified to shareholders who have filed an application for subscription, repurchase or conversion of shares whose Net Asset Value calculation has been suspended.
- 10.12 During the period of suspension of calculation of the Net Asset Value applications for subscription, repurchase or conversion of shares may be withdrawn if such withdrawal is received by the Company before this period of suspension ends.
- 10.13 Suspension in any Sub-Fund shall have no effect upon the calculation of the Net Asset Value or the issue, repurchase or conversion prices of any other Sub-Fund which is not suspended.
- 10.14 The notification of such a suspension and its termination shall be published in accordance with the provisions of the laws where shares of the Company are distributed and shall be notified by the Company to the shareholders who have filed applications for subscription, repurchase or conversion of shares and who are affected by suspension of the Net Asset Value calculation.

Offer price

- 10.15 Shares will be issued at a price based on the net asset value calculated on the relevant Valuation Day plus any applicable subscription charge disclosed in the relevant Sub-Fund Appendix. Subscription proceeds shall be paid within the timeframe disclosed in the relevant Sub-Fund Appendix.

Redemption price

- 10.16 Shares will be redeemed at a price based on the net asset value calculated on the relevant Valuation Day less any applicable redemption charge disclosed in the relevant Sub-Fund Appendix. The redemption price will be payable within the timeframe disclosed in the relevant Sub-Fund Appendix.

Information on prices

- 10.17 The Net Asset Value per share in each Sub-Fund is available at the registered office of the Company. The Company may also notify the relevant stock exchanges of the Net Asset Value per share in each Sub-Fund where the shares are listed, if applicable.

11. DIVIDENDS

- 11.1 The Company may issue ‘distribution shares’ and ‘accumulation shares’:

11.1.1 Classes with the suffix “Inc” are Classes of distribution shares; and

11.1.2 Classes with the suffix “Acc” are Classes of accumulation shares.

- 11.2 Capital-accumulation shares do not pay any dividends. Accordingly, the income and capital gains generated by the relevant Sub-Fund or Class are capitalized within the relevant Sub-Fund or Class concerned.

- 11.3 The distribution policy of the distribution shares can be summarized as follows:

The amount available for distribution shall be the net income of the relevant Sub-Fund, whether in the form of dividends, interests or otherwise. Distributions will be made on a quarterly basis, except for the distribution shares of the sub-fund New Capital Fund Lux – Prudent Multi-Asset Fund USD for which distributions will be made on a semi-annual basis. The Classes that distribute on a bi-annual basis will normally go “ex-dividend” on 31 December and 30 June and the Classes that distribute on a quarterly basis will normally go “ex-dividend” on 30 September, 31 December, 31 March and 30 June. The distribution in respect of Classes that distribute on a bi-annual basis will take place on or before the end of February in respect of the 31 December ex-dividend date and on or before the end of October in respect of the 30 June ex-dividend date. The distribution in respect of the Classes that distribute on a quarterly basis will take place on or before the end of November in respect of the 30 September ex-dividend date, on or before the end of February in respect of the 31 December ex-dividend date, on or before the end of May in respect of the 31 March ex-dividend date and on or before the end of October in respect of the 30 June ex-dividend date.

- 11.4 Shareholders may elect for dividends to be reinvested by the Company in payment for additional shares of the relevant Class instead of being paid directly to them. Such notices must be given by completing the appropriate section of the application form or alternatively by notifying the Company in writing of this election to have the dividends reinvested.

- 11.5 No dividend or other amount payable to any shareholder shall bear interest against the Company.

- 11.6 Any dividends remaining unclaimed after five years shall be forfeited and revert to the relevant Class.

12. CHARGES AND EXPENSES

Management Fee

- 12.1 The Management Company is entitled to receive from the Company a fee (the “**Management Fee**”) of a percentage of the net assets of the relevant Class, as further detailed in the relevant Sub-Fund Appendix. The Management Fee is calculated daily and paid monthly, within a period of twenty Business Days following the end of the relevant month. The Management Fee is used to pay the Management Company for its management company services (which are subject to a minimum monthly fee of EUR 41,667, increasing by EUR 2,500 for any new Sub-Fund above ten) and the Investment Managers.

Investment Management/Advisory Fees

- 12.2 In consideration for the investment management/advisory services provided to the Company, the Investment Managers and investment advisers (if any) are entitled to receive a fee, which is paid by the Management Company out of its Management Fee, as agreed from time to time between the Management Company and the Investment Managers and investment advisers (if any).

Performance Fee

- 12.3 To the extent provided for in the relevant Sub-Fund Appendix, the Investment Managers may also be entitled to receive a performance fee (the “**Performance Fee**”), the details of which will (where applicable) be disclosed in the relevant Sub-Fund Appendix.

Depositary Fee

- 12.4 The Depositary is entitled to receive out of the assets of the Company, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements as are deemed reasonable and customary by the Directors. The fees payable to the Depositary comprise asset-based fees and transaction-based fees. Such fees vary depending on the market in which a particular Sub-Fund investors and can range from 0.004% per annum of the net asset value of a Sub-Fund when safe kept in developed markets to 0.400% per annum of the value of the assets of such Sub-Fund which are safe kept in emerging markets (excluding sub-custodian out of pocket expenses). Trade settlement is charged on a per transaction basis based on the countries in which the securities are settled. The actual fees paid will be disclosed in the semi-annual and annual reports of the Company. The fees are accrued daily and are payable to the Depositary on a monthly basis.

Administration Agent, Registrar and Transfer Agent and Paying Agent Fees and Expenses

- 12.5 As Administration Agent, Registrar and Transfer Agent and Paying Agent, HSBC Continental Europe, Luxembourg, is entitled to receive out of the assets of the Company, fees in consideration for providing services to it, along with such out-of-pocket expenses and disbursements as are deemed reasonable and customary by the Directors. The fees payable to HSBC Continental Europe, Luxembourg, comprise asset-based fees. Such fees vary between 0.035% and 0.04% per annum of the net asset value per Sub-Fund subject to a minimum monthly fee of EUR 2,600. The actual fees paid will be disclosed in the semi-annual and annual reports of the Company. The fees are accrued daily and are payable to HSBC Continental Europe, Luxembourg on a monthly basis.

Domiciliary Agent Fees

- 12.6 As Domiciliary Agent, Waystone Corporate Services (Lux) S.A., is entitled to receive out of the assets of the Company, an annual fee of EUR 2,500 in consideration for providing services to it,

along with such out-of-pocket expenses as are deemed reasonable and customary by the Directors. The fees are payable to Waystone Corporate Services (Lux) S.A. on a quarterly basis.

Distributors / sub-distributors / intermediary charges

- 12.7 EFG Asset Management (UK) Limited as Global Distributor does not receive a distribution fee or any sales charge on subscription proceeds received in respect of shares subscribed, unless otherwise disclosed in the relevant Sub-Fund Appendix. Additional fees and other service charges in respect of subscriptions for shares may be payable by shareholders or investors to sub-distributors or intermediaries through whom they invest, in such amount as they may agree with the relevant sub-distributor or intermediary, and this may result in differing yields to different investors in relation to their shares. Such fees and charges may include an initial sales charge of up to 5%, as detailed for each Sub-Fund in the relevant Appendix. Investors are advised to carefully consider these fees charged by the sub-distributor / intermediary. The sub-distributor / intermediary might be required to make appropriate disclosures to investors (including, but not limited to, disclosure of any inducements and/or fees received or paid).
- 12.8 Without prejudice to the above, the Management Company, the Investment Managers, any sub-investment managers or the Global Distributor may from time to time decide to waive, share or rebate to associated companies or to some or all shareholders or to intermediaries, part or all of the Management Fee, investment management fee, performance and/or distribution fees. Rebates to shareholders or intermediaries may be applied in paying up additional shares to be issued to the shareholder. Such Shares shall be issued to the Shareholders at the Net Asset Value per share.

Other charges and expenses

- 12.9 The Company pays any expenses to be borne by it, including, without limitation, the costs of amendments of the Articles of Incorporation, the fees payable to the auditors and accountants, those of the Depository's correspondents, the fees of the distributors and listing agencies (if required), as well as those of any permanent representatives at locations in which the Company is subject to registration duties, the remuneration of any other employee of the Company, the remuneration of the directors as well as any expenses reasonably incurred by the same, insurance costs and any reasonable travel expenses, the costs and expenses incurred in the relation with legal assistance and the auditing of the Company's annual account, the costs pertaining to declarations of registration with governmental authorities and stock exchanges in Luxembourg and abroad, the costs of the preparation and printing the prospectus, information material and periodical reports, the costs of reports to the shareholders, any taxes and similar duties, the costs pertaining to the purchase and sale of assets, any financial, banking or brokerage costs, postal expenses, telephone and telex costs and all other operating expenses.
- 12.10 If a liability of the Company cannot be assigned to a specific Sub-Fund, the liability will be allocated to all Sub-Funds in proportion to the respective Net Asset Value or in some other way, as decided by the Directors conscientiously and to the best of their knowledge.
- 12.11 In those Sub-Funds of the Company whose investment policy allows them to invest in other existing UCIs or UCITS there may be charges at the level of the UCIs or UCITS in question and at the level of the relevant Sub-Fund of the Company. The total fees to be charged both at the level of the UCITS and/or UCIs and at the level of the relevant Sub-Fund itself may not amount to more than 3.50% p.a. calculated on the average assets of each Sub-Fund.
- 12.12 In the case of investments in units of funds managed directly or indirectly by the Management Company itself or another company related to it by common management or control, or by a direct or indirect holding of more than 10% of the capital or the voting shares, the Sub-Funds may only be charged with a reduced Management Fee (the reduction will correspond to the fee paid by the Management Company to the Investment Manager of the relevant Sub-Fund).

12.13 The Management Company may, moreover, not charge the Sub-Fund making the investment with any of the related target fund's issuing or redemption commissions.

13. MANAGEMENT COMPANY

13.1 Waystone Management Company (Lux) S.A. has been appointed contractually as management company of the Company (the "**Management Company Services Agreement**").

13.2 The Management Company is a company incorporated under Luxembourg law with registered office situated at 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg registered with the Luxembourg companies register with the RCS (*Registre de Commerce et des Sociétés*) under number B96744. The Management Company was incorporated for an unlimited duration in Luxembourg on 23 October 2003 in the form of a public limited company (*société anonyme*), in accordance with the 1915 Law and the latest revision of the articles of association were published in the RESA (*Recueil Electronique des Sociétés et Associations*) on 19 July 2023. Its fully paid-up share capital amounts to EUR 3,950,000.

13.3 The name of all other undertakings for collective investment managed by the Management Company from time to time are available at the registered office of the Management Company.

13.4 The Management Company is governed by Chapter 15 of the 2010 Law and, in this capacity, is responsible for the collective management of the Company's portfolio. These duties encompass the following tasks:

13.4.1 investment management, the Management Company may:

- (i) provide all advice and recommendations as to the investments to be made,
- (ii) enter into contracts, buy, sell, exchange and deliver all Transferable Securities and any other assets,
- (iii) exercise, on behalf of the Company, all voting rights attaching to the Transferable Securities constituting the Company's assets.

13.4.2 administration, which encompasses:

- (i) legal services and accounts management for the Company,
- (ii) follow-up of requests for information from clients,
- (iii) valuation of portfolios and calculation of the value of Company shares (including all tax issues),
- (iv) verifying compliance with regulations,
- (v) keeping the Company's Register of shareholders,
- (vi) allocating Company income,
- (vii) issue and redemption of Company shares (Registrar Agent's duties),
- (viii) winding-up of contracts (including sending certificates),
- (ix) recording and keeping records of transactions.

13.4.3 marketing the Company's shares.

- 13.5 In accordance with the laws and regulations currently in force and with the prior approval of the Company's Directors, the Management Company is authorized to delegate, unless otherwise provided herein, all or part of its duties and powers to any person or company which it may consider appropriate, it being understood that the Prospectus will be amended prior thereto and that the Management Company will remain entirely liable for the actions of such representative(s).
- 13.6 The investment management duties and the administration duties are currently delegated, as described below.
- 13.7 Under the terms of the Management Company Services Agreement, the Management Company shall act as the Company's management company in the best interest of the shareholders and according to the provisions set forth by applicable law, the Prospectus, the Articles of Incorporation and the instructions of the Company's Directors, and shall, in particular, be in charge of the day-to-day management of the Company under the overall supervision, instruction, control and ultimate liability of the Company's Directors. As such, the Management Company shall be responsible for the investment management of the assets of the Company, the administration of the Company and the implementation of the Company's distribution and marketing policy.
- 13.8 The Management Company has in place a remuneration policy in line with the Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.
- 13.9 The remuneration policy sets out principles applicable to the remuneration of senior management, all staff members having a material impact on the risk profile of the financial undertakings as well as all staff members carrying out independent control functions.
- 13.10 In particular, the remuneration policy complies with the following principles in a way and to the extent that is appropriate to the size, internal organization and the nature, scope and complexity of the activities of the Management Company:
- 13.10.1 it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or the Articles;
 - 13.10.2 if and to the extent applicable, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
 - 13.10.3 it is in line with the business strategy, objectives, values and interests of the Management Company and the Company and of the Shareholders, and includes measures to avoid conflicts of interest;
 - 13.10.4 fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component.
- 13.11 The remuneration policy is determined and reviewed at least on an annual basis by a remuneration committee.
- 13.12 The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the

remuneration committee, are available on <https://www.waystone.com/waystone-policies/>, a paper copy will be made available free of charge upon request. The Management Company's complaints handling policy is also available via this web link.

- 13.13 Subject to the conditions set forth by the 2010 Law and the Management Company Services Agreement, the Management Company is authorized, in order to conduct its business efficiently, to delegate, under its responsibility and control, and with the consent of the Company and the Luxembourg supervisory authority of the financial sector, part or all of its functions and duties to any third party. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.
- 13.14 The Management Company has delegated the investment management, the administration and the marketing activities of the Company's.
- 13.15 The Management Company shall also ensure the compliance of the Company with the investment restrictions and oversee the implementation of the Company's investment policy.
- 13.16 The Management Company generally takes into account certain sustainability risks in its investment management activity in accordance with article 6.1 of SFDR. The Management Company does currently not evaluate the adverse impacts of investment decisions made on a uniform set of sustainability factors with respect to the other sub-funds managed by the Management Company given the overall difficulties in collecting the necessary information and the resources required to put in place the necessary processes.
- 13.17 For the time being, except as may be otherwise disclosed at a later stage on its website or in this Prospectus, Waystone Management Company (Lux) S.A., does not consider adverse impacts of investment decisions on Sustainability Factors. The main reason is currently the lack of information and data available to adequately assess such principal adverse impacts.

14. INVESTMENT MANAGERS

- 14.1 For the definition of the investment policy and the day-to-day management of each of the Company's Sub-Funds, the Management Company may be assisted, at its own expenses and under its overall control and responsibility, by one or several Investment Manager(s) for each Sub-Fund.
- 14.2 EFG Asset Management (Switzerland) SA has been appointed as Investment Manager of all Sub-Funds of the Company except New Capital Fund Lux – Prudent Multi-Asset Fund USD for which EFG Asset Management (UK) Limited has been appointed as Investment Manager.
- 14.3 The Investment Managers have the power to purchase and sell the assets of the relevant Sub-Funds at their own discretion, under the responsibility and supervision of the Management Company and within the framework of the investment policy.
- 14.4 EFG Asset Management (Switzerland) SA has an asset management license, is engaged in the business of managing collective investment schemes and discretionary portfolios for professional and institutional clients and is subject to supervision by FINMA in Switzerland. EFG Asset Management (UK) Limited is engaged in the business of investment management services for discretionary clients and collective investment schemes and is authorised and regulated by the Financial Conduct Authority in the United Kingdom.
- 14.5 The day-to-day management may be delegated to other entities/ offices belonging to the EFG Group but in case of effective delegation, the Prospectus will be amended accordingly.
- 14.6 Supervision of the activities of the Investment Managers is the sole responsibility of the Management Company. However, the Company's Directors assumes ultimate responsibility for management.

14.7 The Investment Managers may be assisted, with the prior approval of the Management Company and under its overall control and responsibility, by one or more Sub-Investment Manager(s) for each Sub-Fund. It is being understood that the Prospectus will be amended accordingly.

14.8 EFG Asset Management (Switzerland) SA has been appointed as Sub-Investment Manager of New Capital Fund Lux – Prudent Multi-Asset Fund USD.

14.9 The Investment Managers may, at their own expense, use the services of an investment advisor.

15. DISTRIBUTION OF SHARES

15.1 The Management Company has appointed EFG Asset Management (UK) Limited as the Global Distributor to organize the marketing and distribution of shares of the Company. Subject to the provisions of the global distribution agreement, the Global Distributor may appoint one or more sales agent(s)/ sub-distributor(s) to offer for sale and sell the shares of each Sub-Fund in all countries in which the offering and selling of these shares is allowed.

15.2 The sales agent(s)/ sub-distributor(s) forward to HSBC Continental Europe, Luxembourg as Registrar and Transfer Agent the requests for subscription, repurchase and conversion and arranges for the corresponding payments to be made.

16. DEPOSITARY

16.1 Pursuant to the Depositary Agreement effective 15 November 2019 between the Company, the Management Company and the Depositary and for the purposes of and in compliance with the 2010 Law and the relevant CSSF regulations, the Depositary has been appointed as the depositary to the Company.

16.2 The Depositary is a Luxembourg credit institution. The Depositary is registered with the RCSL under B 113375. The Depositary's office is located at 56, Grand-Rue, L-1660 Luxembourg and the principal business activity of the Depositary is the provision of financial services, including depositary services. The Depositary is supervised by the CSSF.

16.3 The Depositary provides services to the Company as set out in the Depositary Agreement and, in doing so, shall comply with the 2010 Law and the relevant CSSF regulations.

16.4 The Depositary's key duties include the following:

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

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

16.4.3 Ensuring that sales, issues, repurchases, redemptions and cancellations of the shares of the Company are carried out in accordance with applicable national law and the Articles of Incorporation.

16.4.4 Ensuring that the value of the shares of the Company is calculated in accordance with applicable national law and the Articles of Incorporation.

16.4.5 Carrying out the instructions of the Company or the Management Company, unless they conflict with applicable national law and the Articles of Incorporation.

- 16.4.6 Ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits.
- 16.4.7 Ensuring that the Company's income is applied in accordance with applicable national law and the Articles of Incorporation.
- 16.5 The Depositary may delegate its safekeeping functions subject to the terms of the Depositary Agreement. The Depositary may delegate to one or more Global Sub-Custodians (each a "**Global Sub-Custodian**") the safekeeping of certain of the assets of the Company in accordance with the terms of a written agreement between the Depositary and the Global Sub-Custodian. The Global Sub-Custodian may also use sub-delegates appointed in accordance with the terms of written agreements between the Global Sub-Custodian and those sub-delegates for the safekeeping of certain of the assets of the Company. As of the date of the Prospectus, the Global Sub-Custodians and sub-delegates listed in Appendix 3 have been appointed; an up-to-date list of the appointed Global Sub-Custodians and sub-delegates is available on request and free of charge at the registered office of the Company.
- 16.6 Under the term of the Depositary Agreement, in general, the Depositary is liable for losses suffered by the Company as a result of its negligence or wilful default to properly fulfil its obligations. Subject to the paragraph below, and pursuant to the Depositary Agreement, the Depositary will be liable to the Company for the loss of financial instruments of the Company which are held in its custody.
- 16.7 The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party.
- 16.8 The Depositary will not be liable where the loss of financial instruments arises as a result of an external event beyond the reasonable control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall not be liable for any indirect, special or consequential loss.
- 16.9 From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, where a delegate is an affiliate of the Depositary, the Depositary may have a financial or business interest in that delegate and these interconnections could give rise to potential conflict of interests represented by selection bias (choice of the delegate not based on quality and price), insolvency risk (lower standards in asset segregation or attention to the delegate's solvency) or single group exposure risk.
- 16.10 Actual or potential conflicts of interest may arise between the Company, the Shareholders or the Management Company on the one hand and the Depositary on the other hand. For example such actual or potential conflict may arise because the Depositary is part of a legal entity or is related to a legal entity which provides other products or services to Company. The Depositary may have a financial or business interest in the provision of such products or services or receives remuneration for related products or services provided to the Company or may have other clients whose interests may conflict with those of the Company, the Shareholders, or the Management Company.
- 16.11 The Depositary and any of its affiliates may affect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a material interest or a relationship of any description and which involves or may involve a potential conflict with the Depositary's duty to the Company. This includes for example circumstances in which the same entity to which the Depositary or any of its affiliates or connected persons belong: acts as fund administrator of the Company provides stock lending services and foreign exchange facilities to the Company and/or to other funds or companies; acts as banker, derivatives counterparty of the Company; acts in the same transaction as agent for more than one client; or earns profits from or has a financial or business interest in any of these activities.

- 16.12 The Depositary has a conflict-of-interest policy in place to identify, manage and monitor on an ongoing basis any potential conflict of interest. As per such policy where a potential conflict of interest is identified by an employee it should immediately be escalated to the line manager/senior management and/or the Depositary's compliance department. The situation will be analyzed, recorded and managed promptly in the best interest of the Company's shareholders. A conflict-of-interest register is maintained and monitored by the Depositary's compliance department.
- 16.13 Up to date information regarding the name of the Depositary, any conflicts of interest and delegations of the Depositary's safekeeping functions will be made available to Shareholders on request and free of charge at the registered office of the Company.
- 16.14 The appointment of the Depositary under the Depositary Agreement may be terminated without cause by not less than (90) days written notice provided that the Depositary Agreement does not terminate until a replacement Depositary has been appointed which must happen within two months.
- 16.15 A list of sub-delegates can be found in Appendix 3.

17. ADMINISTRATION

Administration Agent

- 17.1 HSBC Continental Europe, Luxembourg has been appointed as Administration Agent. The Administration Agent is responsible for the calculation of the NAV and the administration, under the review of the Auditors, of the general accounting of the Company.
- 17.2 The Administration Agent, HSBC Continental Europe, Luxembourg, is established as a branch in Luxembourg of HSBC Continental Europe, a public limited company incorporated under the laws of France (registered number 775670284), operating in Luxembourg under passporting provision provided for under the EU Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms. HSBC Continental Europe, Luxembourg has its office at 18, boulevard de Kockelscheuer, L-1821 Luxembourg and is registered with the Luxembourg trade and companies register under number B 227.159. HSBC Continental Europe is supervised by the European Central Bank, as part of the Single Supervisory Mechanism, the French Prudential Supervisory and Resolution Authority (*l'Autorité de Contrôle Prudentiel et de Résolution*) as the French national competent authority and the French Financial Markets Authority (*l'Autorité des Marchés Financiers*) for the activities carried out over financial instruments or in financial markets. When servicing Luxembourg undertakings for collective investment, the Administration Agent is subject to the general supervision of the CSSF.
- 17.3 The agreement between the Management Company, the Administration Agent and the Company, may be terminated by a written prior notice given three months in advance by either party to the other. HSBC Continental Europe, Luxembourg has also been appointed as Registrar and Transfer Agent of the Company pursuant to the Administration Agreement.
- 17.4 Unless the Administration Agent has acted fraudulently, negligently or with wilful default, the Administration Agent shall not be liable to the Management Company, the Company or to any shareholder of the Company for any act or omission in the course of or in connection with the discharge by the Administration Agent of its duties. The Company has agreed to indemnify the Administration Agent or any persons appointed by it from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful default on the part of the Administration Agent) which may be imposed on, incurred by or asserted against the Administration Agent in performing its obligations or duties hereunder.

- 17.5 The Administration Agent has no decision-making discretion relating to the Company's investments. The Administration Agent is a service provider to the Company and is not responsible for the preparation of this Prospectus or the activities of the Company and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Company. The Administration Agent is not responsible for any investment decisions of the Company or the effect of such investment decisions on the performance of the Company.

Registrar, Transfer Agent and Paying Agent

- 17.6 HSBC Continental Europe, Luxembourg has been appointed as Registrar and Transfer Agent and as Luxembourg Paying Agent.
- 17.7 The Registrar and Transfer Agent is responsible for the processing the issue, redemption and conversion of shares of the Company and the maintenance of the Company's register of shareholders.
- 17.8 In its capacity as Luxembourg Paying Agent, HSBC Continental Europe, Luxembourg shall assist in the payment of dividends declared by the Company to its shareholders.

Domiciliary Agent

- 17.9 Waystone Corporate Services (Lux) S.A. has been appointed by the Company as Domiciliary Agent.

18. CONFLICTS OF INTEREST

- 18.1 The Management Company, the Investment Managers, the Administration Agent, the Registrar and Transfer Agent and the Depositary may from time-to-time act as management company, investment manager or adviser, administrator, registrar and transfer agent or depositary bank in relation to, or be otherwise involved in, other funds which have similar investment objectives to those of the Company or any Sub-Fund. It is therefore possible that any of them may, in the due course of their business, have potential conflicts of interest with the Company or any Sub-Fund. In such event, each will at all times have regard to its obligations under any agreements to which it is party or by which it is bound in relation to the Company or any Sub-Fund. In particular, but without limitation to its obligations to act in the best interests of the shareholders when undertaking any dealings or investments where conflicts of interest may arise, each will respectively endeavour to ensure that such conflicts are resolved fairly.
- 18.2 There is no prohibition on the Company entering into any transactions with the Management Company, the Investment Managers, the Administration Agent, the Registrar and Transfer Agent or the Depositary or with any of their affiliates, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length. The Investment Managers or any affiliates acting in a fiduciary capacity with respect to client accounts may recommend to or direct clients to buy and sell shares of the Company.

19. MEETINGS AND REPORTS

- 19.1 The annual general meeting of shareholders of the Company (the "**Annual General Meeting**") is held at the registered office of the Company or such other place as may be specified in the notice of meeting in Luxembourg, on the first Monday in the month of May at 2:00 p.m. If this day is a public or bank holiday in Luxembourg, the Annual General Meeting will be held on the next Business Day.
- 19.2 Other general meetings of shareholders will be held at such time and place as are indicated in the notices of such meetings.

- 19.3 Notices of general meetings are given in accordance with Luxembourg Law. Notices will specify the place and time of the meetings, the conditions of admission, the agenda, the quorum and the voting requirements. The requirements as to attendance, quorum and majorities at all general meetings will be those laid down in the Articles of Incorporation.
- 19.4 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 shares issued and outstanding at a specific date (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 shares shall be determined by reference to the shares held by this shareholder as at the Record Date.
- 19.5 The Company's financial year begins on January 1st of each calendar year and ends on December 31st of the same year. The annual report containing the audited financial accounts of the Company expressed in EUR in respect of the preceding financial period and with details of each Sub-Fund in the relevant Base Currency is made available at the Company’s registered office, at least 8 days before the Annual General Meeting.
- 19.6 The semi-annual reports will be dated as of 30 June each year. The semi-annual reports will be available at the Company’s registered office, at the latest two months after the end of the period to which they relates.
- 19.7 Copies of all reports are available at the registered offices of the Company.

20. TAXATION

General

- 20.1 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.

Taxation of the Company

- 20.2 The Company is not subject to taxation in Luxembourg on its income, profits or gains.
- 20.3 The Company is not subject to net wealth tax in Luxembourg.
- 20.4 A EUR 75.- registration tax is to be paid upon incorporation and each time the Articles of Incorporation are amended. No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the shares of the Company.
- 20.5 Except if the Sub-Funds can benefit from an exemption or reduced subscription tax, each Sub-Fund is subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum based on its net asset value at the end of the relevant quarter, calculated and paid quarterly.
- 20.6 A reduced subscription tax of 0.01% per annum is applicable to Sub-Funds or Classes which are reserved to one or more Institutional Investors.

- 20.7 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.
- 20.8 Distributions made by the Company are not subject to withholding tax in Luxembourg.

Taxation of shareholders

- 20.9 Under current Luxembourg legislation shareholders are not subject to any capital gains, income or withholding tax in Luxembourg, except for those domiciled, resident or having a permanent establishment in Luxembourg.

The Foreign Account Tax Compliance Act (“FATCA”)

- 20.10 FATCA, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US (“foreign financial institutions” or “**FFIs**”) to pass information about “Financial Accounts” held by “**Specified US Persons**”, directly or indirectly, to the US tax authorities, the Internal Revenue Service (“**IRS**”) on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement.
- 20.11 On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement (“**IGA**”) with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the “**FATCA Law**”) in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US 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 which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996.
- 20.12 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.
- 20.13 To ensure the Company’s compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company the Management Company, in its capacity as the Company’s management company, if applicable, may:
- 20.13.1 request information or documentation, including 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 such shareholder’s FATCA status;

- 20.13.2 report information concerning a shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
 - 20.13.3 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;
 - 20.13.4 deduct applicable US 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
 - 20.13.5 divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.
- 20.14 All prospective investors and shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Company. If the Company becomes subject to withholding tax as a result of FATCA, the value of shares held by all shareholders may be materially affected.

Automatic Exchange of Information

- 20.15 The OECD has developed a common reporting standard (“**CRS**”) to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. 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 (the “**Euro-CRS Directive**”) was adopted in order to implement the CRS among the Member States.
- 20.16 The Euro-CRS Directive was 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**”).
- 20.17 The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.
- 20.18 The Company is a Luxembourg-resident financial institution that needs to comply with the requirements of the CRS Law.
- 20.19 The Company will be required to report annually to the Luxembourg tax authorities the value of interests held by, and related payments made to:
- 20.19.1 individuals resident of a reportable jurisdiction, i.e. an EU Member State or a third country listed in a Grand-Ducal Regulation,
 - 20.19.2 certain entities resident of a reportable jurisdiction (unless exempt from reporting), and
 - 20.19.3 certain entities controlled (as defined in the CRS Law) by a person resident of a reportable jurisdiction.
- 20.20 Such information will be onward reported by the Luxembourg tax authorities to the competent foreign authorities of the reportable jurisdictions.

- 20.21 Accordingly, the Company will require its investors to provide information 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 shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Company is responsible for the treatment of the personal data provided for in the CRS Law as the data controller. The personal data will only be used for the purposes of the CRS Law. The personal data may be communicated to the Luxembourg tax authorities. The Company may require investors to answer additional questions and/or to provide additional details or documents. Complying with these requirements is mandatory subject to disclosure to the Luxembourg tax authorities and being declined to invest into the Company.
- 20.22 Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

Council Directive (EU) 2018/822 (“DAC 6”)

- 20.23 DAC 6 imposes mandatory disclosure requirements on intermediaries and taxpayers in respect of reportable cross-border arrangements (in short, transactions that meet one of the hallmarks set out in the legislation) (i) which first step has been implemented as from 25 June 2018 or (ii) which have been ready for implementation, which have been made available for implementation, or which first step has been implemented as from 1 July 2020. DAC 6 is an EU directive which aims to: (i) increase transparency on transactions that cross EU borders, (ii) reduce the scope for harmful tax competition within the EU and (iii) to deter taxpayers from entering into a particular scheme if it has to be disclosed.
- 20.24 The scope of DAC 6 is very wide-reaching and, while some of the hallmarks target arrangements that provide a tax advantage as the main benefit, there are other hallmarks not linked to this “main benefit test” meaning that there may not be a safe harbor for common commercial arrangements.
- 20.25 Subject to the implementation of DAC 6, the Company, the Management Company and other intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning arrangements, as defined in DAC 6, could be legally obliged to file information in respect of arrangements qualifying as reportable under DAC 6 and involving the Company’s investments with the competent Luxembourg tax authorities which will in turn automatically exchange such information with other relevant EU Member States. If the intermediary is located outside the European Union or is bound by legal professional privilege which has been confirmed by the relevant implementation of DAC 6 into domestic law, the obligation to report passes to the taxpayer.

As long as the Company, the Management Company or any intermediary complies with its reporting requirements, DAC 6 is not expected to have a material impact on the Company or its investments. However, the findings deriving from DAC 6 disclosures may subsequently determine future tax policy across the EU.

21. LIQUIDATION OF THE COMPANY / TERMINATION AND AMALGAMATION OF SUB-FUNDS

Liquidation of the Company

- 21.1 With the consent of the shareholders expressed in the manner provided for by articles 450-3 and 1100-2 of the 1915 Law, the Company may be liquidated.
- 21.2 If at any time the value at their respective net asset values of all outstanding shares falls below two thirds of the minimum capital for the time being prescribed by Luxembourg Law, the Directors

must submit the question of dissolution of the Company to a general meeting of shareholders acting, without minimum quorum requirements, by a simple majority decision of the shares represented at the meeting.

- 21.3 If at any time the value at their respective net asset values of all outstanding shares is less than one quarter of the minimum capital for the time being required by Luxembourg Law, the Directors must submit the question of dissolution of the Company to a general meeting, acting without minimum quorum requirements and a decision to dissolve the Company may be taken by the shareholders owning one quarter of the shares represented at the meeting.
- 21.4 Any voluntary liquidation will be carried out in accordance with the provisions of the 2010 Law and the 1915 Law which specify the steps to be taken to enable shareholders to participate in the liquidation distribution(s) and in that connection provides for deposit in escrow at the *Caisse de Consignation* of any such amounts to the close of liquidation. Amounts not claimed from escrow within the prescription period would be liable to be forfeited in accordance with the provisions of Luxembourg laws.

Liquidation of Sub-Funds and/or Classes

- 21.5 If the total value of the net assets of a Sub-Fund and/or a Class falls to a level that does not allow the Sub-Fund and/or Class to be managed in an economically reasonable way as well as in the course of a rationalisation the Directors may demand the liquidation of that Sub-Fund and/or Class. The same also applies in cases where changes to the political or economic conditions justify such liquidation.
- 21.6 Up to the date upon which the decision takes effect, shareholders retain the right, free of charge, subject to the liquidation costs to be taken into account and subject to the guaranteed equal treatment of shareholders, to request the redemption of their shares. The Directors may however determine a different procedure, in the interest of the shareholders of the Sub-Fund(s) and/or of the Classes of Sub-Fund(s).
- 21.7 The liquidation of a Sub-Fund and/or Class shall not involve the liquidation of another Sub-Fund and/or Class. Only the liquidation of the last remaining Sub-Fund of the Company involves the liquidation of the Company.
- 21.8 Regardless of the Directors' rights, the general meeting of shareholders in a Sub-Fund and/or Class of a Sub-Fund may reduce the Company's capital at the proposal of the Directors by withdrawing shares issued by a Sub-Fund and refunding shareholders with the Net Asset Value of their shares, taking into account actual realization prices of investments and realization expenses and any costs arising from the liquidation calculated on the Valuation Date on which such decision shall take effect. The Net Asset Value is calculated for the day on which the decision comes into force, taking into account the proceeds raised on disposing of the Sub-Fund's assets and any costs arising from this liquidation. No quorum (minimum presence of shareholders covering the capital represented) is required for a decision of this type. The decision can be made with a simple majority of the shares present or represented at the general meeting.
- 21.9 Shareholders in the relevant Sub-Fund and/or Class will be informed of the decision by the general meeting of shareholders to withdraw the shares or of the decision of the Directors to liquidate the Sub-Fund and/or Class by means of a publication as required by law. In addition, and if necessary, in accordance with the statutory regulations of the countries in which shares in the Company are sold, an announcement will then be made in the official publications of each individual country concerned.

Merger of the Company or Sub-Funds – Division of Sub-Funds

- 21.10 "Merger" means an operation whereby:
- 21.10.1 one or more UCITS or Sub-Funds thereof, the "merging UCITS/ Sub-Fund", on being dissolved without going into liquidation, transfer all of their assets and liabilities to another existing UCITS or a Sub-Fund thereof, the "receiving UCITS", in exchange for the issue to their shareholders of shares of the receiving UCITS and, if applicable, a cash payment not exceeding 10% of the net asset value of those shares;
 - 21.10.2 two or more UCITS or Sub-Funds thereof, the "merging UCITS/ Sub-Fund ", on being dissolved without going into liquidation, transfer all of their assets and liabilities to a UCITS which they form or a Sub-Fund thereof, the "receiving UCITS/ Sub-Fund ", in exchange for the issue to their shareholders of shares of the receiving UCITS and, if applicable, a cash payment not exceeding 10% of the net asset value of those shares;
 - 21.10.3 one or more UCITS or Sub-Funds thereof, the "merging UCITS/ Sub-Fund ", which continue to exist until the liabilities have been discharged, transfer their net assets to another Sub-Fund of the same UCITS, to a UCITS which they form or to another existing UCITS or a Sub-Fund thereof, the "receiving UCITS/ Sub-Fund".
- 21.11 Mergers can be performed in accordance with the form, modalities and information requirements provided for by the 2010 Law; the legal consequences of mergers are governed by and described in the 2010 Law.
- 21.12 Under the same circumstances as provided in Section 21.10, the Directors may decide to reorganise a Sub-Fund and/or Class by means of a merger with another existing Sub-Fund and/or Class within the Company or with another UCITS established in Luxembourg or in another Member State or to another sub-fund and/or class within such other UCITS (the "**new fund/sub-fund**") and to re-designate the shares of the relevant Sub-Fund or Class concerned as shares of another sub-fund and/or class (following a split or consolidation, if necessary, and the payment of the amount corresponding to any fractional entitlement to shareholders). Such decision will be published in the same manner as described in the previous section and, in addition, the publication will contain information in relation to the new fund or sub-fund. During a period of thirty days following the publication of such a decision, shareholders may request redemption or conversion of their shares, free of charge.
- 21.13 Under the same circumstances as provided in Section 21.10, the Directors may decide to reorganise a Sub-Fund and/or Class by means of a division into two or more Sub-Funds and/or Classes. Such decision will be published in the same manner as described herein (and, in addition, the publication will contain information about the two or more new Sub-Funds). During a period of thirty days following the publication of such a decision, shareholders may request redemption or conversion of their shares, free of charge.
- 21.14 The shareholders of both, the merging and receiving Sub-Fund have the right to request, without any charge other than those retained by the Sub-Fund to meet disinvestment costs, the repurchase or redemption of their shares or, where possible, to convert them into shares of another Sub-Fund of the Company with similar investment policy or shareholders may also convert their shares into another UCITS, in accordance with Article 73 of the 2010 Law. This right shall become effective from the moment that the shareholders of the merging and those of the receiving Sub-Funds have been informed of the proposed merger and shall cease to exist five working days before the date for calculating the exchange ratio.
- 21.15 The Directors may temporarily suspend the subscription, repurchase or redemption of shares, provided that any such suspension is justified for the protection of the shareholders.

- 21.16 If a Sub-Fund of the Company is the receiving Sub-Fund, the entry into effect of the merger shall be made public through all appropriate means by the Company and shall be notified to the CSSF and, where appropriate, to the competent authorities of the home Member States of the other UCITS involved in the merger. Under the same circumstances as provided in the previous chapter, the general meeting of shareholders of the SICAV may decide with no quorum requirement and simple majority to merge the whole Company with another UCITS established in Luxembourg or in another Member State of the European Union or with any Sub-Fund thereof.
- 21.17 A merger which has been taken in accordance with the provisions of the 2010 Law cannot be declared null and void.

22. DOCUMENTS AVAILABLE FOR INSPECTION – QUERIES AND COMPLAINTS

Documents available for inspection

- 22.1 The following documents are available for inspection during usual business hours on any Business Day at the registered office of the Company.
- 22.1.1 The Articles of Incorporation;
- 22.1.2 The most recent Prospectus;
- 22.1.3 The Key Investors Information Documents and/or PRIIPs Key Information Documents;
- 22.1.4 The latest annual and semi-annual reports; and
- 22.1.5 The material agreements.
- 22.2 In addition, copies of the Articles of Incorporation, the most recent Prospectus, the PRIIPs Key Information Documents, the latest financial reports as well as information on the portfolio of the Sub-Funds may be obtained free of charge, on request at the registered office of the Company.
- 22.3 In addition, the PRIIPs Key Information Documents may be obtained in paper form or on any other durable medium agreed between the Company or the intermediary and the investor.
- 22.4 Additional information is made available by the Management Company at its registered office, upon request, in accordance with the provisions of Luxembourg laws and regulations. This additional information includes the procedures relating to complaints handling, the strategy followed for the exercise of voting rights of the Company, the policy for placing orders to deal on behalf of the Company with other entities, the best execution policy as well as the arrangements relating to the fee, commission or non-monetary benefit in relation with the investment management and administration of the Company.

Queries and complaints

- 22.5 Any person who would like to receive further information regarding the Company or who wishes to make a complaint about the operation of the Company should contact the Company or the Management Company.

23. DISCLOSURE UNDER SFDR

General

- 23.1 In accordance with article 6.1 of SFDR, sustainability-related risk factors are taken into account for each Sub-Fund in the investment decision process. Furthermore, environmental and/or social

characteristics are promoted by the sub-fund New Capital Fund Lux – EUR Shield in the meaning of article 8 of SFDR.

- 23.2 The investments made by each Sub-Fund do not take into account EU criteria for environmentally sustainable economic activities, except for the sub-fund New Capital Fund Lux – EUR Shield.

Sustainability-related risk factors for Sub-Funds mainly investing in fixed income securities

Integration Process

- 23.3 In order to integrate sustainability risks into its investment decisions, the relevant Investment Manager has an ESG analysis team (the “**ESG Analysis Team**”) which collaborates with the Investment Manager’s investment teams globally. The ESG Analysis Team structures and maintains bespoke tools and analysis that help to monitor ESG factors in the investments and the Sub-Funds managed by the relevant Investment Manager under the supervision of the Management Company. The relevant Investment Manager owns a proprietary ESG assessment tool, the Global Responsible Investment Platform (the “**GRIP**”) that is based on financial materiality. The GRIP allows the Investment Manager to assign an ESG rating to corporate issuers on a 0% to 100% scale whereby the corporate issuers that perform poorly receive a lower ESG rating. For each corporate issuer assessed by the GRIP, there are multiple data points divided across different key performance indicators (“**KPIs**”) that are selected and weighted according to the financial materiality of the different industries.
- 23.4 The relevant Investment Manager’s framework structure includes:
- 23.4.1 Definition of industries/sectors;
 - 23.4.2 Definition of the KPIs and of the scheme to organise them – the KPIs and the scheme cover the relations between any relevant company and its stakeholders;
 - 23.4.3 Definition and grouping of the data needed to assess the KPIs;
 - 23.4.4 Definition of the materiality (weight, relevance) of KPIs for each industry/sector; and
 - 23.4.5 Definition of additional requirements specific for each industry/sector.
- 23.5 The data used for the GRIP is sourced from several providers including Refinitiv, RepRisk and CDP. The Investment Managers may remove and add providers.
- 23.6 A similar tool is available for Sovereign and data is sourced from publicly available sources such as World Bank, Footprint Network, United Nations and Social Progress index. The Investment Managers may also remove sources and add other sources.
- 23.7 The integration of sustainability risks allows the Investment Managers to gauge if the return / yield expected from an investment is fully aligned with the financial and extra-financial risks (risks that derive from ESG issues but can impact the bottom line of an investment). The integration of sustainability risks is achieved through a multi-step process that includes:
- 23.7.1 The assessment of sustainability risks through an ESG risk checklist which is used by the Investment Managers to assess the main risks corporate and governmental issuers are exposed to;
 - 23.7.2 The availability of an ESG questionnaire which enables financial analysts and portfolio managers to understand the relevant sustainability-related risks and engage with the issuers, where possible;

- 23.7.3 The Investment Managers monitoring the exposure of investments to climate change focusing on emissions and preparedness to react to climate risk – with a specific KPI and tools such as a CO2 scenario model based on the Network for Greening the Financial System (NGFS) scenarios and a list of companies significantly exposed to coal and fossil fuel are available to the Investment Managers in this context.
- 23.7.4 Additionally, the Investment Managers applies additional screening such as:
- (a) The removal from the relevant Investment Manager’s investment universe of issuers scoring below a defined ESG rating of 25% on the GRIP; and
 - (b) The removal from the relevant Investment Manager’s investment universe of issuers for whom more than 30% of their revenue comes from activities in the coal industry and such company has no plan to reduce it, thereby reducing stranded asset risk and risk of sudden collapse of revenues and promoting better environmental practices.

Sustainability-related risk impact on the performance of the relevant Sub-Funds

- 23.8 As there is no return without risk, the Investment Managers monitor the variables that could have a negative impact on investment performance, such as the financial or the extra-financial factors that can impact the risk-return profile or have financial consequences.
- 23.9 The relationship between ESG and risk/return is sometimes controversial as the worst performing companies from an ESG perspective tend to have a higher yield and therefore, unless they go bankrupt, provide higher returns. Nonetheless, the Investment Managers believe the integration of sustainability risk can provide an additional useful risk angle to improve the risk adjusted performance of the fund.
- 23.10 The Investment Managers with the help of the internal ESG team assesses downside protection and sustainability risks to control that the yield from an investment is aligned with all of the risks, including the sustainability risk. Sustainability risk is expressed through the synthetic ESG score, used by the Investment Managers as an additional risk parameter.
- 23.11 The Investment Managers monitor and appraise how the implementation of the current investment policy impacts risk-adjusted investment results and takes appropriate action should the results be unsatisfactory.

Sustainability-related risk factors for Sub-Funds mainly following a multi-asset approach

- 23.12 Direct equity

Integration process

- 23.12.1 The equity integration process follows the approach described under Section 23.4 to Section 23.7.

Sustainability-related risk impact on the performance

- 23.12.2 The Investment Managers monitor and appraise how the implementation of the current investment policy impacts risk-adjusted investment results and takes appropriate action should the results be unsatisfactory.
- 23.12.3 The ESG Analysis Team assesses the link between risk and ESG profile and such assessments have demonstrated a positive correlation between equity volatility and sustainability risk expressed by a low ESG score. This is the reason why the Investment Managers are focusing on ESG scores as an additional risk parameter.

23.12.4 The integration of sustainability-related risks can be further enhanced through an engagement process which focuses on issues that are at the crossroads of financial materiality and which are defined through sustainable development goals indicators, in line with EFGAM engagement policy.

23.13 Direct fixed income

Direct fixed income integration process and sustainability-related risk impact on the performance follow the approach described under Section 23.4 to Section 23.11.

23.14 Long only UCIs and AIFs (the “**Funds**”)

Integration process

23.14.1 The Investment Managers owns a proprietary ESG assessment tool for third party Funds. The tool is based on a combination of a top down and bottom-up approach and considers the specific investment process of the Funds.

23.14.2 The top-down approach starts with an assessment of the UN Principles for Responsible Investment (the “**UN PRI**”) transparency score which is used to help the Investment Managers to identify and verify ESG elements of the Fund's investment process, based on an internally defined questionnaire.

23.14.3 To complement this top-down analysis, the Investment Managers are also reviewing Morningstar's ESG portfolio scores for Funds mainly investing in equity and, due to the limited data available for UCIs and AIFs mainly invested in fixed income, MSCI ESG data for Funds which operate a similar rating approach are used.

23.14.4 Finally, the bottom up and top-down scores are combined to give an overall ESG score.

23.14.5 As a consequence of this approach, the relevant Investment Manager's approved list of long only Funds (the “**Long Only Fund List**”) is rated with respect to the ESG integration and third-party funds are classified accordingly.

23.14.6 While the Long Only Fund List is used for most investments in third party Funds, Investment Managers also have the discretion to invest in Funds that are outside the scope of the list. In this case (third-party Funds outside the Long Only Fund List) the extent to which these Funds integrate ESG is assessed, albeit using a slightly different process. In such instances, local the Investment Managers are required to analyze the level of ESG integration of these Funds and to identify if the specific strategy can create a bias that increases sustainability risks through the use of a specific template.

Sustainability-related risk impact on performance

23.14.7 Following the academic papers that suggest the existence of a positive link between ESG and risk/return of investments (or the lack of a negative correlation) the Investment Managers believe that integrating sustainability-related risks into the investment process will allow a better assessment of the risks and hence provide a better risk/return profile for the relevant Sub-Fund.

23.15 Alternative UCIs and AIFs (the “**Alternative Funds**”)

Integration process

23.15.1 The analysis of the sustainability risk of Alternative Funds is complex, as ESG integration is quite rare and has relatively poor data quality. Nonetheless, the Investment

Managers are using a due diligence questionnaire to assess if the specific strategy used by an Alternative Fund can create a bias that increases sustainability-related risks.

- 23.15.2 Where an Alternative Fund doesn't integrate consideration on sustainability-related risks, the relevant team at the Investment Manager is liaising with the manager of that Alternative Fund in order to encourage them to integrate such consideration and that, *ceteris paribus*, the Investment Managers will favor Alternative Funds that are integrating sustainability-related risks.

Sustainability-related risk impact on performance

- 23.15.3 Following the academic papers that suggest the existence of a positive link between ESG and risk/return of investments (or the lack of a negative correlation) the Investment Managers believe that integrating sustainability-related risks into the investment process will allow a better assessment of the risks and hence provide a better risk/return profile for the relevant Sub-Fund.

24. APPLICABLE LAW

- 24.1 The Luxembourg District Court is competent for all legal disputes between the shareholders and the Company and Luxembourg law applies. Statements made in this Prospectus are based on the laws and practice in force at the date of this Prospectus in Luxembourg and are subject to changes in those laws and practices.

APPENDICES

APPENDIX 1

I. GENERAL INVESTMENT RESTRICTIONS

The provisions contained in this Appendix 1 do not apply to the Cash Sub-Fund, unless expressly mentioned otherwise in this Prospectus. The Cash Sub-Fund is subject to the specific provisions detailed in Appendix 2.

Each Sub-Fund of the Company, and where a UCITS comprises more than one compartment, each such compartment, shall be regarded as a separate UCITS for the purposes of this Appendix. The Directors shall, based upon the principle of spreading of risks, have power to determine the investment policy for the investments of the Company in respect of each Sub-Fund and the currency of denomination of a Sub-Fund subject to the following restrictions:

1. The Company may invest in:
 - 1.1. Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;
 - 1.2. Transferable Securities and Money Market Instruments dealt in on another market in a Member State of the European Union which is regulated, operates regularly and open to the public;
 - 1.3. Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange of another Eligible State or dealt in on another market in another Eligible State which is regulated, operates regularly and is recognised and open to the public;
 - 1.4. 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 and such admission is secured within a year of the issue.
 - 1.5. units of UCITS and/or Other UCI, whether situated in an EU Member State or not, provided that:
 - 1.5.1 such Other UCIs have been authorised under the laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;
 - 1.5.2 the level of protection for unitholders in such Other UCIs is equivalent to that provided for 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 Directive 2009/65/EC, as amended;
 - 1.5.3 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;
 - 1.5.4 no more than 10% of the assets of the UCITS or of the Other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or Other UCIs.
 - 1.6. deposits with 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 country which is an EU Member State or if the registered office of the credit institution is situated in a non-EU Member State provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in Community law;

1.7. financial derivative instruments, including equivalent cash-settled instruments, dealt in on an Regulated Market and/or financial derivative instruments dealt in over-the-counter (“**OTC derivatives**”), provided that:

1.7.1 the underlying consists of instruments covered by this Section 1, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund(s) may invest according to its/their investment objective;

1.7.2 the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority;

1.7.3 the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company’s initiative.

and/or

1.8. Money Market Instruments other than those dealt in on a Regulated Market and defined in the Glossary, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

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

1.8.2 issued by an undertaking any securities of which are dealt in on Regulated Markets;

1.8.3 issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by the Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by Community law; or

1.8.4 issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 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 several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line;

1.9. closed-ended REITs, provided they comply with the requirements under the *Grand-ducal Regulation of 8 February 2008 relating to certain definitions of the amended Law of 20 December 2002 on undertakings for collective investment and implementing 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 and they do not exceed 10% of the net assets of the relevant Sub-Fund.

- 1.10. In addition, the Company may invest a maximum of 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments other than those referred to under paragraph 1.1 above.
- 1.11. The Company may hold Liquid Assets up to 20% of its net assets. Liquid Assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavorable market conditions.
 - 1.11.1 The Company will invest no more than 10% of the net assets of any Sub-Fund in Transferable Securities and Money Market Instruments issued by the same issuing body.
 - 1.11.2 The Company may not invest more than 20% of the total net assets of such Sub-Fund in deposits made with the same body. The risk exposure of a Sub-Fund to a counterparty in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in paragraph 1.6 above or 5% of its net assets in other cases.
- 1.12. Moreover, where the Company holds on behalf of a Sub-Fund investment in Transferable Securities and Money Market Instruments of any issuing body which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of such Sub-Fund.
- 1.13. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.
- 1.14. Notwithstanding the individual limits laid down in paragraph 1.11, the Company shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following for each Sub-Fund:
 - 1.14.1 investments in Transferable Securities or Money Market Instruments issued by that body,
 - 1.14.2 deposits made with that body, or
 - 1.14.3 exposures arising from OTC derivative transactions undertaken with that body
- 1.15. The limit of 10% laid down in paragraph 1.11 above will be increased to a maximum of 35% in respect of Transferable Securities or Money Market Instruments which are issued or guaranteed by an EU Member State, its local authorities, or by another Eligible State or by public international bodies of which one or more EU Member States are members.
- 1.16. The limit of 10% laid down in paragraph 1.11 may be of a maximum of 25% for certain bonds when they are issued by a credit institution which has its registered office in a Member State of the EU and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law 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 repayment of principal and payment of

the accrued interest. If a Sub-Fund invests more than 5% of its net assets in the bonds referred to in this sub-paragraph and issued by one issuer, the total value of such investments may not exceed 80% of the net asset value of the Sub-Fund.

- 1.17. The Transferable Securities and Money Market Instruments referred to in paragraphs 1.15 and 1.16 shall not be included in the calculation of the limit of 40% stated in paragraph 1.12.
- 1.18. The limits set out in paragraphs 1.11, 1.12, 1.13, 1.14, 1.15 and 1.16 may not be aggregated and, accordingly, investments in Transferable Securities and Money Market Instruments issued by the same issuing body, in deposits or in financial derivative instruments effected with the same issuing body may not, in any event, exceed a total of 35% of any Sub-Fund's net assets.
- 1.19. Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this paragraph 1.19.
- 1.20. The Company may cumulatively invest up to 20% of the net assets of a Sub-Fund in Transferable Securities and Money Market Instruments within the same group.
- 1.21. **Notwithstanding the above provisions, the Company is authorized to invest up to 100% of the net assets of any Sub-Fund, in accordance with the principle of risk spreading, in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State of the EU, by its local authorities or agencies, or by another member state of the OECD, Singapore or any member state of the Group of Twenty including the PRC or by public international bodies of which one or more Member States of the EU are members, provided that such Sub-Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of the total net assets of such Sub-Fund.**
- 1.22. Without prejudice to the limits laid down in paragraphs 1.25, 1.26 and 1.28., the limits provided in paragraphs 1.11, 1.12, 1.13, 1.14, 1.15 and 1.16 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuing body if the aim of the investment policy of a Sub-Fund is to replicate the composition of a certain stock or bond index which is sufficiently diversified, represents an adequate benchmark for the market to which it refers, is published in an appropriate manner and disclosed in the relevant Sub-Fund's investment policy.
- 1.23. The limit laid down in paragraph 1.11.1 is raised to 35% where this proves to be justified by exceptional market conditions, in particular on Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.
- 1.24. The Company may not acquire shares carrying voting rights which should enable it to exercise significant influence over the management of an issuing body.
- 1.25. Each Sub-Fund may acquire no more than:
 - 10% of the non-voting shares of the same issuer;
 - 10% of the debt securities of the same issuer;
 - 10% of the Money Market Instruments of the same issuer.

- 1.26. The limits under the second and third indents may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.
- 1.27. The limit laid down in paragraph 1.11.1 may be of a maximum of 35% if Transferable Securities and Money Market Instruments are issued or guaranteed by a Member State of the EU or its local authorities or by any other Eligible State, or are issued by public international bodies of which one or more Member States of the EU are members.
- 1.28. These provisions are also waived as regards shares held by the Company in the capital of a company incorporated in a non-Member State of the EU which invests its assets mainly in the securities of issuing bodies having their registered office in that state, where under the legislation of that state, such a holding represents the only way in which the Company can invest in the securities of issuing bodies of that state provided that the investment policy of the company from the non-Member State of the EU complies with the limits laid down in articles 43 and 46 and article 48(1) and (2) of the 2010 Law.
- 1.29. The Company may acquire units of the UCITS and/or Other UCIs referred to in paragraph 1.5, provided that no more than 20% of a Sub-Fund's net assets be invested in the units of a single UCITS or Other UCI, unless otherwise provided in the Sub-Fund Appendix in relation to a given Sub-Fund.
- 1.30. For the purpose of the application of the investment limit, each compartment of a UCI with multiple compartments is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various compartments vis-à-vis third parties is ensured.
- 1.31. The underlying investments held by the UCITS or Other UCIs in which the Company invests do not have to be considered for the purpose of the investment restrictions set forth under 3. above.
- 1.32. When the Company invests in the units of other UCITS and/or Other UCIs linked to the Company by common management or control, no subscription or redemption fees may be charged to the Company on account of its investment in the units of such other UCITS and/or Other UCIs. Furthermore, the total management fees that may be charged both to the Company and to the other UCITS and/or Other UCIs in which the Company invests a substantial proportion of its assets may not exceed 3.50%. The Company will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and Other UCIs in which such Sub-Fund has invested during the relevant period.
- 1.33. A Sub-Fund may acquire no more than 25% of the units of the same UCITS and/or Other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or Other UCI with multiple compartments, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all compartments combined.
- 1.34. In compliance with the applicable laws and regulations any Sub-Fund of the Company (hereinafter referred to as a "**Feeder Sub-Fund**") may be authorized to invest at least 85% of its assets in the units of another UCITS or portfolio thereof (the "**Master UCITS**"). A Feeder Sub-Fund may hold up to 15% of its assets in one or more of the following:
- ancillary liquid assets in accordance with II;
 - financial derivative instruments, which may be used only for hedging purposes;
 - movable and immovable property which is essential for the direct pursuit of its business.

- 1.35. For the purposes of compliance with article 42(3) of the 2010 Law, the Feeder Sub-Fund shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of the first sub-paragraph with either:
- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder Sub-Fund 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 Sub-Fund investment into the Master UCITS.
- 1.36. A Sub-Fund of the Company may in addition and to the full extent permitted by applicable laws and regulations but in compliance with the conditions set-forth by applicable laws and regulations, be launched or converted into a Master UCITS in the meaning of Article 77(3) of the 2010 Law.
- 1.37. A Sub-Fund (the “**Investing Sub-Fund**”) may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Fund of the Company (each a “**Target Sub-Fund**”) without the Company being, subject to the requirements of the 1915 Law with respect to the subscription, acquisition and/or the holding by a company of its own shares; under the condition however that:
- the Investing Sub-Fund may not invest more than 10% of its net asset value in a single Target Sub-Fund; and
 - the Target Sub-Fund(s) do(es) not, in turn, invest in the Investing Sub-Fund invested in this (these) Target Sub-Fund (s); and
 - the investment policy(ies) of the Target Sub-Fund(s) whose acquisition is contemplated does not allow such Target Sub-Fund(s) to invest more than 10% of its(their) net asset value in UCITS and UCIs; and
 - voting rights, if any, attaching to the shares of the Target Sub-Fund(s) held by the Investing Sub-Fund are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; 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.
- 1.38. The Company shall ensure for each Sub-Fund that the global exposure relating to derivative instruments does not exceed the total net assets of the relevant Sub-Fund.
- 1.39. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following sub-paragraphs.
- 1.40. If the Company invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraphs 1.11, 1.12, 1.13, 1.14, 1.15 and 1.16. When the Company invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraphs 1.11, 1.12, 1.13, 1.14, 1.15 and 1.16.

- 1.41. When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of this restriction.
- 1.42. The Company may not borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund, any such borrowings to be from banks and to be effected only as a temporary basis provided that the purchase of foreign currencies by way of back to back loans remains possible;
- 1.43. The Company may not grant loans to or act as guarantor on behalf of third parties.
- 1.44. This restriction shall not prevent the Company from (i) acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in paragraphs 1.5, 1.7 and 1.8, which are not fully paid, and (ii) performing permitted securities lending activities that shall not be deemed to constitute the making of a loan.
- 1.45. The Company may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments.
- 1.46. The Company may not acquire movable or immovable property.
- 1.47. The Company may not acquire either precious metals or certificates representing them.
- 1.48. If the percentage limitations set forth in the above restrictions 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 of the interests of its shareholders.
- 1.49. The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in which the shares are marketed.
- 1.50. During the first six months following its launch, a new Sub-Fund may derogate from paragraphs 1.11 to 1.23 and article 46 of the 2010 Law while ensuring observance of the principle of risk spreading.

II. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

1. General

The Company is entitled to employ techniques and instruments which feature securities and Money Market Instruments, provided such techniques and instruments are used in the interests of efficient portfolio management (the “**techniques**”) subject to the conditions and limits defined by the CSSF. If such transactions relate to the use of derivatives, then the terms and limits must comply with the provisions of the 2010 Law. The use of these techniques and instruments must be in accordance with the best interests of the investors.

The Company will respect all rules established in relation to the transactions carried out in the 2010 Law and CSSF Circular 08/356 and any additional laws, regulations and provisions, including CSSF Circular 14/592, as further amended and supplemented, which may apply to such transactions.

The Company may under no circumstances deviate from its investment objectives for these transactions. Equally, the use of these techniques may not cause the risk level of the Sub-Fund in question to increase significantly with regard to its original risk level (i.e. without the use of these techniques).

The risks inherent to the use of these techniques are essentially comparable to the risks associated with the use of derivatives (in particular, counterparty risk). For this reason, reference is made here to the information contained in the above section entitled "Risks connected with the use of derivatives". The Company ensures that it or its appointed service providers will monitor and manage the risks incurred through the use of these techniques, particularly counterparty risk, as part of the risk management procedure. The monitoring of potential conflicts of interest arising from transactions with companies associated with the Company is primarily carried out through reviewing contracts and corresponding processes on a regular basis.

The Company also ensures that, at any time, it can cancel any contract entered into within the framework of the use of the techniques and instruments for the efficient management of the portfolio and that the securities and/or cash to the respective counterparty can be reclaimed by the Company. In addition, the cash should include the interest incurred up to the time of being reclaimed.

Furthermore, the Company ensures that, despite the use of these techniques and instruments, the investors' redemption applications can be processed at any time.

Within the framework of the use of techniques and instruments for the efficient management of the portfolio, the Company may enter into efficient portfolio management techniques relating to Transferable Securities and Money Market Instruments (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to CSSF circulars 08/356 and 14/592, ESMA guidelines 2014/937 and regulation (EU) 2015/2365) such as securities lending and borrowing transactions, repurchase and reverse repurchase transactions, in accordance with the conditions set out in the Prospectus (Annex I) and the investment objective and policy of each Sub-Fund. The use of such techniques and instruments should not result in a change of the declared investment objective of any Sub-Fund or substantially increase the stated risk profile of the Sub-Fund.

The counterparties to SFTs are institutions subject to prudential supervision and belonging to the categories admitted by the CSSF. The counterparties to efficient portfolio management techniques have to be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed for by EU law. The risk exposure to the counterparty arising from securities lending transactions and OTC financial derivative instruments has to be combined when calculating the counterparty risk limits foreseen by the Investment Restrictions listed in this Appendix. The approval of the counterparties is based on the principles concerning, inter alia, the creditworthiness, reputation and experience of the relevant counterparty in settling transactions of this type, as well as their willingness to provide capital.

2. Securities lending and borrowing transactions

Securities lending and borrowing transactions consist in transactions whereby a lender transfers securities or instruments to a borrower, subject to a commitment that the borrower will return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred.

The Company may lend portions of its securities portfolio to third parties ("securities lending"). In general, securities lending may only be effectuated via recognized clearing houses such as Clearstream International or Euroclear, or through the intermediation of first-class financial institutions that are specialized in this type of activity and by applying the procedural manner specified by them. In the case of securities lending transactions, the

Company must, in principle, receive collateral, the value of which must at least correspond to the total value of the securities lent out and any accrued interest thereon. This collateral must be issued in a form of financial collateral as permitted by the provisions of Luxembourg law. The provisions of the section entitled "Collateral management" shall apply accordingly to the management of collateral that was left to the Company within the scope of securities lending.

Service providers that provide services to the Company in the field of securities lending have the right to receive a fee in return for their services that is in line with the market standards. The amount of this fee is reviewed and adapted, where appropriate, by an independent body on an annual basis. The recipients of these and other direct and indirect fees, the amounts of the respective fees, as well as the findings as to whether the fee recipients are associated with the Company and/or Depository can be found in the respective annual or semi-annual report.

Furthermore, the Company has drawn up internal framework agreements regarding securities lending. These framework agreements contain, among other things, the relevant definitions, the description of the principles and standards of the contractual management of the securities lending transaction, the quality of the collateral, the approved counterparties, the risk management, the fees to be paid to third parties and fees to be received by the Company, as well as the information to be published in the annual and semi-annual reports.

In respect to securities lending revenues, a part of the income generated by the transactions is credited to the participating Sub-Funds. The Management Company does not receive any of the securities lending revenue.

The Sub-Funds will ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations.

The Securities Lending process will encompass both the analysis of the counterpart borrower quality as well as of the collateral quality, via the selection of organisations with highly significant balance sheets and strong credit ratings, as the one of the securities lending agent; the assets in lending are held by strong and stable custodian which is more resilient and able to withstand continuous financial uncertainty and maintain its full indemnification cover, regardless of market volatility, first-class financial institutions that are specialized in this type of activity and by applying the procedural manner specified by them.

3. Repurchase and reverse repurchase agreements

The Company may, for any Sub-Fund, also engage in repurchase transactions ("repurchase agreements" or "reverse repurchase agreements") involving the sale/purchase of securities where agreements have been reached to buy back/sell back the sold/bought securities at a (higher) price and within a set time.

Repurchase agreements consist of transactions governed by an agreement whereby a party sells securities or instruments to a counterparty, subject to a commitment to repurchase them, or substituted securities or instruments of the same description, from the counterparty at a specified price on a future date specified, or to be specified, by the transferor. Such transactions are commonly referred to as repurchase agreements for the party selling the securities or instruments, and reverse repurchase agreements for the counterparty buying them.

All repurchase transactions are subject to the following conditions:

- Securities may only be sold/purchased under a repurchase agreement if the counterparty is a prime financial institution specializing in this kind of transaction.
- As long as the repurchase agreement is valid, the securities bought cannot be sold before the right to repurchase the securities has been exercised or the repurchase period has expired.
- Securities that serve as underlying of derivative financial instruments, that are lent or that have been taken under terms of reverse repurchase agreements may not be sold under the terms of repurchase agreements.

Each Sub-Fund may incur costs and fees in connection with efficient portfolio management techniques. In particular, a Sub-Fund may pay fees to agents and other intermediaries, which may be affiliated with the Depositary, the Investment Managers or the Management Company, in consideration for the functions and risks they assume. The amount of these fees may be fixed or variable. Information on direct and indirect operational costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the entities to which such costs and fees are paid and any affiliation they may have with the Depositary, the Investment Managers or the Management Company, if applicable, may be available in the Annual Report.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Funds.

4. Financial derivative instruments traded OTC

Each Sub-Fund may invest into financial derivative instruments that are traded OTC including, without limitation, total return swaps or other financial derivative instruments with similar characteristics (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, Regulation (EU) 2015/2365), in accordance with the conditions set out in this Appendix and the investment objective and policy of each Sub-Fund. Such OTC financial derivative instruments will be safe-kept with the Depositary.

A total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.

Total return swaps entered into by a Sub-Fund may be in the form of funded and/or unfunded swaps as specified in the investment objectives and policy of each Sub-Fund where relevant. An unfunded swap is a swap where no upfront payment is made by the total return receiver at inception. A funded swap is a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset. Funded swaps tend to be costlier due to the upfront payment requirement.

Further securities financing transactions and total return swaps considerations for each Sub-Fund are set out in the investment objectives and policy of each Sub-Fund.

Each Sub-Fund may incur costs and fees in connection with total return swaps or other financial derivative instruments with similar characteristics, upon entering into total return swaps and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the recipients and any affiliation they may have with the

Depository, the Investment Managers or the Management Company, if applicable, may be available in the Annual Report.

All revenues arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to the Sub-Funds.

5. Further techniques and instruments

The above-mentioned techniques and instruments may be amended by the Company if new techniques and instruments are developed and offered on the financial market provided that they are in line with the respective Sub-Fund's investment policy and restrictions and in compliance with the 2010 Law.

III. RISK MANAGEMENT

Collateral Management linked to OTC transactions

If the Company enters into OTC transactions, it may be exposed to risks associated with the creditworthiness of the OTC counterparties: when the Company enters into futures contracts or options or uses other derivative techniques it shall be subject to the risk that an OTC counterparty may not meet (or cannot meet) its obligations under one or more contracts. Counterparty risk can be reduced by depositing a security (collateral) (see above).

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 circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the criteria provided in Article 43 paragraphs (a) to (h) of the CSSF Circular 14/592, which transposed the Guidelines issued by the European Securities and Market Authority (ESMA) "ESMA 2014/937":

1. Liquidity – any collateral received other than cash should be 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. Collateral received should also comply with the provisions of Article 56 of the UCITS Directive.
2. Valuation – collateral received 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.
3. Issuer credit quality – collateral received should be of high quality.
4. Correlation – the collateral received by the UCITS 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.
5. Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the UCITS receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of the UCITS' net asset value. When a UCITS is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, a UCITS may be fully collateralised in different Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, one or more of its local authorities, an OECD Member State, or a public

international body to which one or more Member States belong. Such a UCITS should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the UCITS' net asset value. UCITS that intend to be fully collateralised in securities issued or guaranteed by a Member State should disclose this fact in the prospectus of the UCITS. UCITS should also identify the Member States, local authorities, or public international bodies issuing or guaranteeing securities which they are able to accept as collateral for more than 20% of their net asset value.

6. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
7. Where there is a title transfer, the collateral received should be held by the depositary of the UCITS. 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.
8. Collateral received should be capable of being fully enforced by the UCITS at any time without reference to or approval from the counterparty.

Subject to the abovementioned conditions, the collateral policy of the Company is as follows. The Sub-Funds will ensure that its counterparty delivers collateral in the form of securities compliant with the applicable Luxembourg regulations and in line with the requirements foreseen in the present Prospectus. Collateral may be provided in the form of liquid assets in highly liquid currencies, highly liquid equities and first-rate government bonds. The Investment Managers will only accept such financial instruments as collateral that would allow it (after objective and appropriate valuation) to liquidate these within an appropriate time period. The Management Company, or a service provider appointed by the Management Company, must assess the collateral's value at least once a day. The collateral's value must be higher than the value of the position of the respective OTC counterparty. However, this value may fluctuate between two consecutive valuations. After each valuation, however, it is ensured (where appropriate, by requesting additional collateral) that the collateral is increased by the desired amount to meet the value of the respective OTC counterparty's position (mark-to-market). In order to adequately take into account the risks related to the collateral in question, the Management Company determines whether the value of the collateral to be requested should be increased, or whether this value should be depreciated by an appropriate, conservatively measured amount (haircut). The larger the collateral's value may fluctuate, the higher the markdown. The markdown is highest for equities. Securities deposited as collateral may not have been issued by the corresponding OTC counterparty or have a high correlation with this OTC counterparty. For this reason, shares from the finance sector are not accepted as collateral. Securities deposited as collateral are held by the Depositary in favour of the Company and may not be sold, invested or pledged by the Investment Managers.

The Investment Managers shall set up internal regulations determining the details of the above-mentioned requirements and values, particularly regarding the types of collateral accepted, the amounts to be added to and subtracted from the respective collateral, and the investment policy for liquid funds that are deposited as collateral. Appropriate haircuts on the collateral value are applied in accordance with the Risk Management Process of the Management Company, as detailed in this Appendix.

The Investment Managers shall ensure that the collateral received is adequately diversified, particularly regarding geographic dispersion, diversification across different markets and the spreading of the concentration risk. The latter is considered to be sufficiently diversified if securities and Money Market Instruments held as collateral and issued by a single issuer do not exceed 20% of the net assets of the respective Sub-Fund.

In derogation to the above paragraph and in accordance with the modified point 43(e) of the ESMA Guidelines on ETFs and other UCITS issues of 1 August 2014 (ESMA/2014/937), the Company may be fully collateralized in various Transferable Securities and Money Market Instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a non-Member State, or a public international body to which one or more EU Member States belong. If this is the case, the Company must ensure that it receives securities from at least six different issues, but securities from any single issue may not account for more than 30% of the net assets of the respective Sub-Fund.

The provisions detailed with the requirements foreseen in the present Prospectus shall apply accordingly to the management of collateral that was left to the Company within the scope of securities lending.

Collateral that is deposited in the form of cash may be invested by the Investment Managers. Investments may only be made in: sight deposits or deposits; high-quality government bonds; repurchase transactions, provided that the counterparty to this transaction is a credit institution within the meaning of paragraph 1.6 above and the Investment Managers have the right to cancel the transaction at any time and to request the back transfer of the amount invested (incl. accrued interest); short-term money-market instruments within the meaning of CESR Guidelines 10-049 regarding the definition of European money-market instruments. The restrictions listed in the previous paragraph also apply to the diversification of the concentration risk.

Non-cash collateral received for the benefit of a Sub-Fund may not be sold, re-invested or pledged. Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to cash collateral as set out above. Re-investment of cash collateral involves certain risks for the Sub-Fund, as described in this Appendix.

If the Company owes a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favor of the Company. Bankruptcy and insolvency events or other credit events with the Depositary or within its sub-depositary/correspondent bank network may result in the rights of the Company in connection with the security to be delayed or restricted in other ways. If the Company owes a security pursuant to an applicable agreement, then any such security is to be transferred to the OTC counterparty as agreed between the relevant Investment Manager and the OTC counterparty. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Depositary or within its sub-depositary/correspondent bank network may result in the rights or recognition of the Company in connection with the security to be delayed, restricted or even eliminated, which would go so far as to force the Company to fulfil its obligations in the framework of the OTC transaction, in spite of any security that had previously been made available to cover any such obligation. The Directors of the Management Company and/or the Company shall decide on an internal framework agreement that determines the details of the above-mentioned requirements and values, particularly regarding the types of collateral accepted, the amounts to be added to and subtracted from the respective collateral, as well as the investment policy for cash that are deposited as collateral. This framework agreement is reviewed and adapted where appropriate by the Directors of the Company on a regular basis.

Investors should note that the Company 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 to the counterparty at the conclusion of the transaction. The Company 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 Company.

The maximum counterparty risk of the Company related to OTC transactions is currently below the 10% threshold provided by the 2010 Law. Consequently, OTC transactions are not collateralized so that no haircut policy is currently applicable.

The following haircuts apply to collateral received by the Company:

Asset classes eligible for collateral	Haircut (% deducted from the market value)
<p style="text-align: center;"><u>Government bonds</u></p> <p>Securities issued or guaranteed by a G10 member states</p>	2%
<p style="text-align: center;"><u>Corporate bonds</u></p> <p>Fixed or variable income securities with an actual long term rating of at least A2 (Moody's) or A (S&P)</p>	5%
<p style="text-align: center;"><u>Equities</u></p> <p style="text-align: center;">Austria – ATX Belgium - BEL20 Europe (EURO STOXX 50) - SX5E Finland (OMX Helsinki 25) - HEX25 France (CAC 40) – CAC Germany – DAX Japan (NIKKEI 225) – NKY Netherlands - AEX</p> <p style="text-align: center;">Sweden (OMX Stockholm 30) - OMX Switzerland (Swiss Market, SPI Swiss Performance) - SPI/SMI United Kingdom (FTSE 100) – UKX United States (Dow Jones, S&P 500)</p>	15%

IV. DISCLOSURE OF HISTORICAL PERFORMANCE AND TOTAL EXPENSE RATIO (“TER”)

1. The historical performance of the individual Sub-Funds is outlined in the PRIIPs Key Information Document relating to each Sub-Fund.
2. The TER expresses the relationship between the gross amount of fund costs and the average net fund assets. The TER for each Sub-Fund is set forth in the annual report.

V. TRADING AND CUSTODY ASPECTS IN RELATION WITH STOCK CONNECT

1. If a Sub-Fund intends to sell certain shares it holds, it must transfer those shares to the respective accounts of its broker(s) before the market opens on the day of selling. If it fails to meet this deadline, it will not be able to sell those shares on the relevant trading day. Because of this requirement, the relevant Sub-Fund may not be able to dispose of its holdings of shares in a timely manner. The shares will only be delivered by the broker after the payment has been received by the broker (“delivery vs payment model”).
2. The relevant Sub-Fund maintains its Stock Connect shares with a custodian which is a custodian participant or general clearing participant participating in the central clearing and settlement system (CCASS) operated by HKSCC for the clearing securities listed or traded on SEHK, the Sub-Fund will request such custodian to open a special segregated account (SPSA) in CCASS to maintain its holdings in the Stock Connect shares under the enhanced pre-trade checking model. Each SPSA will be assigned a unique “Investor ID” by CCASS for the purpose of facilitating the Stock Connect system to verify the holdings of an investor such as a Sub-Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the relevant Sub-Fund’s sell order, the Sub-Fund will only need to transfer Stock Connect shares from its SPSA to its broker’s account after execution and not before placing the sell order and the Sub-Fund will not be subject to the risk of being unable to dispose of its holdings of China A-Shares in a timely manner due to failure to transfer of China A-Shares to its brokers in a timely manner.

APPENDIX 2

SPECIFIC PROVISIONS APPLICABLE TO THE CASH SUB-FUND

The Cash Sub-Fund qualifies as Standards VNAV MMF under the MMF Regulation and has been duly authorised by the CSSF in accordance with the provisions of the MMF Regulation.

Investors should note that:

- a Money Market Fund like the Cash Sub-Fund is not a guaranteed investment;
- an investment in the Cash Sub-Fund is different from an investment in deposits as the principal invested in a Money Market Fund is capable of fluctuation;
- the Cash Sub-Fund does not rely on external support for guaranteeing the liquidity of the Cash Sub-Fund or stabilising the Net Asset Value per share;
- the risk of loss of the principal is borne by the Shareholders.

1. CREDIT QUALITY ASSESSMENT PROCEDURE

In compliance with the provisions of the MMF Regulation, the Management Company has established internal credit quality assessment procedures applicable to the Cash Sub-Fund (the “Credit Quality Assessment Procedure”). The Credit Quality Assessment Procedure takes into account the issuer of the instrument and the characteristics of the instrument itself to determine the credit quality of the instruments held in the portfolio of each Cash Sub-Fund.

The Credit Quality Assessment Procedure is monitored on an ongoing basis by the Management Company. In particular, the Management Company ensures that the Credit Quality Assessment Procedure is appropriate and continues to provide an accurate representation of the credit quality of the instruments in which the Cash Sub-Fund may invest.

The Credit Quality Assessment Procedure is approved by the Management Company and regularly reviewed, at least on an annual basis, to ensure that it is aligned with the most current applicable regulations, prospectus and industry best practices. The Management Company receives regular reports on the implementation of the Credit Quality Assessment Procedure.

The Management Company ensures that the Credit Quality Assessment Procedure is effectively implemented and that information on the issuers and instruments’ characteristics are obtained and kept up-to-date on an ongoing basis.

Internal credit quality assessments and their periodic reviews are not performed by persons responsible for the portfolio management of the Cash Sub-Fund. The Credit Quality Assessment Procedure assesses, to the extent possible, (a) the financial condition of the issuer or guarantor, (b) the sources of liquidity of the issuer or guarantor, (c) the ability of the issuer to react to future market-wide or issuer specific events and (d) the strength of the issuer’s industry within the economy relative to economic trends and the issuer’s competitive position in its sector.

The Credit Quality Assessment Procedure is ultimately validated by the Management Company, and amended/reviewed as soon as possible when key assumptions or methodologies used change. The Management Company ensures at any time that there is no mechanistic over-reliance on external ratings.

EFG Asset Management (“EFGAM”) has a team based approach which is aligned with a systematic investment approach.

The credit quality assessment is carried out by members of a dedicated credit research team within EFGAM (the “**Research Team**”), organized by sector, region and economic themes, with contribution from the Management Company and risk management department of EFGAM.

The Research Team conducts fundamental research on the industries in which the Cash Sub-Fund invests, and on companies in those sectors. The research analysts focus on trends impacting each sector, region or type of product, as well as understanding how new regulations, policies, and political and economic trends may impact the credit quality of the instruments in which the Cash Sub-Fund may invest.

The Research Team reviews the following criteria in its assessment of the credit quality of each issuer and/or instrument:

- quantitative criteria, such as trends, key determinants of credit risks, pricing, sector, historical default statistics of peers or relevant financial indices/benchmark to reflect relative change in credit risk;
- qualitative criteria, such as underlying assets analysis, issuer/issue analysis, analysis of the relevant market and asset class, tenor & sector analysis, sovereign analysis;
- the short-term nature of money market instruments;
- the structure of the instrument (unsecured/secured) and the analysis of the relative risk of default of the issuer and the instrument;
- the liquidity profile of the instrument (such as size of the market, daily volumes and variations in pricing); and
- any other relevant factors such as macro-economic and financial market considerations and analysis of external ratings.

The Management Company and the risk management department of EFGAM may contribute certain inputs to the assessment made by the Research Team, e.g. by adding additional internal limits such as limits on sectors or CDS.

After the credit quality assessment performed by the Research Team on the basis of the criteria mentioned above, the Research Team creates an “approved list” of favourably assessed issues/issuers in which the Cash Sub-Fund may invest, which includes an internal rating for each instrument.

The Management Company and the risk management department of EFGAM are provided with the approved list and can challenge the composition of the list and the ratings. After the list is agreed between the Research Team, the Management Company and the risk management department of EFGAM, the approved list is communicated to the Investment Manager of the Cash Funds. The latter may use other/further research resources to take its final investment decisions.

Besides the assessment process described above, the Management Company uses an internal model and other quantitative/qualitative criteria to make a credit assessment on a post-trade basis, on the basis of the approved list.

For this assessment, credit default spread and historical/statistical recovery rate published by NRSRO – nationally recognized statistical rating organizations – are used as primary input parameters. The Management Company takes into account for this assessment the characteristics of the instruments, and further input such as short term ratings published by NRSRO might also be used.

The other quantitative criteria mentioned above might include issuer debt coverage ratio, revenues, free cash flow, funding profiles, EBITDA, net debt, financial leverage, net income as well as asset quality. For non-financial institutions, the analysis of the financial data such as quick/cash ratio, defensive interval ratio is the key determinants of quantitative score. For financial institutions, historical data are the inputs for its financial metrics. The funding and liquidity factors are considered to be important namely: loans-to-customer deposit ratios, and shorter term liquidity or LCR. For sovereign & government-related issue/issuer, in addition to financial metrics, we use economics indicator/data and government risk analysis.

Regarding the qualitative criteria, they include governance/ESG, independence of the board of directors, ability and willingness to pay debt under stress and position in financial/economic sector.

In addition to the qualitative and quantitative criteria mentioned above, the issue liquidity assessment will be performed based on issuer sector, outstanding debt, active quotes of broker-dealer, CDS volume and equity volatility.

As a result of this assessment, a final internal rating is assigned to each issue/instrument by the Management Company, and the approved list is updated accordingly. This final rating illustrates the relative credit quality of the issuer and of the instruments; that is, it represents the best estimate of the underlying credit strength of each issuer's securities and instruments. This rating is assigned based on numerous quantitative and qualitative factors and includes the assessment of current factors, combined with assumptions on scenarios that could develop for the issuer over a short / medium term time horizon and also expert's opinion as well as short term rating of rating agencies as a complementary sources of information.

The rationale for using credit default swaps (CDS) as a primary input parameter is that CDS is considered as a leading indicator, at times moving ahead of equities. Significantly, its use as a measure of counterparty risk has been applied in the past few years since financial crisis. The prices of or spread on CDS theoretically represent the pure credit risk of an obligor/issuer. Although the CDS premium is related to credit ratings issued by the rating agencies, rather wide variation in CDS spreads are observed for firms having a given rating.

2. INVESTMENT RULES

2.1 The Cash Sub-Fund may only invest in the following assets:

A) Money Market Instrument that fulfils all of the following requirements:

2.1.1 it falls within the following categories:

- (a) Money Market Instruments admitted to or dealt in on a Regulated Market;
- (b) Money Market Instruments dealt in on another market in a Member State of the European Union which is regulated, operates regularly and open to the public;
- (c) Money Market Instruments admitted to official listing on a stock exchange of another Eligible State or dealt in on another market in another Eligible State which is regulated, operates regularly and is recognised and open to the public;
- (d) Money Market Instruments other than those referred to under (a) to (c) above, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- (i) issued or guaranteed by a central, regional or local authority or by a central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or
- (ii) issued by an undertaking, any securities of which are dealt in on Regulated Markets referred to in (a) to (c) above; or
- (iii) issued or guaranteed by a credit institution which has its registered office in a country subject to prudential supervision, in accordance with criteria defined by European law, or by a credit institution which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by European law; or
- (iv) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in i. ii. or iii. above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the Directive 2013/34/EU¹, is an entity which, within a group of 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.

2.1.2 it displays one of the following alternative characteristics:

- (a) it has a legal maturity at issuance of 397 days or less;
- (b) it has a residual maturity of 397 days or less.

Notwithstanding the above, the Cash Sub-Fund shall also be allowed to invest in Money Market Instruments with a residual maturity until the legal redemption date of less than or equal to two years, provided that the time remaining until the next interest rate reset date is 397 days or less. For that purpose, floating-rate Money Market Instruments and fixed-rate Money Market Instruments hedged by a swap arrangement shall be reset to a money market rate or index.

2.1.3 the issuer of the Money Market Instrument and the quality of the Money Market Instrument have received a favourable credit quality assessment pursuant to the Credit Quality Assessment Procedure established by the Management Company;

This requirement shall not apply to Money Market Instruments issued or guaranteed by the EU, a central authority or central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

¹ Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC Text with EEA relevance

2.1.4 where the Cash Sub-Fund invests in a Securitisation or ABCP, it is subject to the requirements laid down in B) below.

B) a) Securitisations and Asset-Backed Commercial Paper (ABCPs), provided that they are sufficiently liquid, have received a favourable credit quality assessment pursuant to the Credit Quality Assessment Procedure established by the Management Company, and are any of the following:

- (a) a Securitisation referred to in Article 13 of Commission Delegated Regulation (EU) 2015/61²;
- (b) an ABCP issued by an ABCP programme which:
 - (i) is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP;
 - (ii) is not a re-Securitisation and the exposures underlying the Securitisation at the level of each ABCP transaction do not include any Securitisation position;
 - (iii) does not include a synthetic Securitisation as defined in point (11) of Article 242 of Regulation (EU) No 575/2013³;
- (c) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 of the European Parliament and of the Council, or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation (EU) 2017/2402.

2.1.5 The Cash Sub-Fund may invest in the Securitisations or ABCPs referred to in a) above provided any of the following conditions is fulfilled, as applicable:

- (a) the legal maturity at issuance or residual maturity of the Securitisations and ABCPs referred to in 1) a), b) and c) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less;
- (b) the Securitisations referred to in 1) a) and c) above are amortising instruments and have a WAL of two years or less.

C) Deposits with credit institutions, provided that all of the following conditions are fulfilled:

- (a) the deposit is repayable on demand or is able to be withdrawn at any time;
- (b) the deposit matures in no more than 12 months;

² Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions Text with EEA relevance

³ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance.

- (c) the credit institution has its registered office in a EU Member State or, where the credit institution has its registered office in a third country, it is subject to prudential rules considered equivalent to those laid down in European law in accordance with the procedure laid down in Article 107(4) of Regulation (EU) No 575/2013.

D) Financial derivative instruments, provided that they are dealt in on a regulated market or OTC and provided that all of the following conditions are fulfilled:

In exceptional circumstances, OTC derivatives may be used to hedge investment positions.

- 2.1.6 the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories;
- 2.1.7 the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the Cash Sub-Fund;
- 2.1.8 the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the CSSF;
- 2.1.9 the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

For OTC derivative transactions, the following haircuts are applicable to collateral received by the Cash Sub-Fund. Only collateral denominated in EUR, CHF and USD is eligible. An additional 1% haircut is applied for collateral denominated in a hard currency different from Base Currency of the relevant Cash Sub-Fund. To avoid wrong-way risk, it is ensured that collateral is not highly correlated to existing credit risk.

Asset classes eligible for collateral	Haircut (% deducted from the market value)
<u>Government bonds</u> Securities issued or guaranteed by a G10 member states	2%
<u>Corporate bonds</u> Fixed or variable income securities with an actual long term rating of at least A2 (Moody's) or A (S&P)	5%
<u>Money Market Instruments*</u>	5%
<u>Cash</u>	0%
<u>Supranationals</u>	2%

* Corporate bonds qualifying as Money Market Instruments will be subject to a 5% haircut.

E) Repurchase Agreements, provided that all of the following conditions are fulfilled:

- 2.1.10 it is used on a temporary basis, for no more than seven working days, only for liquidity management purposes and not for investment purposes other than as referred to in point c) below;
- 2.1.11 the counterparty receiving assets transferred by the Cash Sub-Fund as collateral under the Repurchase Agreement is prohibited from selling, investing, pledging or otherwise transferring those assets without the Company's prior consent;
- 2.1.12 the cash received by the Cash Sub-Fund as part of the Repurchase Agreement is able to be:
 - (i) placed on deposits complying with point C) above or (ii) invested in liquid transferable securities or Money Market Instruments other than those referred to in I. A) above provided that those assets comply with one of the following conditions:
 - (a) they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favorable credit quality assessment has been received pursuant to the Management Company's Credit Quality Assessment Procedure;
 - (b) they are issued or guaranteed by a central authority or central bank of a third country, provided that a favorable credit quality assessment has been received pursuant to the Management Company's Credit Quality Assessment Procedure.
- 2.1.13 the cash received by the Cash Sub-Fund as part of the Repurchase Agreement shall not be transferred or otherwise reused and does not exceed 10 % of its assets;
- 2.1.14 the Cash Sub-Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days.

F) Reverse Repurchase Agreements, provided that all of the following conditions are fulfilled:

- 2.1.15 the Cash Sub-Fund has the right to terminate the agreement at any time upon giving prior notice of no more than two working days;
- 2.1.16 the assets received by the Cash Sub-Fund as part of a Reverse Repurchase Agreement shall:
 - (a) be Money Market Instruments that fulfil the requirements set out in I. A) above and have a market value which is at all times at least equal to the cash paid out;
 - (b) not be sold, reinvested, pledged or otherwise transferred;
 - (c) not include Securitizations and ABCPs;
 - (d) be sufficiently diversified with a maximum exposure to a given issuer of 15% of the Net Asset Value of the Cash Sub-Fund except where those assets take the form of Money Market Instruments that fulfil the requirements of III. A) g) below;
 - (e) 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.

By way of derogation from (i) above, the Cash Sub-Fund may receive as part of a Reverse Repurchase Agreement liquid transferable securities or Money Market Instruments other

than those referred to in I. A) above provided that those assets comply with one of the following conditions:

- 2.1.17 they are issued or guaranteed by the European Union, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility provided that a favorable credit quality assessment has been received pursuant to the Management Company's Credit Quality Assessment Procedure;
- 2.1.18 they are issued or guaranteed by a central authority or central bank of a third country, provided that a favourable credit quality assessment has been received pursuant to the Management Company's Credit Quality Assessment Procedure.

The assets received as part of a Reverse Repurchase Agreement in accordance with (i) above shall fulfil the diversification requirements described under III. A) g).

- 2.1.19 The Cash Sub-Fund shall ensure that it is able to recall the full amount of cash at any time on either an accrued basis or a Mark-to-Market basis. When the cash is recallable at any time on a Mark-to-Market basis, the Mark-to-Market value of the Reverse Repurchase Agreement shall be used for the calculation of the Net Asset Value per share of the Cash Sub-Fund.

G) Units or shares of any other MMF ("targeted MMF"), provided that all of the following conditions are fulfilled:

- 2.1.20 no more than 10 % of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of targeted MMFs;
- 2.1.21 the targeted MMF does not hold units or shares of the relevant Cash Sub-Fund;
- 2.1.22 the targeted MMF is authorized under the MMF Regulation.
- 2.2 The Cash Sub-Fund may hold ancillary liquid assets up to 20% of its net assets. Ancillary liquid assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law for a period of time strictly necessary in case of unfavorable market conditions.
- 2.3 The Cash Sub-Fund will invest no more than 5% of its assets in Money Market Instruments, Securitizations and ABCPs issued by the same issuing body.
- 2.4 The Cash Sub-Fund may not invest more than 10% of its assets in deposits made with the same credit institution.
- 2.5 By way of derogation from III. A) a) first paragraph above, the Cash Sub-Fund may invest up to 10% of its assets in Money Market Instruments, Securitizations and ABCPs issued by the same body provided that the total value of such Money Market Instruments, Securitizations and ABCPs held by the Cash Sub-Fund in each issuing body in which it invests more than 5 % of its assets does not exceed 40 % of the value of its assets.
- 2.6 The aggregate of all of the Cash Sub-Fund's exposures to Securitizations and ABCPs shall not exceed 20% of its assets, whereby up to 15% of this assets may be invested in Securitizations and ABCPs that do not comply with the criteria for the identification of STS Securitizations and ABCPs.

- 2.7 The aggregate risk exposure to the same counterparty of the Cash Sub-Fund stemming from OTC derivative transactions which fulfill the conditions set out in I. D) above shall not exceed 5% of the assets of the relevant Cash Sub-Fund.
- 2.8 The aggregate amount of cash provided to the same counterparty of the Cash Sub-Fund in Reverse Repurchase Agreements shall not exceed 15 % of the assets of the Cash Sub-Fund.
- 2.9 Notwithstanding the individual limits laid down in paragraph III. A) a), the Cash Sub-Fund shall not combine any of the following:
- (a) investments in Money Market Instruments, Securitizations and ABCPs issued by, and/or
 - (b) deposits made with, and/or OTC financial derivative instruments giving counterparty risk exposure to, a single body in excess of 15% of its assets.
- 2.10 **Notwithstanding the provisions outlined in III. A) a), the Cash Sub-Fund is authorized to invest up to 100% of its assets, in accordance with the principle of risk spreading, in Money Market Instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, of the Group of Twenty or Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong, provided that the Cash Sub-Fund holds Money Market Instruments from at least six different issues by an issuer and that the Cash Sub-Fund limits the investment in Money Market Instruments from the same issue to a maximum of 30% of the its total assets.**
- 2.11 The limit laid down in the first paragraph of III. A) a) may be of a maximum of 10% for certain bonds when they are issued by a credit institution which has its registered office in a Member State of the EU and is subject by law, to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of these bonds must be invested in accordance with the law, in assets which, during the whole period of validity of the bonds, are capable of covering claims attached to the bonds and which, in case of failure of the issuer, would be used on a priority basis for the repayment of the principal and payment of accrued interest.
- 2.12 If the Cash Sub-Fund invests more than 5% of its assets in the bonds referred to in the above paragraph and issued by one issuer, the total value of such investments may not exceed 40% of the value of the assets of the Cash Sub-Fund.
- 2.13 Notwithstanding the individual limits laid down in III. A) a) the Cash Sub-Fund may invest no more than 20 % of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in III. A) h) above.
- 2.14 Where the Cash Sub-Fund invests more than 5 % of its assets in the bonds referred to in the first subparagraph issued by a single issuer, the total value of those investments shall not exceed 60 % of the value of the assets of the Cash Sub-Fund, including any possible investment in assets referred to in III. A) h) above, respecting the limits set out therein.

- 2.15 Companies which are part of the same group for the purposes of the establishment of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognized international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in section III. A).
- 2.16 The Cash Sub-Fund may not acquire more than 10% of Money Market Instruments, Securitizations and ABCPs of the same issuer.
- 2.17 Paragraph A) above shall not apply as regards Money Market Instruments issued or guaranteed by the EU, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a third country, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organization to which one or more Member States belong.
- 2.17.1 The Cash Sub-Fund may acquire units of targeted MMFs as defined under paragraph I. G) provided that no more than 10% in total of the Cash Sub-Fund's assets be invested in the units of targeted MMFs.
- 2.18 The Cash Sub-Fund may acquire units of another targeted MMF provided that it represents no more than 5% of its assets.
- 2.19 By derogation to B above, the Cash Sub-Fund may either: (i) be a feeder MMF investing at least 85% of its assets in one other single targeted MMF UCITS in accordance with Article 58 of the UCITS Directive; or (ii) invest up until 20% of its assets in other targeted MMFs with a maximum of 30% in aggregate of its assets in targeted MMFs which are not UCITS in accordance with Article 55 of the UCITS Directive;

provided that the following conditions are met:

- (a) the Cash Sub-Fund is marketed solely through an employee savings scheme governed by national law and which has only natural persons as investors;
- (b) the employee savings scheme referred to above only allows investors to redeem their investment subject to restrictive redemption terms which are laid down in national law, whereby redemptions may only take place in certain circumstances that are not linked to market developments.
- 2.20 The Management Company or other related company as defined below may not levy any subscription or redemption fee on the units of the targeted MMF, nor may the Management Company levy any management fee if it invests in units of other MMF which:
- i) it manages itself either directly or indirectly; or
 - ii) are managed by a company with which it is related by virtue of:
 - a. common management, or
 - b. common control, or
 - c. a direct or indirect interest of more than 10% of the capital or the votes.
- 2.21 If the Cash Sub-Fund invests 10% or more of its assets in targeted MMF, the Fund will indicate in its annual report the total management fee charged both to the Cash Sub-Fund and to the targeted MMFs in which such Cash Sub-Fund has invested during the relevant period.

- 2.22 The underlying investments held by the MMF in which the Cash Sub-Fund invests do not have to be considered for the purpose of the investment restrictions set forth under III. A) above.
- 2.23 The Cash Sub-Fund may invest in units or shares of Short-Term MMFs and Standard MMFs.
- 2.24 The Cash Sub-Fund may act as a master fund for other funds.
- 2.25 Notwithstanding the foregoing, the Cash Sub-Fund may subscribe, acquire and/or hold securities to be issued or issued by one or more other Cash Sub-Funds without the Company being subject to the requirements of the 1915 Law, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:
- the target Cash Sub-Fund does not, in turn, invest in the Cash Sub-Fund invested in this target Cash Sub-Fund; and
 - no more than 10% of the assets that the target Cash Sub-Fund whose acquisition is contemplated may be invested in units of UCITS and / or other UCIs; and
 - voting rights, if any, attaching to the shares of the target Cash Sub-Fund are suspended for as long as they are held by the Cash Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
 - in any event, for as long as these securities are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Luxembourg Law.
- 2.26 In addition the Cash Sub-Fund will not:
- 2.26.1 invest in assets other than those referred to under I. above;
 - 2.26.2 short sale Money Market Instruments, securitizations, ABCPs and units or shares of other MMFs;
 - 2.26.3 take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;
 - 2.26.4 enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the Company;
 - 2.26.5 borrow and lend cash.
- 2.27 The Cash Sub-Fund must ensure an adequate spread of investment risks by sufficient diversification.
- 2.28 The Cash Sub-Fund will in addition comply with such further restrictions as may be required by the regulatory authorities in which the shares are marketed.

3. LIQUIDITY RULES

The Cash Sub-Fund shall comply on an ongoing basis with all of the following requirements:

- 3.1.1 the Cash Sub-Fund's portfolio is to have at all times a WAM of no more than six months;
- 3.1.2 the Cash Sub-Fund's portfolio is to have at all times a WAL of no more than 12 months;

- 3.1.3 at least 7.5% of the Cash Sub-Fund's assets are to be comprised of daily maturing assets, Reverse Repurchase Agreements which can be terminated by giving prior notice of one working day or cash which can be withdrawn by giving prior notice of one working day;
- 3.1.4 at least 15% of the Cash Sub-Fund's assets are to be comprised of weekly maturing assets, Reverse Repurchase Agreements which can be terminated by giving prior notice of five working days or cash which can be withdrawn by giving prior notice of five working days.

For the purpose of the calculation in (iv) above, Money Market Instruments or units or shares of other MMFs may be included within the weekly maturing assets up to 7.5% of its assets provided they are able to be redeemed and settled within five working days.

4. VALUATION RULES

The value of the assets of the Cash Sub-Fund shall be determined as follows:

- the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined conservatively by using Mark-to-Model;
- Securitisations, ABCP(s), Money Market Instruments and financial derivative instruments will be valued at Mark-to-Market. Where the value of the assets of the Cash Sub-Fund cannot be calculated following the Mark-to-Market, their value shall be determined conservatively by using Mark-to-Model;
- units or shares in underlying MMFs shall be valued at their last available net asset value reduced by any applicable charges.

5. TECHNIQUES AND INSTRUMENTS

Repurchase Agreements and Reverse Repurchase Agreements may be used by the Cash Sub-Fund. The provisions of points 12 and 13 of Appendix 1 apply to the Repurchase Agreements and Reverse Repurchase Agreements used by the Cash Sub-Fund, unless they contradict the specific provisions contained in this Appendix 2.

Non-cash collateral received by the Cash Sub-Fund in the context of Repurchase Agreements and Reverse Repurchase Agreements must be diversified to avoid concentration risk in one issue, sector or country. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Cash Sub-Fund receives from a counterparty a basket of collateral with a maximum exposure to a given issuer of 15% of the Cash Sub-Fund' net asset value, except where those assets take the form of Money Market Instruments that fulfil the requirements of point III. A) g) of the Investment Rules section above. When the Cash Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 15% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, and under the conditions set forth by the MMF Regulation, the Cash Sub-Fund may be fully collateralised in liquid Transferable Securities and Money Market Instruments as per the provisions of point I. F) b) of the Investment Rules section above, provided that the Fund must hold securities from at least six different issues and securities from one issue do not account for more than 30% of its assets.

6. INFORMATION AVAILABLE TO INVESTORS

The following information will be made available on the website: <https://www.newcapitalfunds.com/> at least on a weekly basis in accordance with the MMF Regulation:

- 6.1.1 The maturity breakdown of the portfolios of the Cash Sub-Fund;
- 6.1.2 The credit profile of the Cash Sub-Fund;
- 6.1.3 The WAM and WAL of the Cash Sub-Fund;
- 6.1.4 Details of the 10 largest holdings in the Cash Sub-Fund;
- 6.1.5 The total value of the assets of the Cash Sub-Fund;
- 6.1.6 The net yield of the Cash Sub-Fund.

APPENDIX 3

LIST OF DELEGATES AND SUB-DELEGATES

The below is the current list of sub-delegates appointed by the Depositary.

Country	Name
Australia	Citicorp Nominees Pty Ltd
Austria	Six Sis AG
Belgium	Six Sis AG
Belgium	Six Sis AG
Bulgaria	Eurobank Bulgaria AD
Canada	CIBC Mellon Trust Company
China	EFG Bank Ag, Hong Kong Branch
Cyprus	Eurobank Cyprus Ltd
Czech Republic	Unicredit Bank Czech Republic
Denmark	Six Sis AG
Dubai	HSBC Bank Middle East Limited
Estonia	SEB Pank
Finland	Nordea Bank Finland ABP
France	Euroclear Bank SA/NV
Germany	Six Sis AG
Greece	Eurobank Ergasias SA
Hong Kong	The Hongkong & Shanghai Banking Corporation Ltd (Hong Kong)
Hungary	Raiffeisen Bank International AG
Iceland	LUXCSD S.A.
Indonesia	PT Bank HSBC Indonesia
Ireland	BNP Paribas Securities Services London SCA
Israel	Bank Leumi
Italy	BNP Paribas Securities Services Milan SCA
Italy	Societe Generale Securities Services SPA
Japan	The Hongkong & Shanghai Banking Corporation Ltd (Japan)
Kuwait	HSBC Bank Middle East Ltd
Liechtenstein	EFG Bank Von Ernst AG
Lituania	Seb Pank AS, Tallin
Luxembourg	Clearstream Banking Luxembourg
Malaysia	HSBC Bank Malaysia Berhad
Mexico	Citibanamex
Mexico	Brown Brothers Harriman & Co
Morocco	Societe Generale Marocaine De Banques
New Zealand	Citibank Nominees New Zealand Ltd
Nigeria	Standard Chartered Bank Nigeria Lagos
Norway	Six Sis AG
Peru	BTG Pactual Lima Peru
Poland	Bank Handlowy W Warszawie SA
Portugal	Banco Comercial Portugues SA
Qatar	HSBC Bank Middle East Limited
Russia	AO Unicredit Bank
Russia	Rosbank Moscow
Singapore	Standard Chartered Bank (Singapore) Limited
Slovenia	Nova Ljubljanska Banka d.d. (NLB)
South Africa	Standard Chartered Bank, Johannesburg Branch

South Korea	The Hongkong & Shanghai Banking Corporation Ltd (South Korea)
Spain	Santander Securities Services SA
Sweden	Skandinaviska Enskilda Banken AB
Switzerland	Six Sis AG
Switzerland	EFG Bank AG
Taiwan	HSBC Bank (Taiwan) Limited
Thailand	Standard Chartered Bank, Bangkok
The Netherlands	Six Sis AG
The Philippines	Standard Chartered Bank (Manila)
Turkey	Citibank N.A. Istanbul
United Kingdom	BNP Paribas Securities Services London SCA
United States	Brown Brothers Harriman & Co

APPENDIX 4
SUB-FUND APPENDICES

NEW CAPITAL FUND LUX – EUR SHIELD

1. NAME OF THE SUB-FUND

New Capital Fund Lux – EUR Shield (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the EUR.

3. INVESTMENT CURRENCY

The Sub-Fund invests at least 90% of its assets in securities denominated in EUR. The remaining portion may be invested in securities denominated in other currencies that may be hedged back to EUR.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The long-term investment objective is to achieve a combination of capital and income returns primarily from government and government related bonds and corporate bonds denominated in EUR with an emphasis on capital preservation.

Investment strategy and restrictions

- 4.2 The Sub-Fund invests at least 90% of its assets in securities denominated in EUR. The remaining portion may be invested in securities denominated in other currencies that may be hedged back to EUR.
- 4.3 The Sub-Fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in Debt Securities issued by Sovereigns, Supranational, Public Local Authorities, Semi-Public Enterprises or Private Borrowers without geographical limitation. The following conditions will be respected:
- 4.4 The Sub-Fund may not invest more than 25% of its assets in convertible bonds and warrants issues.
- 4.5 The Sub-Fund may not invest more than 25% of its assets in subordinated Debt Securities.
- 4.6 The Sub-Fund may not invest more than 15% of its assets in Contingent Convertible Bonds (equity conversion or write-down).
- 4.7 The Sub-Fund may not invest more than 25% of its assets in below investment grade Debt Securities.
- 4.8 The remaining portion, which may not exceed one third of the Sub-Fund’s assets, may be invested in Liquid Assets or in other instruments. The following conditions will be respected:
- 4.9 Liquid Assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavorable market conditions. The holding of such ancillary liquid assets is limited to 20% of the net assets of the Sub-Fund.

- 4.10 The Sub-Fund cannot purchase shares directly.
- 4.11 The Sub-Fund can acquire shares, through the exercise of conversion and subscription rights, provided the total value of those shares does not exceed 10% of the Sub-Fund's assets. Those shares have to be sold within 12 months of their acquisition.
- 4.12 The Sub-Fund promotes environmental and social characteristics as further detailed in the section below titled "Classification under SFDR".

Benchmark

- 4.13 The Sub-Fund's benchmark is the ICE BofAML 1-3 Year Euro Corporate Index and is used for comparative purposes.
- 4.14 The Sub-Fund is actively managed and as such does not seek to replicate its benchmark index, but instead will differ from the performance benchmark in order to achieve its objective. The Investment Manager is not constrained by the benchmark in the selection of investments and may use its discretion to invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities.

Investment in target funds

- 4.15 Within the framework of the above-mentioned investment restriction the Sub-Fund may invest up to 10% of its net assets in existing UCITS and UCIs including Exchange-Traded Funds.

Use of financial derivative instruments

- 4.16 The Sub-Fund can use financial derivative instruments, including OTC derivatives, for hedging purpose as well as for efficient portfolio management purpose, under the conditions disclosed in Appendix 1 of this Prospectus.
- 4.17 The Sub-Fund may enter into credit default swaps (CDS) transactions for purposes of hedging or sound portfolio management.
- 4.18 The exposure gained via the use of financial derivative instruments must be in line with the objective and investment restrictions of the Sub-Fund.

Participation in SFTs

- 4.19 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

Classification under SFDR

- 4.20 Further information in relation is set out in the section of the Prospectus titled "Integration of Sustainability Risks".
- 4.21 **The Sub-Fund promotes environmental and social characteristics within the meaning of article 8 (1) SFDR as further set out in the Appendix 1 to this Sub-Fund Appendix.**

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors, both private and institutional, that have a short term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in EUR.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	I Acc	O Acc	I Acc	O Acc	I Acc	O Inc	I Inc	X Inc	X Acc
Reference Currency	EUR	EUR	USD	USD	CHF	CHF	EUR	EUR	EUR	EUR
Minimum initial investment	EUR 100 or one share	EUR 100 or one share	USD 100 or one share	USD 100 or one share	CHF 100 or one share	CHF 100 or one share	EUR 100 or one share	EUR 100 or one share	EUR 100 or one share	EUR 100 or one share

7. FEES AND EXPENSES

Class	O Acc	I Acc	O Acc	I Acc	O Acc	I Acc	O Inc	I Inc	X Inc	X Acc
Management Fee	Up to 0.70% p.a.	Up to 0.45% p.a.	Up to 0.70% p.a.	Up to 0.45% p.a.	Up to 0.70% p.a.	Up to 0.45% p.a.	Up to 0.70% p.a.	Up to 0.45% p.a.	Up to 0.02% p.a.	Up to 0.02% p.a.
Subscription charge	Up to 5%	0%	Up to 5%	0%	Up to 5%	0%	Up to 5%	0%	0%	0%
Redemption charge	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Conversion charge	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

8. SUBSCRIPTION

- 8.1 Shares are issued at a price based on the Net Asset Value per share calculated on the relevant Valuation Day increased, as the case may be, by any applicable subscription charge.
- 8.2 Applications must be received by the Registrar and Transfer Agent no later than 12:00 noon (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 8.3 The subscription price must be received by the Company within two (2) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent.
- 8.4 In case an application for subscription is rejected by the Directors, the application monies will immediately be returned to the investor.
- 8.5 Subscription requests can be made for a full number of shares or for an amount in cash.

9. REDEMPTION

- 9.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day.
- 9.2 Applications must be received by the Registrar and Transfer Agent no later than 12:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day.

Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.

- 9.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than two (2) Business Days of the date on which the repurchase applications were duly received by the Registrar and Transfer Agent.

10. CONVERSION

The conversion of shares within the Sub-Fund or between different Sub-Funds may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

11. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

12. RISK WARNINGS

- 12.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 12.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, execution and counterparty risk, risk arising from investments in warrants, risk connected with the use of derivatives.
- 12.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.

Appendix 1

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: New Capital Fund Lux - EUR Shield
Legal entity identifier: 5493007AVXHGVPTV6O34

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> 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 10% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input type="checkbox"/> 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 lay down 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?

This document provides pre-contractual disclosure in accordance with art. 8 of Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation, the “SFDR”) for New Capital Fund Lux - EUR Shield (the “Fund”).
 This financial product promotes the following environmental and social (E/S) characteristics that can be linked to some of the Sustainable Development Goals (“SDG”)

- Promotion of health and well-being (SDG 3)
- Better gender diversity and equal opportunities policies and practices (SDG 5)
- Improved water efficiency and management (SDG 6)
- Renewable energy production and consumption (SDG 7)
- Employment quality, health and safety and personal development opportunities (SDG 8)
- Environmental and sustainable product development. (SDG 9)
- Positive community impact (SDG 11)
- Responsible consumption and production (SDG 12)
- Reduced greenhouse gas emissions and climate policies (SDG 13)
- Respect of ecosystems and reduced impact on biodiversity (SDG 15)
- Fair and honest business practices (SDG 16)

Market factors and investment managers expectations dictate the balance of the investment in the promotional characteristics at any given time and it might not always be possible to promote all the above characteristics at the same time.

The Fund does not consider the EU criteria for environmentally sustainable economic activities in line with Regulation (EU) 2019/2088 (“EU Taxonomy”) and does not have as its objective a sustainable investment. The Fund has however a minimum proportion of sustainable investments with an environmental objective in economic activities that do not qualify as environmentally sustainable according to the EU Taxonomy and incorporate the "principle of no significant harm" ("DNSH") with respect to those assets.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The fund will measure the attainment of the environmental or social characteristics by measuring the percentage of investments that succeed to promote at least one of the SDGs as above. The attribution of the SDG will be based on the internal methodology “*Approach to ESG Promotion and Sustainable Investing*” that is available on the internet (see last page of the Annex II). The attribution of SDGs is mainly performed by measuring the Global Responsible Investment Platform (the “GRIP”) ratings that allow to compare companies promotional characteristics. The GRIP integrates up to 400+ data points covering policies, data, activities and controversies from several data providers into 18 thematic ESG KPIs used to measure on a 0% to 100% scale (with 0% being the worst) how firms perform with respect to the promotional characteristics highlighted above. Firms that obtain higher than average ratings with respect to one or more specific SDGs are considered to be promoting such SDG. In a second stage, the KPIs get weighted according to their industry-specific importance and aggregated into a final ESG score (the “ESG Score”) that can be used to synthetically evaluate the preparedness of firms to react to ESG challenges.

In a few other cases those SDG characteristics are attributed by measuring healthcare or pharmaceutical related revenues that should represent the majority of a firm revenues, or by measuring the percentage of renewable energy consumption/production on total energy consumed/produced by the company, that should be more than 75% for production and more than 25% for consumption provided their renewable production is greater than their exposure to fossil fuels. Companies with a fossil fuel exposure above 50% are in any case excluded from the attribution of the SDG 7.

When needed this approach can be complemented by a more qualitative assessment.

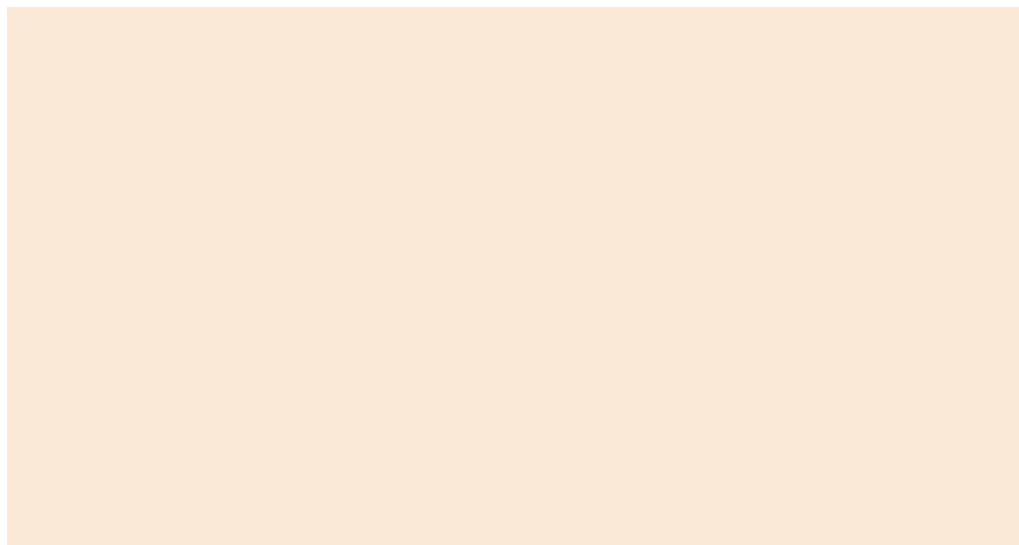
The Fund doesn’t use a specific benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

Sustainability indicators
measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The objectives of the sustainable investments that the financial product partially intends to make are consistent with the need to decarbonize the economy or reduce the environmental harm economic activities create to the planet and focus on companies aligned with “Net Zero” or on those that have activities that are deemed to be sustainable according to the internal methodology available on the website such as clean energy, waste, or water management. In particular, “Net Zero” companies are firms that are actively reducing their GHG emissions in line with the requirements of the Paris Agreement of 2015 thereby contributing to keep the warming of the planet “well below 2°C”. Companies with sustainable activities are considered those that, thanks to their activities, facilitate the mitigation or the adaptation to climate change and more generally help humanity reducing its environmental footprint.

● ***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?***



The sustainable investments that the financial product partially intends to make are screened using Sustainalytics DNSH assessment that monitor the direct environmental impact of investee companies’ activities under the criteria defined by the EU Taxonomy. Companies considered in breach are excluded from the portfolio.

— ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

The Investment Manager thinks that the indicators for adverse impact are more useful when measured together with other indicators such as the level of existing controversies, as explained in Principle Adverse Impact paragraph further below. More specifically companies violating UNGC, OECD or producing controversial weapons (ASI n.10, 14) are removed from the investable universe and companies with significant controversies in the ASI families of indicators (Greenhouse gases, biodiversity, water, waste and social and employees matter) are not considered sustainable.

Quarterly the Investment managers monitors the full list of ASI indicators to control the negative sustainability externalities produced by investments and assess if some corrective actions might be needed with reference to investee companies.

— ***How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The Fund monitors the alignment of its investments to main recognized international standards such as UNGC, OECD Guidelines for Multinational Enterprises, the UN

Guiding Principles on Business and Human Rights and ILO standards (“Standards”) exploiting data provided from Sustainalytics.

All companies considered to be in breach of those standards are removed from the portfolio and blocked for investing. In exceptional cases the Investment manager might request an override of the third party source assessment, with a formal decision taken by the internal EFGAM ESG Committee if satisfied with the rationale for overriding such assessment.



Does this financial product consider principal adverse impacts on sustainability factors?



Yes, As highlighted above, the Fund considers the principle adverse impacts on sustainability factors.

All the mandatory and the majority of the voluntary indicators for adverse impacts on sustainability factors are, directly or through proxies, integrated into the GRIP engine and contribute to the score of the “promotional characteristics” of the products and to the final ESG score of companies or are used to remove companies breaching main standards. The fund manager thinks that considering principal adverse impacts (the “PAI”) together with additional data allows:

- to gain a more holistic picture of the sustainability risk that can have a material impact on the risk adjusted return of the investments and those that are already discounted by the price of the security.
- to better understand the real negative impact of investments. As an example, the simple number of reported CO2 emissions doesn’t provide the direction of emissions nor the efforts in place by the company to reduce them. A company with significant GHG emissions, but implementing strong reduction might have a more positive impact than one with lower emissions but no reduction in sight.

The principal adverse Impact Indicators on sustainability factors in their simplest form are also regularly monitored to assess if correction is needed with respect to investee securities.

More details on this will be made available in the Fund's Periodic Reporting as required under Article 11 SFDR.

No



What investment strategy does this financial product follow

Euro Shield is a short maturity European bond whose long-term investment objective is to achieve a combination of capital and income returns primarily from government and government related bonds and corporate bonds denominated in EUR with an emphasis on capital preservation. To reach the goal the fund balances quantitative analysis, optimization tools, strict monitoring of portfolio risk characteristics, ESG considerations and market views from professional investment managers. The fund is flexible within its universe of short, dated bonds and not tied to benchmark credit allocations. This is wrapped in a fund classified art 8 SFDR, with no FX exposure.

In relation to the adverse sustainability impacts indicators on sustainability factors, the following families of indicators are considered the most relevant:

- Greenhouse gas emissions
- Social and employee matters with particular reference to:

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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

- Violations of UN Global Compact principles.
- Violation of Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.
- exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Fund applies multiple measure to attain the environmental or social characteristics. With respect to the promotion of E&S characteristics it invests in companies that have a positive commitment towards the Promotional Characteristics promoted by the fund, demonstrated by measurable data such as healthcare related revenues or percentage of renewable energy produced or consumed, or by internal processes. e.g. GRIP scores. For more details about the binding percentages please refer to the “**What environmental and/or social characteristics are promoted by this financial product?**” paragraph.

More broadly the Fund:

- doesn’t invest in companies exposed to controversial weapons as per the SVVK association (<https://www.svvk-asir.ch/en/exclusion-list/>);
- doesn’t invest in companies whose “ESG score” rating calculated with the internal GRIP methodology is below 25%;
- doesn’t invest in companies with more than 30% of revenues linked to coal unless such companies have clear plans (e.g. Net Zero plans) to reduce their exposure;
- doesn’t invest in companies violating the main “Standards” described above;
- doesn’t invest in companies consuming less than 25% and/or producing less than 75% of renewable energy on total energy consumed/produced and whose renewable production is lower than their exposure to fossil fuels;
- doesn’t invest in companies with a fossil fuel exposure above 50%.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no minimum commitment.

● ***What is the policy to assess good governance practices of the investee companies?***

To be sure the investee companies follow good governance practices, with respect to management structures, employee relations, remuneration of staff and tax compliance the investment manager avoid investing in companies without good governance practices. The investment manager applies an approach focusing both on the soundness of the corporate governance structure as measured by the Corporate Governance GRIP KPI and on the outcome of the lack of governance i.e. litigation and controversies.

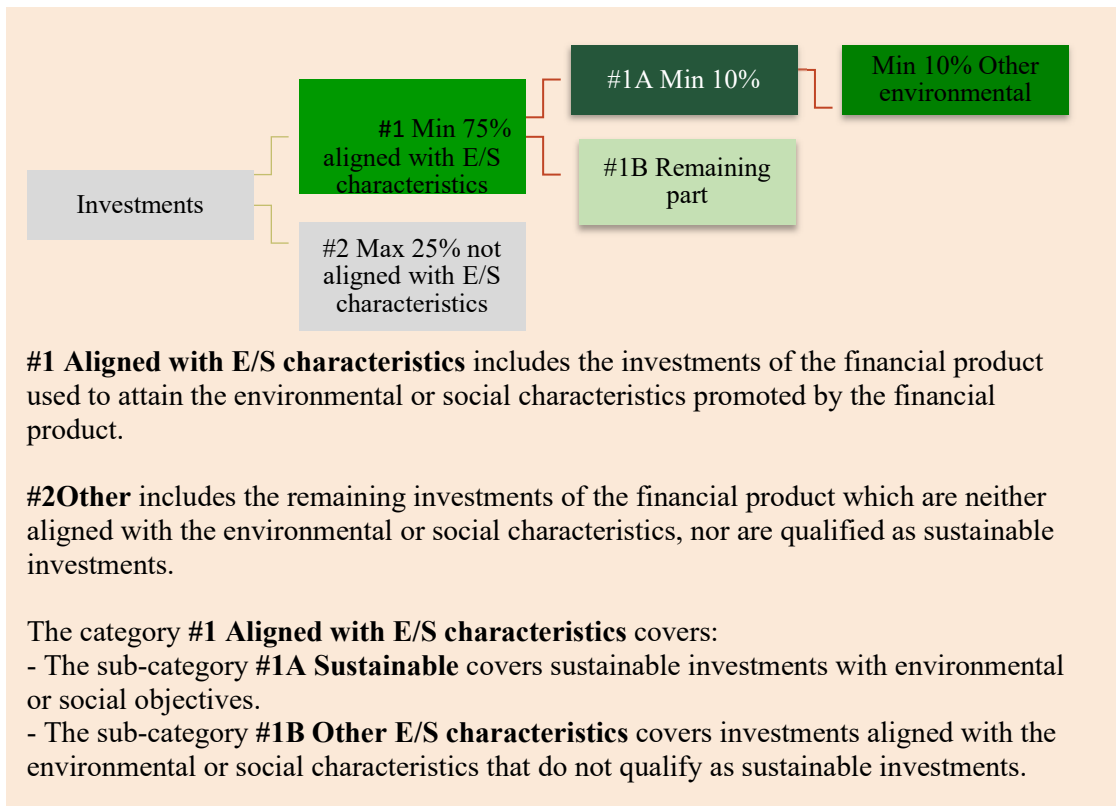
Because of the approach, the investment manager doesn’t invest in companies with a Corporate Governance KPI score below 25% when the level of controversies with respect to employees, tax compliance, bribery and corruption is judged to be very high in accordance with the “*Approach to ESG Promotion and Sustainable Investing*”.

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.

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 is the asset allocation planned for this financial product?

- **Min 75% aligned with E/S characteristics**

The Fund invest at least 75% of its assets in companies promoting environmental or social characteristics as per above. In addition, the Fund intends to have at least 10% of investment with a sustainable objective selecting companies consistent with the need to decarbonize the economy or reduce the environmental harm economic activities create to the planet and focus on those aligned with “Net Zero” or on those that have activities that are deemed to be sustainable according to the internal methodology available on the website.

- **Max 25% not aligned with E/S characteristics**

Max 25% of its asset can be invested in the “others” bucket that is used for financial or risk purposes.

- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Fund will not use derivatives to attain environmental or social characteristics.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy⁴?

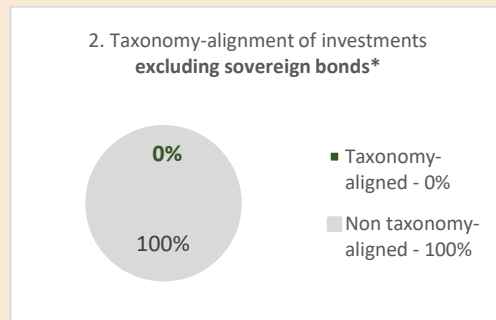
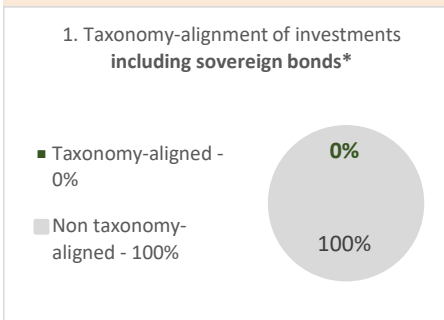
Yes:
 In fossil gas In nuclear energy

No



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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.*



This graph represents 100% of the total investments.

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

The investments underlying this financial product do not consider the EU criteria for environmentally sustainable economic activities aligned with EU Taxonomy.

⁴ 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 objectives - 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.

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.



What is the minimum share of investments in transitional and enabling activities?
N/A

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?
10% is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy. The Investment Manager believes those investments, contributing to decarbonize the economy or reducing the environmental harm economic activities create to the planet, will provide an extra-return across the investment cycle.



What is the minimum share of socially sustainable investments?
N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investment included under “Other” are used for the management of the risk/return characteristics of the financial product e.g. tracking error, diversification, factor allocation or other risk or financial reasons. The minimum environmental or social safeguards (UNGC, OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and ILO) also apply to investments included under “Other”.



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?

No specific index is designated as a reference benchmark to determine the environmental and/or social characteristics that it promotes.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**
N/A
- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**
N/A
- **How does the designated index differ from a relevant broad market index?**
N/A
- **Where can the methodology used for the calculation of the designated index be found?**
N/A



Where can I find more product specific information online?

More product-specific information can be found on the website at the following link: <https://www.efgam.com/About-us/responsibleinvesting.html>

NEW CAPITAL FUND LUX – SWISS FRANC BONDS FUND

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Swiss Franc Bonds Fund (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the CHF.

3. INVESTMENT CURRENCY

The Sub-Fund invests at least 90% of its assets in securities denominated in CHF. The remaining portion may be invested in securities denominated in other currencies that may be hedged back to CHF.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The long-term investment objective is to achieve a combination of capital and income returns primarily from a range of corporate and government issuers bonds denominated in CHF.

Investment strategy and restrictions

- 4.2 The Sub-Fund invests at least two thirds of its assets, in accordance with the principle of risk spreading, in Debt Securities issued by Sovereigns, Supranational, Public Local Authorities, Semi-Public Enterprises or Private Borrowers without geographical limitation. The following conditions will be respected:
- 4.2.1 The Sub-Fund may not invest more than 25% of its assets in convertible bonds and warrants issues.
 - 4.2.2 The Sub-Fund may not invest more than 25% of its assets in subordinated Debt Securities.
 - 4.2.3 The Sub-Fund may not invest more than 15% of its assets in Contingent Convertible Bonds (equity conversion or write-down).
 - 4.2.4 The Sub-Fund may not invest more than 25% of its assets in below investment grade Debt Securities.
- 4.3 The remaining portion, which may not exceed one third of the Sub-Fund’s assets, may be invested in Liquid Assets or in other instruments. Liquid Assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavourable market conditions. The holding of such Liquid Assets is limited to 20% of the net assets of the Sub-Fund.
- 4.4 The Sub-Fund cannot purchase shares directly.
- 4.5 The Sub-Fund can acquire shares, through the exercise of conversion and subscription rights, provided the total value of those shares does not exceed 10% of the Sub-Fund’s assets. Those shares have to be sold within 12 months of their acquisition.

Benchmark

- 4.6 The Sub-Fund's benchmark is the Swiss Bond Index SBI Foreign AAA-BBB 1-10 and is used for comparative purposes. The Sub-Fund is actively managed and as such does not seek to replicate its benchmark index, but instead will differ from the benchmark in order to achieve its objective.
- 4.7 The majority of the Sub-Fund's holdings will be components of the benchmark, while the Investment Manager has also full discretion to invest in securities outside the benchmark.
- 4.8 Given the small size of the Swiss Franc Bond market, the benchmark investment universe and certain market conditions such as but not limited to low or negative interest rate market conditions, the Sub-Fund's risk return profile and volatility levels may be close to those of the benchmark, which may limit the extent to which the Sub-Fund outperforms the benchmark.

Investment in target funds

- 4.9 Within the framework of the above-mentioned investment restriction the Sub-Fund may invest up to 10% of its net assets in existing UCITS and UCIs including Exchange-Traded Funds.

Use of financial derivative instruments

- 4.10 The Sub-Fund can use financial derivative instruments, including OTC derivatives for hedging purpose as well as for efficient portfolio management purpose under the conditions disclosed in Appendix 1 of this Prospectus.
- 4.11 The exposure gained via the use of financial derivative instruments must be in line with the objective and investment restrictions of the Sub-Fund.

Participation in SFTs

- 4.1 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors, both private and institutional, that have a short term investment horizon and wish to invest in a broadly diversified portfolio of bonds denominated in CHF.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	I Acc
Reference Currency	CHF	CHF
Minimum initial investment	CHF 100 or one share	CHF 100 or one share

7. FEES AND EXPENSES

Class	O Acc	I Acc
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Management Fee	Up to 0.55% p.a.	Up to 0.25% p.a.
Subscription charge	Up to 5%	0%
Redemption charge	0%	0%
Conversion charge	0%	0%

8. SUBSCRIPTION

8.1 Shares are issued at a price based on the Net Asset Value per share calculated on the relevant Valuation Day increased, as the case may be, by any applicable subscription charge.

8.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.

8.3 The subscription price must be received by the Company within three (3) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent.

8.4 In case an application for subscription is rejected by the Directors, the application monies will immediately be returned to the investor.

8.5 Subscription requests can be made for a full number of shares or for an amount in cash.

9. REDEMPTION

9.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day.

9.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.

9.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date on which the repurchase applications were duly received by the Registrar and Transfer Agent.

10. CONVERSION

The conversion of shares within the Sub-Fund or between different Sub-Funds may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

11. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

12. RISK WARNINGS

- 12.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 12.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, execution and counterparty risk, risk arising from investments in warrants and Coco Bonds, risk connected with the use of derivatives.
- 12.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.

NEW CAPITAL FUND LUX – STRATEGIC DEFENSIVE FUND

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Strategic Defensive Fund (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the EUR.

3. INVESTMENT CURRENCY

The Sub-Fund invests at least 50% of its assets in securities denominated in EUR. The remaining portion may be invested in securities denominated in other currencies.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The investment objective of the Sub-Fund is to seek the best combination of interest income and capital growth in relation to the Base Currency with an emphasis on capital preservation.
- 4.2 The Sub-Fund invests worldwide in the global financial markets on a broadly diversified basis in Debt Securities and equity instruments.

Investment strategy and restrictions

- 4.3 The Sub-Fund invests at least 50% of its assets, in accordance with the principle of risk spreading, in Debt Securities issued by Sovereigns, Public Local Authorities, Semi-Public Enterprises or Private Borrowers.
- 4.4 The Sub-Fund may not invest more than 30% of its assets in shares or Equity-Like Instruments.
- 4.5 The Sub-Fund may not invest more than 5% of its assets in A Shares via Stock Connect.
- 4.6 The Sub-Fund may invest up to 10% of its assets in UCITS/UCIs investing mainly in commodity indices.
- 4.7 The Sub-Fund may invest up to 10% of its assets in certificates whose underlying are commodity indices or in securities physically backed by precious metals provided that they are eligible and do not embed derivatives.
- 4.8 The Sub-Fund may not invest more than 15% of its assets in Alternative UCITS.
- 4.9 The Sub-Fund may not invest more than 20% of its assets in Liquid Assets. The following condition will be respected:
- 4.10 Liquid Assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavourable market conditions. The holding of such Liquid Assets is limited to 20% of the net assets of the Sub-Fund.

Benchmark

- 4.11 The Sub-Fund's benchmark is comprised of 32.5% ER01 Index (Euro Corp 1-3 Yr), 32.5% ER02 Index (Euro Corp 3-5 Yr), 10% MSCI AC World Daily TR NET EUR, 5% MSCI EMU Net total Return Eur Index, 5% WisdomTree Broad Commodities EUR Daily Hedge, 10% HFRX global HF, 5% LEC1 Index (ICE BofA Euro Currency 1-Month Deposit Offered Rate Constant Maturity) total return (net) and is used for comparative purposes.
- 4.12 The Sub-Fund is actively managed and as such does not seek to replicate its benchmark index, but instead will differ from the performance benchmark in order to achieve its objective. The Investment Manager is not constrained by the benchmark in the selection of investments and may use its discretion to invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities.

Investment in target funds

- 4.13 Within the framework of the above-mentioned investment restrictions this Sub-Fund may invest up to 100% of its assets in existing UCITS and UCIs including Exchange-Traded Funds.

Use of financial derivative instruments

- 4.14 The Sub-Fund can use financial derivative instruments, including OTC derivatives for hedging purpose as well as for efficient portfolio management purpose under the conditions disclosed in Appendix 1 of this Prospectus.
- 4.15 The exposure gained via the use of financial derivative instruments must be in line with the objective and investment restrictions of the Sub-Fund.

Participation in SFTs

- 4.1 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable as a basic investment for investors that have a medium to long-term investment horizon (between five to ten years) and a low risk tolerance.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	O Acc (CHF Hedged)	I Acc
Reference Currency	EUR	CHF	EUR
Minimum initial investment	EUR 100 or one share	CHF 100 or one share	EUR 100 or one share

7. FEES AND EXPENSES

Class	O Acc	I Acc
Management Fee	Up to 1.30% p.a.	Up to 0.90% p.a.
Subscription charge	Up to 5%	0%
Redemption charge	0%	0%
Conversion charge	0%	0%

8. SUBSCRIPTION

- 8.1 Shares are issued at a price based on the Net Asset Value per share calculated on the relevant Valuation Day increased, as the case may be, by any applicable subscription charge.
- 8.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 8.3 The subscription price must be received by the Company within three (3) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent.
- 8.4 In case an application for subscription is rejected by the Directors, the application monies will immediately be returned to the investor.
- 8.5 Subscription requests can be made for a full number of shares or for an amount in cash.

9. REDEMPTION

- 9.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day.
- 9.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 9.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date on which the repurchase applications were duly received by the Registrar and Transfer Agent.

10. CONVERSION

The conversion of shares within the Sub-Fund or between different Sub-Funds may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

11. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

12. RISK WARNINGS

- 12.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 12.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, execution and counterparty risk, risk connected with the use of derivatives.
- 12.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially the section “Risk Considerations” in the General Part of the Prospectus before determining to invest in the Sub-Fund.

NEW CAPITAL FUND LUX – PRUDENT MULTI-ASSET FUND USD

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Prudent Multi-Asset Fund USD (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the USD.

3. INVESTMENT CURRENCY

There is no restriction on currency. However, in practice, it is expected that the Sub-Fund will primarily invest in securities denominated in USD.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The investment objective of the Sub-Fund is to deliver a consistent risk-adjusted return in all market environments over rolling 12 month periods.

Investment strategy and restrictions

- 4.2 The Sub-Fund invests in global securities and seeks alpha as part of its investment strategy.
- 4.3 The Sub-Fund will gain exposure to a diverse global allocation of asset classes by investing, directly or indirectly through investment in UCITS or other UCIs, in sovereign and corporate bonds, equities, commodities, infrastructure and property.
- 4.4 The Sub-Fund’s exposure to commodities, infrastructure and property will be achieved via investment in REITs, UCITS or other UCIs, including open ended and closed ended ETFs.
- 4.5 The Sub-Fund exposure to emerging markets shall not exceed 30% of the Sub-Fund’s net assets.
- 4.6 The Sub-Fund may not invest more than 10% of its assets in A Shares via Stock Connect.
- 4.7 The Sub-Fund may not invest more than 30% of its assets in below investment grade Debt Securities.
- 4.8 The Sub-Fund may not invest more than 20% of its assets in Contingent Convertible Bonds.
- 4.9 Depending on market conditions and if the Investment Manager considers this to be in the best interest of the Shareholders, the Sub-Fund may also hold, on a temporary basis, up to 100% of its net assets, in Money Market Instruments and/or sovereign Debt Securities.
- 4.10 The Sub-Fund may hold Liquid Assets up to 20% of its net assets. Liquid Assets are limited to bank deposits at sight, such as cash held in current accounts with a bank accessible at any time, in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law or for a period of time strictly necessary in case of unfavorable market conditions.

Benchmark

- 4.11 The Sub-Fund's benchmark is the BofA Merrill Lynch USD 1M Deposit Offered Rate Constant Maturity Index, plus a risk premium of 3 percentage points per annum, and is used for comparative purposes.
- 4.12 The Sub-Fund is actively managed and as such does not seek to replicate its benchmark index, but instead will differ from the performance benchmark in order to achieve its objective. The Investment Manager is not constrained by the benchmark in the selection of investments and may use its discretion to invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities.

Investment in target funds

- 4.13 Within the framework of the above-mentioned investment restrictions, the Sub-Fund may invest up to 100% of its assets in UCITS and UCIs, including ETFs.

Use of financial derivative instruments

- 4.14 The Sub-Fund can use financial derivative instruments, including OTC derivatives for hedging purpose as well as for efficient portfolio management purpose under the conditions disclosed in Appendix 1 of this Prospectus.
- 4.15 The exposure gained via the use of financial derivative instruments must be in line with the objective and investment restrictions of the Sub-Fund.

Participation in SFTs

- 4.16 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors seeking a low to medium risk profile and a medium to long term investment (i.e. at least 3 to 5 years).

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	I Acc	X Acc	X Acc (EUR Hedged)	X Inc
Reference Currency	USD	USD	USD	EUR	USD
Minimum initial investment	USD 100 or one share	USD 100 or one share	USD 5,000,000	EUR 5,000,000	USD 5,000,000

7. FEES AND EXPENSES

Class	O Acc	I Acc	X Acc	X Acc (EUR Hedged)	X Inc
Management Fee	Up to 1.25% p.a.	Up to 0.75% p.a.	Up to 0.02% p.a.	Up to 0.02% p.a.	Up to 0.02% p.a.
Subscription charge	Up to 5%	0%	0%	0%	0%

Redemption charge	0%	0%	0%	0%	0%
Conversion charge	0%	0%	0%	0%	0%

8. INITIAL OFFER PERIOD

- 8.1 The initial offer period of the Sub-Fund has been set at dates determined by the Directors and which are available at the registered office of the Company (the “**Initial Offer Period**”). During this period, shares will be issued at the initial issue price of USD/EUR 100.
- 8.2 Applications must be received by 5 p.m. Luxembourg time on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise. The Initial Offer Period may be extended or terminated earlier by the Directors acting in their sole discretion. Payment must be received at the latest on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise, at which point the application will be accepted provided that it complies with the provisions herein. As from the first Business Day following the Initial Offer Period, shares may be issued and redeemed according to the procedures described below and in the General Part of the Prospectus.

9. SUBSCRIPTION

- 9.1 After the Initial Offer Period of the relevant Class, shares are issued at a price based on the Net Asset Value per share calculated on the relevant Valuation Day increased, as the case may be, by any applicable subscription charge.
- 9.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 9.3 The subscription price must be received by the Company within three (3) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent.
- 9.4 In case an application for subscription is rejected by the Directors, the application monies will immediately be returned to the investor.
- 9.5 Subscription requests can be made for a full number of shares or for an amount in cash.

10. REDEMPTION

- 10.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day.
- 10.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 10.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date

on which the repurchase applications were duly received by the Registrar and Transfer Agent.

11. CONVERSION

The conversion of shares within the Sub-Fund or between different Sub-Funds may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

12. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

13. RISK WARNINGS

13.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.

13.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, execution and counterparty risk, stock market volatility, issuer risk, risk arising from investments in equities, risk arising from investments in emerging markets, risk arising from investments in Coco Bonds, risk arising from investments in lower rated Debt Securities and risk connected with the use of derivatives.

13.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.

NEW CAPITAL FUND LUX – GLOBAL FIXED MATURITY BOND FUND EUR 2024

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Global Fixed Maturity Bond Fund EUR 2024 (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the EUR.

3. INVESTMENT CURRENCY

There is no restriction on currency. However, in practice, it is expected that the Sub-Fund will primarily invest in securities denominated in EUR.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The investment objective of the Sub-Fund is to maximize income over the lifetime of the Sub-Fund.
- 4.2 The Sub-Fund has a limited duration, as it will run until 31 December 2024 (the “**Maturity Date**”) or any other date as defined by the Directors prior to the launch date of the Sub-Fund. In case the decision is taken to deviate from the aforementioned Maturity Date, the Prospectus will be updated accordingly.

Investment strategy and restrictions

- 4.3 The Sub-Fund is actively managed and invests in Debt Securities issued by Sovereigns, Supranational, Public Local Authorities, Semi-Public Enterprises or Private Borrowers, without geographical limitation. Depending on the market assessment, this may at any time result in a concentration of investments in specific regions during certain period of time. As a consequence the Sub-Fund’s assets could entirely be invested either in emerging or developed markets.
- 4.4 The Sub-Fund may not invest more than 40% of its assets in below investment grade Debt Securities.
- 4.5 The Sub-Fund may not invest more than 5% of its assets in Debt Securities with no rating.
- 4.6 The Debt Securities held by the Sub-Fund shall have a maturity falling no more than 12 months after the Maturity Date.
- 4.7 Proceeds received from instruments maturing or liquidating before the Maturity Date will be reinvested or held in cash and cash equivalents, at the Investment Manager’s discretion. Over a period of approximately 6 months approaching the Sub-Fund’s Maturity Date, the Sub-Fund will no longer be subject to investing in Debt Securities matching the criteria set out above; instead, the portfolio will be managed so that investments match the Maturity Date, by investing up to 100% of the Net Asset Value in shorter-dated financial instruments such as commercial paper, bonds, notes, bills, deposits and certificates of deposits. Furthermore, the Investment Manager may hold up to 100% of the Sub-Fund’s Net Asset Value in cash or cash equivalents within the three-month period preceding the Maturity Date in anticipation of the Sub-Fund’s maturity. As such, the Sub-Fund’s yield may generally

tend to move towards the then prevailing money market rates and may be lower than the yields of the debt securities previously held by the Sub-Fund and lower than prevailing yields for similar debt securities in the market, and consequently the investments held by the Sub-Fund may not be reflective of the Sub-Fund's investment strategy as disclosed in this Section as the Maturity Date approaches.

- 4.8 The Sub-Fund will be terminated automatically on the Maturity Date, when the Sub-Fund will be liquidated, and shares of the Sub-Fund will be compulsorily redeemed at the prevailing Net Asset Value per share.

Benchmark

- 4.9 The Sub-Fund is not managed in reference to a benchmark.

Investment in target funds

- 4.10 The Sub-Fund does not invest in UCITS and UCIs.

Use of financial derivative instruments

- 4.11 The Sub-Fund does not use financial derivative instruments.

Participation in SFTs

- 4.12 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors seeking a low to medium risk profile within the fixed income area and whose investment horizon is aligned with the Maturity Date of the Sub-Fund. This Sub-Fund may not be suitable for investors who want to withdraw their money before the Maturity Date.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	I Acc	O Inc	I Inc	X Inc
Reference Currency	EUR	EUR	EUR	EUR	EUR
Minimum initial investment	EUR 100 or one share	EUR 100 or one share	EUR 100 or one share	EUR 100 or one share	EUR 100 or one share

7. FEES AND EXPENSES

Class	O Acc	I Acc	O Inc	I Inc	X Inc
Management Fee	Up to 0.40% p.a.	Up to 0.30% p.a.	Up to 0.40% p.a.	Up to 0.30% p.a.	Up to 0.03% p.a.
Subscription charge	Up to 5%	Up to 5%	Up to 5%	Up to 5%	0%
Redemption charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

Conversion charge	0%	0%	0%	0%	0%
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8. INITIAL OFFER PERIOD

- 8.1 The initial offer period of the Sub-Fund started on 5 October 2020 and ended on 30 October 2020, or on such earlier or later dates as determined by the Directors and made available at the registered office of the Company (the “**Initial Offer Period**”). During this period, shares will be issued at the initial issue price of EUR 100.
- 8.2 Applications must be received by 5 p.m. Luxembourg time on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise. The Initial Offer Period may be extended or terminated earlier by the Directors acting in their sole discretion. Payment must be received at the latest on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise, at which point the application will be accepted provided that it complies with the provisions herein.

9. SUBSCRIPTION

- 9.1 After the launch date of the Sub-Fund, it is no longer intended to market the Sub-Fund and to accept additional subscriptions of Shares unless specifically decided by the Board which will in this context take into account the market conditions, the capacity of the portfolio to be able to make additional investments and consequently the amount of the additional subscriptions.
- 9.2 Where the Board decides to accept additional subscription after the launch date of the Sub-Fund, Shares are issued at the Net Asset Value per share calculated as of the applicable Valuation Day increased, as the case may be, by any applicable subscription charge.
- 9.3 Applications must in this case be received by the Registrar and Transfer Agent no later than 12:00 noon (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day. The subscription price must furthermore be received by the Company within two (2) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent. Subscription requests can in this case be made for a full number of shares or for an amount in cash.
- 9.4 Where monies are received for a subscription of shares albeit the Board did not accept the additional subscription of Shares, monies will immediately be returned to the investor.

10. REDEMPTION

- 10.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day less, as the case may be, any applicable redemption charge.
- 10.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 10.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date

on which the repurchase applications were duly received by the Registrar and Transfer Agent.

11. CONVERSION

The conversion of shares within the Sub-Fund may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

12. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

13. RISK WARNINGS

- 13.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 13.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, counterparty risk and risk arising from investments in emerging markets.
- 13.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.
- 13.4 There can be no assurance that an investor will achieve profits or avoid losses. Neither the income, the return nor the capital of the Sub-Fund is guaranteed. The value of investments and the income derived from such investments may fall as well as rise. There are risks that investors may not recoup the original amount invested in the Sub-Fund during the lifetime of the Sub-Fund as well as at the Maturity Date. Investment in the Sub-Fund may decline in value and investors should be prepared to sustain a substantial or total loss of their investment.
- 13.5 Investors should note that the duration of the Sub-Fund is limited (i.e. up to the Maturity Date) so that the Sub-Fund will be terminated automatically at maturity. Although investors are entitled to redeem their holdings in the Sub-Fund during the lifetime of the Sub-Fund, they are advised to consider whether the expected lifetime is suitable for their intended objectives before they invest in the Sub-Fund. In view of the Sub-Fund’s operational features, in case investors redeem from the Sub-Fund before the Maturity Date,
- such redemptions may be subject to downward adjustment of the redemption price of up to 2% of the original Net Asset Value if the aggregate net investor(s) transactions in shares of the Sub-Fund exceed a pre-determined threshold (please refer to Section 10 of the General Part, sub-section “Swing pricing” for further details);
 - the decrease in fund size of the Sub-Fund resulting from the redemptions will have an immediate impact on the ongoing charges figure (as a percentage of the Sub-Fund’s Net Asset Value), and may lead to adverse impact on investors’ return; and
 - deterioration in the liquidity of the Sub-Fund’s underlying investments may also affect the Sub-Fund’s ability to pay out redemption or termination proceeds to investors.

NEW CAPITAL FUND LUX – GLOBAL FIXED MATURITY BOND FUND USD 2024

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Global Fixed Maturity Bond Fund USD 2024 (the “**Sub-Fund**”).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the USD.

3. INVESTMENT CURRENCY

There is no restriction on currency. However, in practice, it is expected that the Sub-Fund will primarily invest in securities denominated in USD.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The investment objective of the Sub-Fund is to maximize income over the lifetime of the Sub-Fund.
- 4.2 The Sub-Fund has a limited duration, as it will run until 31 December 2024 (the “**Maturity Date**”) or any other date as defined by the Directors prior to the launch date of the Sub-Fund. In case the decision is taken to deviate from the aforementioned Maturity Date, the Prospectus will be updated accordingly.

Investment strategy and restrictions

- 4.3 The Sub-Fund is actively managed and invests in Debt Securities issued by Sovereigns, Supranational, Public Local Authorities, Semi-Public Enterprises or Private Borrowers, without geographical limitation. Depending on the market assessment, this may at any time result in a concentration of investments in specific regions during certain period of time. As a consequence the Sub-Fund’s assets could entirely be invested either in emerging or developed markets.
- 4.4 The Sub-Fund may not invest more than 40% of its assets in below investment grade Debt Securities.
- 4.5 The Sub-Fund may not invest more than 5% of its assets in Debt Securities with no rating.
- 4.6 The Debt Securities held by the Sub-Fund shall have a maturity falling no more than 12 months after the Maturity Date.
- 4.7 Proceeds received from instruments maturing or liquidating before the Maturity Date will be reinvested or held in cash and cash equivalents, at the Investment Manager’s discretion. Over a period of approximately 6 months approaching the Sub-Fund’s Maturity Date, the Sub-Fund will no longer be subject to investing in Debt Securities matching the criteria set out above; instead, the portfolio will be managed so that investments match the Maturity Date, by investing up to 100% of the Net Asset Value in shorter-dated financial instruments such as commercial paper, bonds, notes, bills, deposits and certificates of deposits. Furthermore, the Investment Manager may hold up to 100% of the Sub-Fund’s Net Asset Value in cash or cash equivalents within the three-month period preceding the Maturity Date in anticipation of the Sub-Fund’s maturity. As such, the Sub-Fund’s yield may generally

tend to move towards the then prevailing money market rates and may be lower than the yields of the debt securities previously held by the Sub-Fund and lower than prevailing yields for similar debt securities in the market, and consequently the investments held by the Sub-Fund may not be reflective of the Sub-Fund's investment strategy as disclosed in this Section as the Maturity Date approaches.

- 4.8 The Sub-Fund will be terminated automatically on the Maturity Date, when the Sub-Fund will be liquidated, and shares of the Sub-Fund will be compulsorily redeemed at the prevailing Net Asset Value per share.

Benchmark

- 4.9 The Sub-Fund is not managed in reference to a benchmark.

Investment in target funds

- 4.10 The Sub-Fund does not invest in UCITS and other UCIs.

Use of financial derivative instruments

- 4.11 The Sub-Fund does not use financial derivative instruments.

Participation in SFTs

- 4.12 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors seeking a low to medium risk profile within the fixed income area and whose investment horizon is aligned with the Maturity Date of the Sub-Fund. This Sub-Fund may not be suitable for investors who want to withdraw their money before the Maturity Date.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	I Acc	O Inc	I Inc	X Inc
Reference Currency	USD	USD	USD	USD	USD
Minimum initial investment	USD 100 or one share	USD 100 or one share	USD 100 or one share	USD 100 or one share	USD 100 or one share

7. FEES AND EXPENSES

Class	O Acc	I Acc	O Inc	I Inc	X Inc
Management Fee	Up to 0.40% p.a.	Up to 0.30% p.a.	Up to 0.40% p.a.	Up to 0.30% p.a.	Up to 0.03% p.a.
Subscription charge	Up to 5%	Up to 5%	Up to 5%	Up to 5%	0%
Redemption charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

Conversion charge	0%	0%	0%	0%	0%
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8. INITIAL OFFER PERIOD

- 8.1 The initial offer period of the Sub-Fund started on 5 October 2020 and ended on 30 October 2020, or on such earlier or later dates as determined by the Directors and made available at the registered office of the Company (the “**Initial Offer Period**”). During this period, shares will be issued at the initial issue price of USD 100.
- 8.2 Applications must be received by 5 p.m. Luxembourg time on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise. The Initial Offer Period may be extended or terminated earlier by the Directors acting in their sole discretion. Payment must be received at the latest on the last day of the Initial Offer Period, subject to the Directors’ discretion to determine otherwise, at which point the application will be accepted provided that it complies with the provisions herein.

9. SUBSCRIPTION

- 9.1 After the launch date of the Sub-Fund, it is no longer intended to market the Sub-Fund and to accept additional subscriptions of Shares unless specifically decided by the Board which will in this context take into account the market conditions, the capacity of the portfolio to be able to make additional investments and consequently the amount of the additional subscriptions.
- 9.2 Where the Board decides to accept additional subscription after the launch date of the Sub-Fund, Shares are issued at the Net Asset Value per share calculated as of the applicable Valuation Day increased, as the case may be, by any applicable subscription charge.
- 9.3 Applications must in this case be received by the Registrar and Transfer Agent no later than 12:00 noon (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day. The subscription price must furthermore be received by the Company within two (2) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent. Subscription requests can in this case be made for a full number of shares or for an amount in cash.
- 9.4 Where monies are received for a subscription of shares albeit the Board did not accept the additional subscription of Shares, monies will immediately be returned to the investor.

10. REDEMPTION

- 10.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day less, as the case may be, any applicable redemption charge.
- 10.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.
- 10.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date

on which the repurchase applications were duly received by the Registrar and Transfer Agent.

11. CONVERSION

The conversion of shares within the Sub-Fund may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

12. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

13. RISK WARNINGS

- 13.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 13.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, counterparty risk and risk arising from investments in emerging markets.
- 13.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.
- 13.4 There can be no assurance that an investor will achieve profits or avoid losses. Neither the income, the return nor the capital of the Sub-Fund is guaranteed. The value of investments and the income derived from such investments may fall as well as rise. There are risks that investors may not recoup the original amount invested in the Sub-Fund during the lifetime of the Sub-Fund as well as at the Maturity Date. Investment in the Sub-Fund may decline in value and investors should be prepared to sustain a substantial or total loss of their investment.
- 13.5 Investors should note that the duration of the Sub-Fund is limited (i.e. up to the Maturity Date) so that the Sub-Fund will be terminated automatically at maturity. Although investors are entitled to redeem their holdings in the Sub-Fund during the lifetime of the Sub-Fund, they are advised to consider whether the expected lifetime is suitable for their intended objectives before they invest in the Sub-Fund. In view of the Sub-Fund’s operational features, in case investors redeem from the Sub-Fund before the Maturity Date,
- such redemptions may be subject to downward adjustment of the redemption price of up to 2% of the original Net Asset Value if the aggregate net investor(s) transactions in Units of the Sub-Fund exceed a pre-determined threshold (please refer to Section 10 of the General Part, sub-section “Swing pricing” for further details);
 - the decrease in fund size of the Sub-Fund resulting from the redemptions will have an immediate impact on the ongoing charges figure (as a percentage of the Sub-Fund’s Net Asset Value), and may lead to adverse impact on investors’ return; and
 - deterioration in the liquidity of the Sub-Fund’s underlying investments may also affect the Sub-Fund’s ability to pay out redemption or termination proceeds to investors.

**NEW CAPITAL FUND LUX – GLOBAL FIXED MATURITY BOND FUND EUR 2024 –
SERIES 2**

1. NAME OF THE SUB-FUND

New Capital Fund Lux – Global Fixed Maturity Bond Fund EUR 2024 - Series 2 (the **Sub-Fund**).

2. BASE CURRENCY

The Base Currency of the Sub-Fund is the EUR.

3. INVESTMENT CURRENCY

There is no restriction on currency. However, in practice, it is expected that the Sub-Fund will primarily invest in securities denominated in EUR.

4. INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment objective

- 4.1 The investment objective of the Sub-Fund is to maximize income over the lifetime of the Sub-Fund.
- 4.2 The Sub-Fund has a limited duration, as it will run until 30 June 2024 (the “**Maturity Date**”) or any other date as defined by the Directors prior to the launch date of the Sub-Fund. In case the decision is taken to deviate from the aforementioned Maturity Date, the Prospectus will be updated accordingly.

Investment strategy and restrictions

- 4.3 The Sub-Fund is actively managed and invests in Debt Securities issued by Sovereigns, Supranational, Public Local Authorities, Semi-Public Enterprises or Private Borrowers, without a specific geographical restriction. Depending on the market assessment, this may at any time result in a concentration of investments in specific regions during certain period of time. As a consequence the Sub-Fund’s assets could entirely be invested either in emerging or developed markets.
- 4.4 The Sub-Fund may not invest more than 40% of its assets in below investment grade Debt Securities.
- 4.5 The Sub-Fund may not invest more than 5% of its assets in Debt Securities with no rating.
- 4.6 The Debt Securities held by the Sub-Fund shall have a maturity falling no more than 12 months after the Maturity Date.
- 4.7 Proceeds received from instruments maturing or liquidating before the Maturity Date will be reinvested or held in cash and cash equivalents, at the Investment Manager’s discretion. Over a period of approximately 6 months approaching the Sub-Fund’s Maturity Date, the Sub-Fund will no longer be subject to investing in Debt Securities matching the criteria set out above; instead, the portfolio will be managed so that investments match the Maturity Date, by investing up to 100% of the Net Asset Value in shorter-dated financial instruments such as commercial paper, bonds, notes, bills, deposits and certificates of deposits. Furthermore, the Investment Manager may hold up to 100% of the Sub-Fund’s Net Asset

Value in cash or cash equivalents within the three-month period preceding the Maturity Date in anticipation of the Sub-Fund's maturity. As such, the Sub-Fund's yield may generally tend to move towards the then prevailing money market rates and may be lower than the yields of the debt securities previously held by the Sub-Fund and lower than prevailing yields for similar debt securities in the market, and consequently the investments held by the Sub-Fund may not be reflective of the Sub-Fund's investment strategy as disclosed in this Section as the Maturity Date approaches.

- 4.8 The Sub-Fund will be terminated automatically on the Maturity Date, when the Sub-Fund will be liquidated, and shares of the Sub-Fund will be compulsorily redeemed at the prevailing Net Asset Value per share.

Benchmark

- 4.9 The Sub-Fund is not managed in reference to a benchmark.

Investment in target funds

- 4.10 The Sub-Fund does not invest in UCITS and other UCIs.

Use of financial derivative instruments

- 4.11 The Sub-Fund does not use financial derivative instruments.

Participation in SFTs

- 4.12 The Sub-Fund will not enter into securities lending and borrowing transactions, repurchase and reverse repurchase transactions.

5. PROFILE OF THE TYPICAL INVESTOR

The Sub-Fund is suitable for investors seeking a low to medium risk profile within the fixed income area and whose investment horizon is aligned with the Maturity Date of the Sub-Fund. This Sub-Fund may not be suitable for investors who want to withdraw their money before the Maturity Date.

6. CLASSES OF SHARES AVAILABLE FOR SUBSCRIPTION

Class	O Acc	O Inc
Reference Currency	EUR	EUR
Minimum initial investment	EUR 100 or one share	EUR 100 or one share

7. FEES AND EXPENSES

Class	O Acc	O Inc
Management Fee	Up to 0.36% p.a.	Up to 0.36% p.a.
Subscription charge	Up to 3% after the Initial Offer Period	Up to 3% after the Initial Offer Period
Redemption charge	Up to 3%	Up to 3%

Conversion charge	0%	0%
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8. INITIAL OFFER PERIOD

8.1 The initial offer period of the Sub-Fund will start on 20 April 2021 and will end on 13 May 2021, or on such earlier or later dates as determined by the Directors and made available at the registered office of the Company (the **Initial Offer Period**). During this period, shares will be issued at the initial issue price of EUR 100.

8.2 Applications must be received by 5 p.m. Luxembourg time on the last day of the Initial Offer Period, subject to the Directors' discretion to determine otherwise. The Initial Offer Period may be extended or terminated earlier by the Directors acting in their sole discretion. Payment must be received at the latest on the last day of the Initial Offer Period, subject to the Directors' discretion to determine otherwise, at which point the application will be accepted provided that it complies with the provisions herein.

9. SUBSCRIPTION

9.1 After the launch date of the Sub-Fund, it is no longer intended to market the Sub-Fund and to accept additional subscriptions of Shares unless specifically decided by the Board which will in this context take into account the market conditions, the capacity of the portfolio to be able to make additional investments and consequently the amount of the additional subscriptions.

9.2 Where the Board decides to accept additional subscription after the launch date of the Sub-Fund, Shares are issued at the Net Asset Value per share calculated as of the applicable Valuation Day increased, as the case may be, by any applicable subscription charge.

9.3 Applications must in this case be received by the Registrar and Transfer Agent no later than 12:00 noon (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day. The subscription price must furthermore be received by the Company within two (2) Business Days of the date on which the subscription applications were duly received by the Registrar and Transfer Agent. Subscription requests can in this case be made for a full number of shares or for an amount in cash.

9.4 Where monies are received for a subscription of shares albeit the Board did not accept the additional subscription of Shares, monies will immediately be returned to the investor.

10. REDEMPTION

10.1 Shares will be redeemed at a price based on the Net Asset Value per share calculated on the relevant Valuation Day less, as the case may be, any applicable redemption charge.

10.2 Applications must be received by the Registrar and Transfer Agent no later than 2:00 pm (Luxembourg time) on the Business Day before the relevant Valuation Day in order to be dealt with on the basis of the Net Asset Value per share calculated on that Valuation Day. Any applications received after the applicable deadline will be deemed to be received on the next Valuation Day.

10.3 Settlement of redeemed shares will normally be made in accordance with the instructions given to the Registrar and Transfer Agent no later than three (3) Business Days of the date

on which the repurchase applications were duly received by the Registrar and Transfer Agent.

11. CONVERSION

The conversion of shares within the Sub-Fund may take place on any Business Day, as further detailed in the section “How to Convert Shares” in the General Part of the Prospectus.

12. HISTORICAL PERFORMANCE

Information on the historical performance of the Sub-Fund is disclosed in the relevant PRIIPs Key Information Document.

13. RISK WARNINGS

- 13.1 Investors are advised to carefully consider the risks of investing in the Sub-Fund.
- 13.2 The main risks to which the Sub-Fund may be exposed to, linked to the core investment strategy are among others the credit risk, interest rate risk, currency exchange risk, liquidity risk, issuer risk, counterparty risk and risk arising from investments in emerging markets.
- 13.3 The above list is not exhaustive and does not purport to be a complete explanation of the risks involved when investing in the shares of the Sub-Fund. Prospective investors are advised to carefully read the entire Prospectus and especially Section 4 in the General Part before determining to invest in the Sub-Fund.
- 13.4 There can be no assurance that an investor will achieve profits or avoid losses. Neither the income, the return nor the capital of the Sub-Fund is guaranteed. The value of investments and the income derived from such investments may fall as well as rise. There are risks that investors may not recoup the original amount invested in the Sub-Fund during the lifetime of the Sub-Fund as well as at the Maturity Date. Investment in the Sub-Fund may decline in value and investors should be prepared to sustain a substantial or total loss of their investment.
- 13.5 Investors should note that the duration of the Sub-Fund is limited (i.e., up to the Maturity Date) so that the Sub-Fund will be terminated automatically at maturity. Although investors are entitled to redeem their holdings in the Sub-Fund during the lifetime of the Sub-Fund, they are advised to consider whether the expected lifetime is suitable for their intended objectives before they invest in the Sub-Fund. In view of the Sub-Fund’s operational features, in case investors redeem from the Sub-Fund before the Maturity Date,
- such redemptions may be subject to downward adjustment of the redemption price of up to 2% of the original Net Asset Value if the aggregate net investor(s) transactions in Units of the Sub-Fund exceed a pre-determined threshold (please refer to Section 10 of the General Part, sub-section “Swing pricing” for further details);
 - the decrease in fund size of the Sub-Fund resulting from the redemptions will have an immediate impact on the ongoing charges figure (as a percentage of the Sub-Fund’s Net Asset Value), and may lead to adverse impact on investors’ return; and
 - deterioration in the liquidity of the Sub-Fund’s underlying investments may also affect the Sub-Fund’s ability to pay out redemption or termination proceeds to investors.

ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

The public offering of the Sub-Funds of New Capital Fund Lux (the “SICAV”) in and from Switzerland is subject to the authorisation of the Swiss Financial Market Supervisory Authority (FINMA).

1. Representative

The SICAV’s representative in Switzerland is CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon (the “Swiss Representative”).

2. Paying agent

The SICAV’s paying agent in Switzerland is EFG Bank AG, with its office based at via Bleicherweg 8, P.O. Box 6012, CH-8022 Zurich, Switzerland (the “Swiss Paying Agent”).

3. Place where the relevant documents may be obtained.

The Prospectus, the instruments of incorporation, the key investor information documents together with the annual and semi-annual reports of the SICAV may be obtained upon request and free of charge from the Swiss Representative.

4. Publication

Any notification to investors relating to the SICAV shall be published in Switzerland on the electronic fund information platform www.swissfunddata.ch.

The issue and redemption price or the net asset value of all classes of Shares together with a reference “commissions not included” shall be published daily on the electronic fund information platform www.swissfunddata.ch.

5. Payment of retrocessions and rebates

The SICAV may pay retrocessions as remuneration for distribution activity in respect of shares in or from Switzerland. This remuneration may be deemed payment of the following services in particular:

- production of marketing documentation;
- marketing and distribution activities in Switzerland;
- advertising campaigns, road shows, participation in events, various marketing activities;
- management of the relevant documents of the SICAV;
- activities aimed at ensuring due diligence in the context of anti-money laundering and distribution restrictions;

- training of consultants;
- relationship with investors;
- management of the subscription and redemption process of shares;
- costs of reviewing the distribution activity, when necessary;
- mandating and monitoring of distribution agents in Switzerland.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to investors.

The recipients of the retrocessions are required to ensure transparent disclosure and to inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for the distribution of shares.

On request, the recipients of retrocessions must disclose the amount they actually receive for distributing shares to the investors concerned.

In the context of distribution in or from Switzerland, the SICAV or its agents may, upon request, pay rebates directly to investors. These rebates are intended to reduce the fees and/or costs borne by the investors in question. The rebates are permitted provided that:

- they are paid from fees received by the Manager, the Investment Manager or their agents and therefore do not represent an additional charge on the SICAV's 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 granting rebates are:

- the volume subscribed/expected to be subscribed by the investor or the total volume they hold/expected to hold in the relevant Sub-Fund;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of the SICAV or a sub-fund thereof.

At the request of the investor, the SICAV is required to disclose the amount of such rebates free of charge.

6. Place of performance and jurisdiction

In respect of the Shares distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Swiss Representative.