

# BPER International SICAV

*Société d'investissement à capital variable*

33A, avenue J.F. Kennedy,  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

## SALES PROSPECTUS

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L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2021-03-10  
Commission de Surveillance du Secteur Financier

"Sales Prospectus") is not authorised unless it is accompanied by a copy of the latest available annual report  
") containing the audited balance-sheet and a copy of the latest half-yearly report, if published after such  
the respective annual and semi-annual reports may be obtained free of charge from all paying agents and

sales agencies. It is prohibited to disclose information on the Fund, which is not contained in this Sales Prospectus; the documents mentioned therein, the latest annual report and any subsequent semi-annual report. The English version of this Sales Prospectus is binding

## BPER International SICAV

### TABLE OF CONTENTS

|   |           |
|---|-----------|
| <b>INTRODUCTION .....</b>   | <b>2</b>  |
| <b>SECTION I: AVAILABLE SUB-FUNDS.....</b>  | <b>3</b>  |
| <b>SECTION II GENERAL PROVISIONS .....</b>  | <b>58</b> |
| MANAGEMENT AND ADMINISTRATION.....  | 58        |
| 1. THE FUND .....   | 61        |
| <i>STRUCTURE OF THE FUND .....</i>  | <i>61</i> |
| <i>LEGAL ASPECTS .....</i>  | <i>61</i> |
| 2. INVESTMENT OBJECTIVES AND POLICY .....   | 62        |
| <i>USE OF DERIVATIVES .....</i>   | <i>62</i> |
| <i>USE OF FUTURES AND OPTIONS.....</i>  | <i>62</i> |
| <i>USE OF CREDIT DEFAULT SWAPS (CDS) .....</i>  | <i>63</i> |
| <i>RISKS CONNECTED WITH THE USE OF DERIVATIVES .....</i>  | <i>64</i> |
| 3. RISK PROFILE .....   | 65        |
| 4. TOTAL EXPENSE RATIO ("TER") AND PORTFOLIO TURNOVER ("PTO") .....   | 71        |
| 5. COLLATERAL MANAGEMENT .....  | 71        |
| 6. INVESTMENTS IN BPER INTERNATIONAL SICAV .....  | 72        |
| <i>NET ASSET VALUE.....</i>   | <i>72</i> |
| 7. ISSUE, CONVERSION AND REDEMPTION OF SHARES .....   | 75        |
| <i>ISSUE OF SHARES .....</i>  | <i>75</i> |
| <i>CONVERSION OF SHARES .....</i>   | <i>77</i> |
| <i>REDEMPTION OF SHARES .....</i>   | <i>78</i> |
| <i>SUSPENSION OF THE NET ASSET VALUE CALCULATION AND OF THE ISSUE, CONVERSION AND</i><br><i>REDEMPTION OF SHARES .....</i>  | <i>79</i> |
| 8. LIQUIDATION AND MERGING OF THE FUND AND ITS SUB-FUNDS .....  | 80        |
| <i>LIQUIDATION OF THE FUND.....</i>   | <i>80</i> |
| <i>LIQUIDATION OF SUB-FUNDS AND/OR SHARE CLASSES.....</i>   | <i>80</i> |
| <i>MERGER OF THE FUND OR OF SUB-FUNDS WITH ANOTHER UCITS OR OTHER SUB-FUNDS THEREOF;</i><br><i>MERGERS OF ONE OR MORE SUB-FUNDS WITHIN THE FUND; DIVISION OF SUB-FUNDS.....</i> | <i>81</i> |
| 9. DIVIDEND POLICY .....  | 82        |
| 10. DEPOSITARY .....  | 83        |
| 11. MANAGEMENT COMPANY .....  | 85        |
| 12. ADMINISTRATIVE SERVICES.....  | 86        |
| 13. PORTFOLIO MANAGERS.....   | 86        |
| 14. DISTRIBUTORS .....  | 87        |
| 15. CONFLICTS OF INTEREST .....   | 87        |
| 16. TAXATION .....  | 88        |
| 17. AUTOMATIC EXCHANGE OF INFORMATION AND COMMON REPORTING STANDARD .....   | 89        |
| 18. FATCA PROVISIONS .....  | 89        |
| 19. CHARGES AND EXPENSES .....  | 90        |
| 20. INFORMATION AVAILABLE TO SHAREHOLDERS AND COMPLAINTS HANDLING .....   | 91        |
| 21. DISCLOSURE OF IDENTITY.....   | 91        |
| 22. DATA PROTECTION.....  | 92        |
| 23. INVESTMENT GUIDELINES.....  | 94        |

BPER International SICAV (the "**Fund**") is a company organised as a *société d'investissement à capital variable* ("**SICAV**") and is registered under Part I of the Luxembourg law of December 17, 2010 on undertakings for collective investment, as amended (the "**2010 Law**").

The Fund has appointed UBS Fund Management (Luxembourg) S.A. as its management company (the "**Company**").

This registration pursuant to the Law does not require any Luxembourg authority to approve or disapprove either the adequacy of the Sales Prospectus or the portfolio of securities held by the Fund. Any representation to the contrary is unauthorised and unlawful.

The Sales Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not allowed. In particular, the Fund represents and warrants that the shares of the sub-funds (the "**Shares**") will not be offered from within the United States or to Investors who are US Persons. A US Person is any person who:

- (i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder;
- (ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
- (iv) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or
- (v) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the Fund.

Potential subscribers to the Fund should inform themselves on applicable laws and regulations (i.e. as to the possible tax requirements or foreign exchange control) of the countries of their citizenship, residence or domicile, and which might be relevant to the subscription, purchase, holding, conversion and redemption of Shares. Shares may be acquired on the basis of this Sales Prospectus, the key investor information document, the latest annual report and, if it has already been published, the subsequent semi-annual report.

Any reference to "USD" in the Sales Prospectus refers to the lawful currency of the United States of America and "EUR" to the Euro, the official currency of the "European Monetary Union".

The Sales Prospectus is subject to modifications, a.o. concerning the addition or suppression of sub-funds of the Fund (the "**Sub-Fund(s)**") as well as other modifications. Therefore, it is advisable for subscribers to ask the Fund for the most recent issue of the Sales Prospectus. Unless the context requires otherwise, any reference in the Sales Prospectus to "Fund" shall include a reference to the Sub-Fund(s), as appropriate.

Potential subscribers should note that the structure of the Sales Prospectus is made up of Section I which contains the regulations applicable to each individual Sub-Fund and a Section II which contain the regulations to which the Fund is subject as a whole

## SECTION I: AVAILABLE SUB-FUNDS

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### LIST OF AVAILABLE SUB-FUNDS

|             |  |
|-------------|--|
| Sub-Fund 1  | BPER International SICAV - Equity North America                    |
| Sub-Fund 2  | BPER International SICAV - Global Bond                             |
| Sub-Fund 3  | BPER International SICAV - Global Balanced Risk Control            |
| Sub-Fund 4  | BPER International SICAV - Emerging Markets – Multi Asset Dividend |
| Sub-Fund 5  | BPER International SICAV - Global Convertible Bond EUR             |
| Sub-Fund 6  | BPER International SICAV - Multi Asset Dividend                    |
| Sub-Fund 7  | BPER International SICAV - Open Selection Defence                  |
| Sub-Fund 8  | BPER International SICAV - Open Selection Income                   |
| Sub-Fund 9  | BPER International SICAV - Open Selection Growth                   |
| Sub-Fund 10 | BPER International SICAV – Multi Asset Global Opportunities        |
| Sub-Fund 11 | BPER International SICAV – Global High Yield                       |
| Sub-Fund 12 | BPER International SICAV – Optimal Income                          |
| Sub-Fund 13 | BPER International SICAV – Low Duration European Covered Bond      |
| Sub-Fund 14 | BPER International SICAV – Fixed Income Credit Strategies          |

Unless otherwise indicated in the tables below, each Sub-Fund of the BPER International SICAV is subject to the general regulations as set out in Section II of the Sales Prospectus.

| SUB-FUND 1 - BPER INTERNATIONAL SICAV - EQUITY NORTH AMERICA |  |
|--|--|
| <b>Profile of the typical investor</b>                       | The Sub-Fund is suitable for investors wanting to invest in a broadly diversified equity portfolio.  |
| <b>Historical performance</b>                                | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>                                     | <p>The Sub-Fund is a securities Sub-Fund at least two-thirds invested, following the principle of risk diversification, in equities and other equity shares of companies domiciled in the USA or who own majority shareholdings in companies domiciled in the USA or whose principal business activity is in the USA. The investment process is based on a "growth style" approach. In other words, investments are largely made in companies which enjoy a competitive advantage and/or can demonstrate above-average potential profit growth. In addition, the Fund may invest altogether up to a maximum of one third of its net assets in other countries as well as, in line with the guidelines on investment instruments and restrictions set out in the full Sales Prospectus, up to 25% of the net assets in convertible and warrant-linked issues whose warrants entitle the holder to subscribe to securities, and up to 15% of the net assets in bonds, notes and similar fixed-income and floating-rate investments (incl. floating rate notes) issued by public authorities, semi-public enterprises or private borrowers, as well as in money market paper and, linked to the aforementioned, in warrants on debt instruments issued by the above borrowers. Up to 15% of the net assets of the Sub-Fund may be invested in claims of any type whose income may be qualified as "interest". In addition, the Sub-Fund may buy or sell futures and options on financial instruments or conduct transactions for non-hedging purposes involving options on securities other than for hedging purposes.</p> <p><b>Currency risk hedging range 95% to 105%</b></p> <p>For Share Classes whose reference currencies are not identical to the currency of account of the Sub-Fund ("share classes in foreign currencies"), the fluctuation risk of the reference currency price for those Share Classes is hedged against the currency of account of the Sub-Fund. Provision is made for the amount of the hedging to be between 95% and 105% of the total net assets of the share class in foreign currency. Changes in the market value of the portfolio, as well as in subscriptions and redemptions of share classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Company and the portfolio manager will then take all the necessary steps to bring the hedging back within the aforementioned limits. The hedging described has no effect on possible currency risks resulting from investments denominated in a currency other than the respective sub-fund's currency of account.</p> |
| <b>Benchmark</b>   | Russell 1000 Growth  |

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| <p><b>Information on Benchmark</b></p>          | <p>The Sub-Fund is actively managed in reference to the Russell 1000 Growth (the "<b>Benchmark</b>"). The Benchmark is used for portfolio composition, performance comparison and risk management purposes. While the Sub-Fund may hold assets that are components of the Benchmark, the portfolio manager may however compose the Sub-Fund's portfolio at his own discretion in securities of issuers who are not contained in the Benchmark. He may furthermore decide to deviate from the Benchmark in terms of sector weightings and selection of equity shares to benefit from investment opportunities. In times of high market volatility, the performance of the Sub-Fund may deviate significantly from the Benchmark.</p> <p>As at the date of this Prospectus, the Benchmark is provided by FTSE International Limited, in its capacity as administrator, who is included in ESMA's Benchmarks Register referred to under article 36 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "<b>Benchmarks Regulation</b>").</p> <p>In the event that the Benchmark significantly changes or is no longer provided, the Management Company maintains a written plan setting out actions to be taken in such an eventuality (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Benchmarks Regulation. Shareholders may consult the Contingency Plan free of charge upon request at the registered office of the Management Company.</p> |
| <p><b>Use of Techniques and Instruments</b></p> | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments relating to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities. These techniques and instruments will only be employed if they are in conformity with the investment policy of the Fund and do not adversely affect its quality.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>   |

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| <b>Risk Disclosure</b>   | <p><b>Contagion risk</b></p> <p>Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to Share Classes which have "hedged" in their name could result in liabilities which might affect the net asset value of the other Share Classes of the same Sub-Fund.</p> <p><b>Sustainability risks</b></p> <p>The Portfolio Manager aims to achieve investors' financial objectives while incorporating sustainability into the investment process. The Portfolio Manager defines sustainability as the ability to leverage the Environmental, Social and Governance (ESG) factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ('Sustainability'). The Portfolio Manager believes that consideration of these factors will deliver better informed investment decisions. <b>Unlike funds which promote ESG characteristics or with a specific sustainability or impact objective that may have a constrained investment universe, ESG Integrated Funds are investment funds that primarily aim at maximizing financial performance, whereby ESG aspects are input factors within the investment process.</b> Investment universe restrictions applied on all actively managed funds are captured in the Sustainability Exclusion Policy. Further binding factors, if applicable, are outlined in the Investment Policy of the Sub-Fund.</p> <p>ESG integration is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilizes the ESG Material Issues framework which identifies the financially relevant factors per sector that can impact investment decisions. This orientation toward financial materiality ensures that analysts focus on sustainability factors that can impact the financial performance of the company and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the company's financial performance. The Portfolio Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify companies with material ESG risks. An actionable risk signal highlights ESG risks to the Portfolio Manager for incorporation in their investment decision making process. For non-corporate issuers, the Portfolio Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.</p> |
| <b>Retail Share Classes</b>  | Shares of "Class P" issued in the Accounting Currency and "Class (EUR hedged) P" issued in EUR which are accumulating classes dedicated to retail investors.  |
| <b>Institutional Share Classes</b>   | Shares of "Class I" issued in the Accounting Currency and "Class (EUR hedged) I" issued in EUR which are accumulating classes dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | USD   |
| <b>Distribution Policy of the "Class P", "Class I", "Class (EUR hedged) P" and "Class (EUR hedged) I" Shares is:</b> | Accumulating  |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg.  |
| <b>Minimum Subscription for "Class P" Shares is:</b>   | Initial subscriptions: USD 100  |
| <b>Minimum Subscription for "Class (EUR hedged) P" Shares is:</b>  | Initial subscriptions: EUR 100  |
| <b>Minimum Subscription for "Class I" Shares is:</b>   | Initial subscriptions: USD 100  |

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| <b>Minimum Subscription for "Class (EUR hedged) I" Shares is:</b>  | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" and "Class (EUR hedged) P" Shares is:</b>                                      | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" and "Class (EUR hedged) I" Shares is:</b>                                      | None   |
| <b>Redemption Fee for the "Class P", "Class I", "Class (EUR hedged) P" and "Class (EUR hedged) I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P", "Class I" "Class (EUR hedged) P" and "Class (EUR hedged) I" Shares is:</b>  | None   |
| <b>Portfolio Manager</b>   | UBS Asset Management Switzerland AG is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of UBS Asset Management may transfer their mandates, fully or partially, to associated portfolio managers within UBS Asset Management. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Classes P and (EUR hedged) P are subject to a "Flat Fee" of maximum 1.860% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Classes I and (EUR hedged) I are subject to a "Flat Fee" of maximum 1.05% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>   |

**SUB-FUND 2 - BPER INTERNATIONAL SICAV - GLOBAL BOND**



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| <b>Profile of the typical investor</b>   | The Sub-Fund is suitable for investors who would like to invest in a broadly diversified portfolio of mainly first-class international bonds.  |
| <b>Historical performance</b>            | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>                 | <p>The aim of this Sub-Fund is to provide investors with an opportunity to invest in global bonds or other fixed and floating rate securities issued predominantly by investment grade rated governments, government agencies and supra nationals, including emerging markets. The Sub-Fund may also invest in corporate bonds and may hold up to 10% of its Net Asset Value, in securities which are rated either lower than "BBB-" by S&amp;P or "Baa3" by either Moody's or similarly by another internationally recognized rating service or determined to be of similar creditworthiness by the Portfolio Manager.</p> <p>Investment in higher yielding securities is speculative as it generally entails increased credit and market risk. Such securities are subject to the risk of an issuer's inability to meet principal and interest payments on its obligations (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity.</p> <p>This Sub-Fund may hold liquidities on an ancillary basis.</p>  |
| <b>Benchmark</b>                         | Bloomberg Barclays Global Aggregate TR (CHF hedged) Index  |
| <b>Information on Benchmark</b>          | <p>The Sub-Fund is actively managed in reference to the Bloomberg Barclays Global Aggregate TR (CHF hedged) Index (the "<b>Benchmark</b>"). The Benchmark is used for portfolio composition and performance comparison purposes. While the Sub-Fund may hold assets that are components of the Benchmark, the portfolio manager may invest at his own discretion in securities of issuers who are not contained in the Benchmark. He may furthermore decide to deviate from the Benchmark in terms of sector weightings in order to benefit from investment opportunities. In times of high market volatility, the performance of the Sub-Fund may deviate significantly from the Benchmark.</p> <p>As at the date of this Prospectus, the Benchmark is provided by Bloomberg Index Services Limited, in its capacity as administrator, who is included in ESMA's Benchmarks Register referred to under article 36 of the Benchmarks Regulation.</p> <p>In the event that the Benchmark significantly changes or is no longer provided, the Management Company maintains a written plan setting out actions to be taken in such an eventuality (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Benchmarks Regulation. Shareholders may consult the Contingency Plan free of charge upon request at the registered office of the Management Company.</p> |
| <b>Use of Techniques and Instruments</b> | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 22, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>   |

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| <b>Risk Disclosure</b>   | <p><b>Sustainability risks</b></p> <p>The Portfolio Manager aims to achieve investors' financial objectives while incorporating sustainability into the investment process. The Portfolio Manager defines sustainability as the ability to leverage the Environmental, Social and Governance (ESG) factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ('Sustainability'). The Portfolio Manager believes that consideration of these factors will deliver better informed investment decisions. <b>Unlike funds which promote ESG characteristics or with a specific sustainability or impact objective that may have a constrained investment universe, ESG Integrated Funds are investment funds that primarily aim at maximizing financial performance, whereby ESG aspects are input factors within the investment process.</b> Investment universe restrictions applied on all actively managed funds are captured in the Sustainability Exclusion Policy. Further binding factors, if applicable, are outlined in the Investment Policy of the Sub-Fund.</p> <p>ESG integration is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilizes the ESG Material Issues framework which identifies the financially relevant factors per sector that can impact investment decisions. This orientation toward financial materiality ensures that analysts focus on sustainability factors that can impact the financial performance of the company and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the company's financial performance. The Portfolio Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify companies with material ESG risks. An actionable risk signal highlights ESG risks to the Portfolio Manager for incorporation in their investment decision making process. For non-corporate issuers, the Portfolio Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.</p> |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.  |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | EUR  |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating   |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg.   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" is:</b>                            | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" is:</b>                            | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b>     | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b>     | None   |

|                          |  |
|--------------------------|--|
| <b>Portfolio Manager</b> | UBS Asset Management Switzerland AG is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of UBS Asset Management may transfer their mandates, fully or partially, to associated portfolio managers within UBS Asset Management. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>          | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.085% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.55% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>   |

| SUB-FUND 3 - BPER INTERNATIONAL SICAV – GLOBAL BALANCED RISK CONTROL |  |
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| <b>Profile of the typical investor</b>                               | The Sub-Fund is suitable for investors wanting to invest in a broadly diversified equity portfolio.  |
| <b>Historical performance</b>  | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>   | <p>The Sub-Fund's investment objective is to provide an attractive level of total return, measured in Euro, through investing primarily in a portfolio of transferable securities and money market instruments globally and through the use of financial derivative instruments. The Sub-Fund will implement top-down, tactical views on global asset classes across (i) equity including closed-end real estate investments trusts (REITs); (ii) fixed income securities and (iii) cash and money market instruments. The Sub-Fund may invest up to 80% of its net assets in equities of which up to 30% can be made in emerging markets including China via Stock Connect. The risks associated to the Sub-Fund's investments in China via Stock Connect are described in Chapter 3 "Risk Profile" of this Sales Prospectus, sub-sections "Risks relating to securities trading in mainland China via Stock Connect" and "Beneficial owner of SSE shares/SZSE shares."</p> <p>The Sub-Fund will primarily invest directly or via derivatives, into equity securities, including closed-end REITs; fixed income securities with a duration of up to ten years (including investment grade, non-investment grade of which 30% may be invested in emerging market and government bonds) and unrated securities of which 30% may be invested in high yield bonds); money market instruments and cash. The Sub-Fund will not invest in convertible or contingent convertible debt securities. The Sub-Fund may use financial derivative instruments for hedging and efficient portfolio management purposes. These derivative instruments may include but are not limited to futures, options, warrants, contracts for difference, forward contracts on financial instruments and options on such contracts, credit linked instruments and swap contracts (credit default swaps on credit indices), whether traded on or off exchange.</p> <p>On an ancillary basis, the Sub-Fund will invest up to 10% of its net assets in other transferable securities or, to a limited extent, in collective investment schemes including the Company's Sub-Funds and open-ended ETFs.</p> <p>The Sub-Fund is actively managed and the management of the Sub-Fund is not constrained by or compared to a benchmark.</p> <p>In order to achieve its objective, the Sub-Fund may employ the following investment strategies:</p> <ul style="list-style-type: none"> <li>• Global asset allocation: the Sub-Fund may invest in securities in line with individual asset class indices. The Portfolio Manager will select the indices which will be used to make tactical views globally across (i) equity securities including REITs; (ii) fixed income securities and (iii) cash and money market instruments. The Portfolio Manager may use on or off exchange traded derivatives such as futures or swaps to gain diversified and/or more efficient exposure to specific global markets where due to the intended allocation size or due to inefficiencies in transacting directly in the underlying securities, investing via derivatives is a preferable investment option in the Portfolio Manager's opinion.</li> <li>• Commodity-linked investments: the Sub-Fund may implement tactical views on commodities via exchange traded commodities (ETCs) and/or commodity linked notes up to 10% of its net assets.</li> <li>• Use of cash and derivatives for efficient portfolio management: the Sub-Fund may also invest in cash and cash equivalents, warrants, exchange traded and over-the-counter options, and other derivatives for efficient portfolio management and hedging purposes as well as for the investment purposes as outlined above. The Sub-Fund's investments may result in exposure to emerging markets and to higher yielding securities. The Sub-Fund aims to manage total portfolio risk by managing the volatility level of the portfolio.</li> </ul> |

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| <b>Use of Techniques and Instruments</b>                             | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>   |
| <b>Risk Disclosure</b>   | <p><b>Credit Risk</b></p> <p>Funds which invest in Fixed Income Securities are subject to the risk that an issuer will fail to make timely payments of interest and principal. Issuers with higher credit risk typically offer higher yields for this added risk. Conversely, issuers with lower credit risk typically offer lower yields. Generally, government securities are considered to be the safest in terms of credit risk, while corporate debt, especially those with poorer credit ratings, has the highest credit risk. Changes in the financial condition of an issuer, changes in economic and political conditions in general, or changes in economic and political conditions specific to an issuer, are all factors that may have an adverse impact on an issuer's credit quality and security values.</p> <p><b>Non-Investment Grade Securities</b></p> <p>Non-investment grade securities have a lower credit rating than investment grade securities or are unrated and are generally considered to have a higher credit risk than more highly rated securities. In addition, non-investment grade securities tend to be more volatile than higher rated securities, so that adverse economic events may have a greater impact on the prices of non-investment grade securities than on higher rated securities. The market for securities which are rated below investment grade, have a lower credit rating or are unrated generally has lower liquidity and is less active than that for higher rated securities and a Fund's ability to liquidate its holdings in response to changes in the economy or the financial markets may be further limited by such factors as adverse publicity and investor perceptions.</p> <p><b>Sustainability risks</b></p> <p>Sustainability risks are not systematically integrated due to the nature of the investment objective of the Sub-Fund and they are also not a core part of the investment strategy. The Sub-Fund does not promote particular Environmental, Social and Governance (ESG) characteristics or pursue a specific sustainability or impact objective. Sustainability risks are not relevant due to the nature of the investment objective of the Sub-Fund. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund.</p> <p>"Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.</p> |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.  |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | EUR  |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating   |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg.   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100   |

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| <b>Minimum Subscription for "Class I" Shares is:</b>             | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" is:</b>                        | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" is:</b>                        | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Morgan Stanley Investment Management Limited is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. Morgan Stanley Investment Management Limited may delegate all or any of its functions under the Investment Management Agreement to an affiliate but the Morgan Stanley Investment Management Limited's liability for all matters so delegated shall not be affected by such delegation. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.775% p.a. calculated daily on the average total net assets of the class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.925% p.a. calculated daily on the average total net assets of the class during the month concerned.</p>  |

**SUB-FUND 4 - BPER INTERNATIONAL SICAV - EMERGING MARKETS – MULTI ASSET DIVIDEND**

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| <b>Profile of the typical investor</b> | This Sub-Fund is suitable for investors who focus on income generation and prefer a broad diversification over different asset classes in emerging markets. The investors have a long-term investment horizon and are willing to accept the risk associated with investments in emerging markets.  |
| <b>Historical performance</b>          | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>               | <p>The objective of this Sub-Fund is the combination of investments in different asset classes with focus on Emerging Markets in such a way that the portfolio generates high income (e.g. dividends, interest payments, payment streams from derivatives).</p> <p>To achieve this objective, the Sub-Fund could invest in traditional asset classes such as equities and bonds as well as, within the framework of legally permissible instruments, in non-traditional asset classes, focusing for instance on real estate (e.g. in the form of closed-ended Real Estate Investment Trusts), infrastructure or commodities.</p> <p>To achieve the investment objective and ensure a broad diversification across asset classes, markets, sectors, issuers, ratings and companies, the Sub-Fund may invest up to 100% of its net assets in UCITS and 30% in other UCI. This method of investment and the associated expenses are described in the paragraph "Investments in UCI and UCITS". To achieve the investment objective, the Sub-Fund may invest in all legally permissible instruments, thereby making use of derivative financial instruments, which can be used for hedging purposes and/or for participation in the anticipated market development.</p> <p>The Sub-Fund may invest in Exchange Traded Funds ("ETFs") on commodities indices and sub-indices. Furthermore, the Sub-Fund may invest in existing UCI and UCITS with an investment focus on commodities, provided that those UCI and UCITS invest exclusively via participation in commodities indices and sub-indices. Where the Sub-Fund participates in the performance of real estate, this primarily takes place through investments in units issued by closed-ended real estate companies (real estate investment trusts, REITs), UCITS or other UCI which invest either directly or indirectly in real estate.</p> <p>The Sub-Fund invests primarily in investments which focus on emerging markets. This means that the Sub-Fund is exposed to specific risks which may be greater than the normal risks inherent in internationally oriented investments. An overview of the general risks with investments focusing on emerging markets is given in the paragraph "Risk Disclosure."</p> <p><b>Investments in UCI and UCITS</b></p> <p>Sub-funds whose net assets are partially or fully invested in existing UCIs or UCITS in accordance with their particular investment policies have either partially or fully the structure of a fund of funds.</p> <p>The general advantage of a fund of funds structure as compared to a structure of funds that make direct investments in assets is the efficient risk diversification. With a fund of funds, the risk of insufficient investment diversification is not just limited on the basis of the various positions (target funds) in the portfolio, but also because of the strict risk spreading requirements to which the target funds are subject. For this reason, when investing in a fund of funds, the investor enjoys the advantage of a product that undertakes risk diversification by means of which the risk inherent in each individual product is substantially minimised. A fund of funds also offers investors the opportunity to invest in numerous securities by means of a single product. Investors should note that with funds of funds, certain fees and expenses may be payable more than once (e.g. fees for the Depositary and the Administrative Agent and/or administration fees, management and/or consulting commissions, fees for the issue/redemption of target fund units). These fees may be charged both by the target funds and within the fund of funds.</p> |

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|  | <p>The Sub-Funds may also invest in UCI and/or UCITS managed by UBS Fund Management (Luxembourg) S.A. or by a company with which it is associated through common management or control or through a substantial direct or indirect stake. In this case, no issuing or redemption commission will be charged on subscription to or redemption of these units. The aforementioned dual charging of commission and expenses may apply only to the expenses of the administrator and Depositary in the case of investments in such UCI and UCITS.</p> <p>The general expenses as well as costs incurred when investing in existing funds are dealt with in the Chapter 23 "Investment guidelines" under 2.7 and in the Chapter 19 "Charges and Expenses".</p> <p>The Sub-Fund is actively managed in reference to a composed benchmark for risk management purposes, consisting of 50% MSCI Emerging Markets Index (net div. reinvested.); 20% J.P. Morgan Emerging Markets Bond Index Global (TR); 20% J.P. Morgan Government Bond Index - Emerging Markets Global Diversified (TR); 5% J.P. Morgan Asia Credit Index (TR); 5% J.P. Morgan Asia Credit Index Non-Investment Grade (TR).</p> |
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## Risk Disclosure

### Emerging markets risk

The term "emerging markets" is used to describe markets included in the International Finance Corporation Composite Index and/or the MSCI Emerging Markets Index and other countries which are at a comparable level of economic development, or in which there are new equity markets.

Emerging markets are at an early stage of development and suffer from increased risk of expropriation, nationalisation and social, political and economic insecurity.

Below is an overview of the general risks involving emerging markets:

- Counterfeit securities - due to the weakness in supervisory structures, securities purchased by the Sub-Fund may be counterfeit. Hence it is possible to suffer losses.
- Liquidity difficulties - the buying and selling of securities can be costlier, lengthier and in general more difficult than is the case in more developed markets. Difficulties with liquidity can also increase price volatility. Many emerging markets are small, have low trading volumes and suffer from low liquidity and high price volatility.
- Currency fluctuations - the currencies of countries in which the Sub-Fund invests, compared with the currency of account of the Sub-Fund, can undergo substantial fluctuations once the Sub-Fund has invested in these currencies. Such fluctuations may have a significant effect on the Sub-Fund's income. It is not possible to apply currency risk hedging techniques to all currencies in emerging market countries.
- Currency export restrictions - it cannot be excluded that emerging markets limit or temporarily suspend the export of currencies. Consequently, it is not possible for the Sub-Fund to draw any sales proceeds without delays. To minimise the possible impact on redemption applications, the Sub-Fund will invest in a large number of markets.
- Settlement and custody risks - the settlement and custody systems in emerging market countries are not as well developed as those in developed markets. Standards are not as high and the supervisory authorities not as experienced. Consequently, settlement may be delayed, thereby posing disadvantages for liquidity and securities.
- Restrictions on buying and selling - in some cases, emerging markets can place restrictions on the buying of securities by foreign investors. Some equities are thus not available to the Sub-Fund because the maximum number allowed to be held by foreign shareholders has been exceeded. In addition, the participation of foreign investors in the net income, capital and distributions may be subject to restrictions or government approval. Emerging markets may also limit the sale of securities by foreign investors. Should the Sub-Fund be barred due to such a restriction from selling its securities in an emerging market, it will try to obtain an exceptional approval from the authorities responsible or to counter the negative impact of this restriction through its investments in other markets. The Sub-Fund will only invest in markets in which the restrictions are acceptable. However, it is not possible to prevent additional restrictions from being imposed.

### Sustainability risks

The Portfolio Manager aims to achieve investors' financial objectives while incorporating sustainability into the investment process. The Portfolio Manager defines sustainability as the ability to leverage the Environmental, Social and Governance (ESG) factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ('Sustainability'). The Portfolio Manager believes that consideration of these factors will deliver better informed investment decisions. **Unlike funds which promote ESG characteristics or with a specific sustainability or impact objective that may have a constrained investment universe, ESG Integrated Funds are investment funds that primarily aim at maximizing financial performance, whereby ESG aspects are input factors within the investment process.** Investment universe restrictions applied on all actively managed funds are captured in the Sustainability Exclusion Policy. Further binding factors, if applicable, are outlined in the Investment Policy of the Sub-Fund.

ESG integration is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilizes the ESG Material Issues framework which identifies the financially relevant factors per sector that can impact investment decisions. This orientation toward financial materiality ensures that analysts focus on sustainability factors that

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|  | <p>can impact the financial performance of the company and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the company's financial performance. The Portfolio Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify companies with material ESG risks. An actionable risk signal highlights ESG risks to the Portfolio Manager for incorporation in their investment decision making process. For non-corporate issuers, the Portfolio Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.</p> <p>The Portfolio Manager takes ESG integration into account when allocating to underlying strategies, including target funds. For underlying strategies managed by UBS, the Portfolio Manager identifies ESG integrated assets resulting from the ESG integration research process described above. For externally managed strategies, ESG integrated assets are identified via the third-party manager research process.</p> |
|  | <ul style="list-style-type: none"> <li>Accounting - the accounting, auditing and reporting standards, methods, practices and disclosures required by companies in emerging markets differ from those in developed markets in respect of content, quality and the deadlines for providing information to investors. It may thus be difficult to correctly evaluate the investment options.</li> </ul> <p><b>This Sub-Fund therefore addresses risk-conscious investors.</b></p>  |
| <b>Use of Techniques and Instruments</b>                                       | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>  |
| <b>Retail Share Class</b>  | Shares of "Class P-dist" issued in the Accounting Currency which is a distributing class dedicated to retail investors.   |
| <b>Institutional Share Class</b>   | Shares of "Class I-dist" issued in the Accounting Currency which is a distributing class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>   | EUR   |
| <b>Distribution Policy of the "Class P-dist" and "Class I-dist" Shares is:</b> | <p>Distributing – semi-annual, based on figures of June and in December, payable to shareholders in July and January of each year.</p> <p>The payment of distributions as well as the amount of any such distributions, is decided by the general meeting of shareholders of the Sub-Fund; it shall do so acting on a proposal from the Board after closure of the annual accounts. Distributions may be composed of income (e.g. dividend income and interest income) or capital and they may include or exclude fees and expenses.</p>  |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg.  |

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| <b>Minimum Subscription for "Class P-dist" Shares is:</b>                  | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I-dist" Shares is:</b>                  | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P-dist" Shares is:</b>                      | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I-dist" " Shares is:</b>                    | None   |
| <b>Redemption fee for the "Class P-dist" and "Class I-dist" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P-dist" and "Class I-dist" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | UBS Asset Management Switzerland AG is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to section 14 of this Sales Prospectus. The portfolio management units of UBS Asset Management may transfer their mandates, fully or partially, to associated portfolio managers within UBS Asset Management. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P-dist is subject to a "Flat Fee" of maximum 2.06% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I-dist is subject to a "Flat Fee" of maximum 1.05% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>  |

| SUB-FUND 5 - BPER INTERNATIONAL SICAV – GLOBAL CONVERTIBLE BOND EUR |  |
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| <b>Profile of the typical investor</b>                              | The Sub-Fund is suitable for investors wanting to invest in a broadly diversified portfolio of Global convertible bonds.   |
| <b>Historical performance</b>                                       | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>  | <p>The aim of the Sub-Fund is to give the investors the opportunity to invest in a broadly diversified approach into the global convertible bond universe. The Sub-Fund enables the investors to incorporate convertible bonds as an asset class within an efficient portfolio and to improve the risk-return profile of the portfolio. The Sub-Fund is for investors wishing to participate in the growth of the stock market, but requiring a certain level of security, which is defined for a convertible issue by the so-called bond floor. It is the hybrid characteristics of convertible bonds which allow on the one hand side to benefit from the appreciation of the equity markets due to the increased value of conversion right embedded in a convertible bond and on the other hand to benefit from the security of a bond investment in times when the equity markets are less positive. Depending on the characteristics of the convertible bonds comprised in the Sub-Fund, the Sub-Fund may be more equity or bond sensitive and therefore correlate more with the equities or the bond markets.</p> <p>The Sub Fund may invest no more than 10% of its assets in other undertakings for collective investment in transferable securities ("UCITS") or undertakings for collective investment ("UCI"). The sub-fund may invest no more than 20% of its net assets in fixed-income instruments denominated in RMB and traded on the China Interbank Bond Market ("CIBM"), through Bond Connect or the RQFII quota granted to an entity of the UBS Group. These instruments may include securities issued by governments, quasi-public corporations, banks, corporations and other institutions in the People's Republic of China ("PRC" or "China") that are authorised to be traded directly on the CIBM, through Bond Connect or the exchange traded market via RQFII quota. The associated risks are described in Chapter 3 "Risk Profile" of this Sales Prospectus, sub-sections "Risk information on investments traded on the China Interbank Bond Market," "Risk information on investments traded on the CIBM via the Northbound Trading Link through Bond Connect" and "QFII/RQFII Risks."</p> <p>This Sub-Fund may hold liquid assets on an ancillary basis.</p> |
| <b>Benchmark</b>  | Refinitiv Global Convertible Index - Global Vanilla Hedged EUR   |
| <b>Information on Benchmark</b>                                     | <p>The Sub-Fund is actively managed in reference to the Thomson Reuters Global Convertible Index - Global Vanilla Hedged EUR (the "<b>Benchmark</b>"). The Benchmark is used for portfolio composition, performance comparison and risk management purposes. Even though the portfolio may partially be invested in the same instruments with the same weightings as the Benchmark, the portfolio manager may compose the Sub-Fund's portfolio at his own discretion and is not bound to the Benchmark. The portfolio manager may especially invest at his own discretion in securities of issuers, who are not contained in the Benchmark. He may furthermore decide to deviate from the Benchmark in terms of sector weightings in order to benefit from investment opportunities. In times of high market volatility, the performance of the Sub-fund may deviate significantly from the Benchmark.</p> <p>As at the date of this Prospectus, the Benchmark is provided by Refinitiv Benchmark Services (UK) Limited, in its capacity as administrator, who is included in ESMA's Benchmarks Register referred to under article 36 of the Benchmarks Regulation.</p> <p>In the event that the Benchmark significantly changes or is no longer provided, the Management Company maintains a written plan setting out actions to be taken in such an eventuality (the "<b>Contingency Plan</b>"), as required by article 28(2) of the Benchmarks Regulation. Shareholders may consult the Contingency Plan free of charge upon request at the registered office of the Management Company.</p>  |

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| <p><b>Risk Disclosure</b></p>                   | <p><b>Credit Risk</b></p> <p>The Sub-Fund may invest in convertible bonds that are not rated. As they are unrated, these securities may be subject to greater price volatility and funds investing in these securities must rely on the portfolio manager(s)' credit assessment of such securities and are in particular subject to a high credit risk.</p> <p><b>Liquidity Risk</b></p> <p>Convertible Bonds are mainly issued by Small Caps companies and can be in both developed and emerging markets. Buying and selling of Convertible Bonds can be more expensive, more time consuming and in general more difficult than other securities bringing to liquidity difficulties which can also entail a price volatility increase. Small Caps companies in both developed and emerging markets have low trading volumes and suffer from low liquidity and high price volatility.</p> <p><b>Sustainability risks</b></p> <p>The Portfolio Manager aims to achieve investors' financial objectives while incorporating sustainability into the investment process. The Portfolio Manager defines sustainability as the ability to leverage the Environmental, Social and Governance (ESG) factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ('Sustainability'). The Portfolio Manager believes that consideration of these factors will deliver better informed investment decisions. <b>Unlike funds which promote ESG characteristics or with a specific sustainability or impact objective that may have a constrained investment universe, ESG Integrated Funds are investment funds that primarily aim at maximizing financial performance, whereby ESG aspects are input factors within the investment process.</b> Investment universe restrictions applied on all actively managed funds are captured in the Sustainability Exclusion Policy. Further binding factors, if applicable, are outlined in the Investment Policy of the Sub-Fund.</p> <p>ESG integration is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilizes the ESG Material Issues framework which identifies the financially relevant factors per sector that can impact investment decisions. This orientation toward financial materiality ensures that analysts focus on sustainability factors that can impact the financial performance of the company and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the company's financial performance. The Portfolio Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify companies with material ESG risks. An actionable risk signal highlights ESG risks to the Portfolio Manager for incorporation in their investment decision making process. For non-corporate issuers, the Portfolio Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.</p> |
| <p><b>Use of Techniques and Instruments</b></p> | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>   |
| <p><b>Retail Share Class</b></p>                | <p>Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.</p>   |

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| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | EUR  |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating   |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg.   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" is:</b>                            | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" is:</b>                            | None   |
| <b>Redemption fee of the "Class P" and "Class I" Shares is:</b>      | None   |
| <b>Conversion Fee of the "Class P" and "Class I" Shares is:</b>      | None   |
| <b>Portfolio Manager</b>   | UBS Asset Management Switzerland AG is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of UBS Asset Management may transfer their mandates, fully or partially, to associated portfolio managers within UBS Asset Management. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.765% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.90% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>   |

## SUB-FUND 6 – BPER INTERNATIONAL SICAV – MULTI ASSET DIVIDEND

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| <b>Profile of the typical investor</b> | This Sub-Fund is suitable for investors with a medium-long term investment horizon who wish to have broadly diversified participation in the global markets and to receive a regular distribution of income.   |
| <b>Historical performance</b>          | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>               | <p>The objective of this Sub-Fund is the combination of investments in different asset classes in such a way that the portfolio generates high income (dividends, interest payments, payment streams from derivatives and others). This income is predominantly distributed to the investors.</p> <p>Risk diversification and dynamic distribution between the various asset classes have the objective of creating a more stable capital base through diversification, which would not be possible if there were a restriction to a single asset class.</p> <p>To this end, within the framework of legally permissible instruments, including globally diversified direct investments or via use of derivative financial instruments or existing UCIs or UCITS, the Sub-Fund may invest both in the classic investment classes of equities and bonds, as well as within the legally permissible framework in investments focusing on the real estate asset class (e.g. in the form of Real Estate Investment Trusts).</p> <p>In line with the above-described investment policy the Sub-Fund invests a maximum of 50% in equities, other share-type capital participations such as cooperative shares, dividend-right certificates and profit participation certificates (equities and equity rights) and warrants on securities.</p> <p>If it appears to be appropriate for reaching the investment objectives, the Sub-Fund may invest all of its assets in debt instruments and claims, as described in the general investment policy.</p> <p>Within this asset class, the Sub-Fund may invest up to 100% of its assets in state-guaranteed bonds and in corporate bonds.</p> <p>The upper limit for investments in inflation-linked notes is 75% of Sub-Fund assets in each case.</p> <p>A maximum of 50% of the investments of the Sub-Fund may be made in bonds rated less than BBB- (Standard &amp; Poor's) or with a similar rating from another recognised agency or – in so far as it concerns a new issue that does not yet have an official rating – a comparable internal UBS rating. Investments rated between BB+ and C may carry an above-average yield, but also a higher credit risk than investments in securities of first-class borrowers. The above-mentioned securities correspond to securities as defined in Article 41 of the 2010 Law. The Sub-Fund may invest up to 25% of its assets in Emerging Market Bonds.</p> <p>Up to 15% of Sub-Fund assets may also be invested in the commodities asset through stock market-traded investment, funds ETF securities on commodity indices. These are stock market-traded securities whose price is coupled to the development of a commodity index, and which must comply with legally defined criteria. The Sub-Fund may also invest in existing UCI and UCITS with the emphasis on commodities on condition that these in turn invest exclusively through a participation in commodity indices.</p> <p>To achieve the investment objectives and to ensure a broad spread (diversification) of all investments by asset classes, markets, sectors, issuers, ratings and companies, the Sub-Fund may invest up to 100% of its net assets in existing UCI and UCITS. This method of investment and the associated expenses are described in the paragraph "Investments in UCI and UCITS".</p> <p>The Sub-Fund may invest up to 100% of its assets in cash or money market-related securities.</p> <p>To achieve its investment policy, the Sub-Fund may also make extensive use of derivative financial instruments and/or resort to more complex strategies; hence its classification as a complex UCITS.</p> <p>To implement the investment objectives and achieve efficient portfolio management, the portfolio manager may, through the use of derivatives (e.g. swap contracts), exchange the performance of significant parts of the portfolio against the performance of other, legally permissible investments for which provision is made in the investment policy in order to profit from the volatility of the asset</p> |

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|  | <p>classes or to achieve significant investment exposure as defined in the investment policy through investment in futures and forwards.</p> <p>To achieve its objectives, the Sub-Fund may make investments on the credit derivatives market by, among other things, investing in credit default swaps (CDS) of individual issuers and in indices of the iTraxx and CDX index family that are based on the CDS of individual issuers.</p> <p>The Sub-Fund is actively managed without reference to a benchmark.</p> <p><b>Investments in UCI and UCITS</b></p> <p>Sub-funds whose net assets are partially or fully invested in existing UCIs or UCITS in accordance with their particular investment policies have either partially or fully the structure of a fund of funds.</p> <p>The general advantage of a fund of funds structure as compared to a structure of funds that make direct investments in assets is the efficient risk diversification. With a fund of funds, the risk of insufficient investment diversification is not just limited on the basis of the various positions (target funds) in the portfolio, but also because of the strict risk spreading requirements to which the target funds are subject. For this reason, when investing in a fund of funds, the investor enjoys the advantage of a product that undertakes risk diversification by means of which the risk inherent in each individual product is substantially minimised. A fund of funds also offers investors the opportunity to invest in numerous securities by means of a single product. Investors should note that with funds of funds, certain fees and expenses may be payable more than once (e.g. fees for the Depositary and the Administrative Agent and/or administration fees, management and/or consulting commissions, fees for the issue/redemption of target fund units). These fees may be charged both by the target funds and within the fund of funds.</p> <p>The Sub-Funds may also invest in UCI and/or UCITS managed by UBS Fund Management (Luxembourg) S.A. or by a company with which it is associated through common management or control or through a substantial direct or indirect stake. In this case, no issuing or redemption commission will be charged on subscription to or redemption of these units. The aforementioned dual charging of commission and expenses may apply only to the expenses of the administrator and Depositary in the case of investments in such UCI and UCITS.</p> <p>The general expenses as well as costs incurred when investing in existing funds are dealt with in the Chapter 23 "Investment guidelines" under 2.7 and in the Chapter 19 "Charges and Expenses".</p> |
| <b>Risk Disclosure</b>                   | <p><b>Sustainability risks</b></p> <p>The Sub-Fund does not promote Environmental, Social or Governance (ESG) characteristics or pursue a sustainability or impact objective. Sustainability risks are not systematically integrated due to the investment strategy and the nature of the underlying investments. The Sub-Fund may invest in underlying ESG integrated strategies, however, the allocation to these investments does not allow for this Sub-Fund to be categorised by UBS Asset Management as ESG Integrated. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund.</p>  |
| <b>Use of Techniques and Instruments</b> | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>   |
| <b>Retail Share Class</b>                | Shares of "Class P-dist" issued in the Accounting Currency which is a distributing class dedicated to retail investors.  |
| <b>Institutional Share Class</b>         | Shares of "Class I-dist" issued in the Accounting Currency which is a distributing class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>               | EUR  |



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| <b>Distribution Policy of the "Class P-dist" and "Class I-dist" Shares is:</b> | <p>Distributing – semi-annual, based on figures of June and in December, payable to shareholders in July and January of each year.</p> <p>The payment of distributions as well as the amount of any such distributions, is decided by the general meeting of shareholders of the Sub-Fund; it shall do so acting on a proposal from the Board after closure of the annual accounts. Distributions may be composed of income (e.g. dividend income and interest income) or capital and they may include or exclude fees and expenses.</p> |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg  |
| <b>Minimum Subscription for "Class P-dist" Shares is:</b>                      | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I-dist" Shares is:</b>                      | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P-dist" is:</b>                                 | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I-dist" is:</b>                                 | None   |
| <b>Redemption Fee for the "Class P-dist" and "Class I-dist" Shares is:</b>     | None   |
| <b>Conversion Fee for the "Class P-dist" and "Class I-dist" Shares is:</b>     | None   |
| <b>Portfolio Manager</b>   | UBS Asset Management Switzerland AG is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of UBS Asset Management may transfer their mandates, fully or partially, to associated portfolio managers within UBS Asset Management. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company.         |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P-dist is subject to a "Flat Fee" of 1.37% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I-dist is subject to a "Flat Fee" of 0.75% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>  |

## SUB-FUND 7 – BPER INTERNATIONAL SICAV – OPEN SELECTION DEFENCE

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| <b>Profile of the typical investor</b> | This Sub-Fund is suitable for investors with a medium term investment horizon who wish to invest in a broadly diversified and actively managed portfolio of international bonds with limited exposure to equities. Investors are prepared to accept the risk associated with this type of investment as set in Chapter 3 "Risk Profile" of this Sales Prospectus.  |
| <b>Historical performance</b>          | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>               | <p>The aim of this Sub-Fund is to provide investors with an opportunity to invest in different asset classes through a flexible asset allocation approach and a highly diversified portfolio of debt and equity securities, commodities related securities and money market instruments in major markets and currencies. The Sub-Fund investment strategy is designed to manage the risk profile with consideration to capital security.</p> <p>The Sub-Fund mainly invests in other UCITS or UCI. The Sub-Fund may also directly invest in money market instruments and fixed and floating rate securities issued by governments, government agencies, supra nationals and corporate entities, including emerging markets.</p> <p>The Sub-Fund limits of exposure to the asset classes shall be considered on a consolidated basis, i.e. either by investment in other funds or by direct investment.</p> <p>The Sub-Fund may invest its assets worldwide and the investments are also broadly diversified in terms of sectors, issuers and ratings.</p> <p>The Sub-Fund may invest part of its assets in instruments with a rating below investment grade (lower than "BBB-" by S&amp;P or "Baa3" by either Moody's or similarly by another internationally recognized rating service or determined to be of similar creditworthiness by the Portfolio Manager). The Sub-Fund may also invest part of its assets in debt securities of issuers domiciled in Emerging Countries.</p> <p>If it appears to be appropriate for reaching the investment objectives, the Sub-Fund may invest all of its assets in debt instruments. Within this asset class, the Sub-Fund may invest up to 100% of its assets in state-guaranteed (governments or public issuers) or corporate bonds.</p> <p>In addition, the Sub-Fund may invest up to 15% in equity and/or commodity related instruments. The portfolio manager may purchase ETF replicating the price performance of commodity indices.</p> <p>The portfolio manager may also purchase ETN and ETC securities replicating the price performance of either commodity indices or individual commodities.</p> <p>The Sub-Fund may also invest in existing UCI and UCITS with the emphasis on commodities on condition that these in turn invest exclusively through a participation in commodity indices.</p> <p>All the above mentioned instruments must ensure at all times that physical delivery to the Sub-Fund is excluded. The Sub-Fund may invest up to 100% of its assets in cash or money market-related securities.</p> <p>To achieve the investment objectives and to ensure a broad diversification of all investments by asset classes, markets, sectors, issuers, ratings and companies, the Sub-Fund may invest up to 100% of its net assets in existing UCI and UCITS. This method of investment and the associated expenses are described in the paragraph "Investments in UCI and UCITS".</p> <p>The Sub-Fund is actively managed without reference to a benchmark.</p> <p>The reference currency of the Sub-Fund is the EUR.</p> <p>Investments may be made anywhere in the world and the instruments are mainly denominated in euro. The risks related with the investment in currencies other than the reference currency may be hedged partially or in full.</p> <p>Therefore, the net asset value per share of the Sub-Fund may be influenced by the movements in the exchange rates of the invested currencies.</p> |

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|  | <p><b>Investments in UCI and UCITS</b></p> <p>Sub-Funds whose net assets are partially or fully invested in existing UCI or UCITS in accordance with their particular investment policies have either partially or fully the structure of a fund of funds.</p> <p>The general advantage of a fund of funds structure as compared to a structure of funds that make direct investments in assets is the efficient risk diversification. With a fund of funds, the risk of insufficient investment diversification is not just limited on the basis of the various positions (target funds) in the portfolio, but also because of the strict risk spreading requirements to which the target funds are subject. For this reason, when investing in a fund of funds, the investor enjoys the advantage of a product that undertakes risk diversification by means of which the risk inherent in each individual product is substantially minimised. A fund of funds also offers investors the opportunity to invest in numerous securities by means of a single product. Investors should note that with funds of funds, certain fees and expenses may be payable more than once (e.g. fees for the Depositary and the Administrative Agent and/or administration fees, management and/or consulting commissions, fees for the issue/redemption of target fund units). These fees may be charged both by the target funds and within the fund of funds.</p> <p>The general expenses as well as costs incurred when investing in existing funds are dealt with in the Chapter 23. "Investment Guidelines" under 2.7 and in the Chapter 19 "Charges and Expenses".</p> |
| <b>Risk Disclosure</b>   | <p><b>Sustainability risks</b></p> <p>Sustainability risks are not systematically integrated due to the nature of the investment objective of the Sub-Fund and they are also not a core part of the investment strategy. The Sub-Fund does not promote particular Environmental, Social and Governance (ESG) characteristics or pursue a specific sustainability or impact objective. Sustainability risks are not relevant due to the nature of the investment objective of the Sub-Fund. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund. "Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.</p>  |
| <b>Use of Techniques and Instruments</b>                             | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>  |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.   |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>   | EUR   |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating  |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100  |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100  |
| <b>Subscription Fee for "Class P" Shares is:</b>                     | Up to 3% of the subscribed amount payable to the Distributor.   |

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| <b>Subscription Fee for "Class I" Shares is:</b>                 | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Optima S.p.A. SIM, Modena Italy is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus.  |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of 0.96% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of 0.50% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The maximum level of flat fee that may be charged to both the Sub-Fund and the other UCITS and/or UCI in which it intends to invest is 2.50%.</p> |

## SUB-FUND 8 – BPER INTERNATIONAL SICAV – OPEN SELECTION INCOME

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| <b>Profile of the typical investor</b> | This Sub-Fund is suitable for investors with a medium to long term investment horizon who wish to invest in a broadly diversified and actively managed portfolio of international bonds with variable exposure to equities. Investors are prepared to accept the risk associated with this type of investment as set in Chapter 3 "Risk Profile" of this Sales Prospectus.  |
| <b>Historical performance</b>          | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.  |
| <b>Investment Policy</b>               | <p>The aim of this Sub-Fund is to provide investors with an opportunity to invest in different asset classes through a flexible asset allocation approach and a highly diversified portfolio of debt and equity securities, commodities related securities and money market instruments in major markets and currencies. The Sub-Fund investment strategy is designed to achieve capital increase within a moderate risk profile.</p> <p>The Sub-Fund mainly invests in other UCITS or UCI. The Sub-Fund may also directly invest in money market instruments and fixed and floating rate securities issued by governments, government agencies, supra nationals and corporate entities, including emerging markets.</p> <p>The Sub-Fund may directly invest in equities, equity rights and warrants as well as shares, other equity shares and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, or warrants remaining after the separate sale of ex-issues and any equities acquired with these warrants.</p> <p>The Sub-Fund limits of exposure to the asset classes shall be considered on a consolidated basis, i.e. either by investment in other funds or by direct investment.</p> <p>The Sub-Fund may invest its assets worldwide and the investments are also broadly diversified in terms of sectors, issuers and ratings. The Sub-Fund may invest in stocks listed in the Euro area.</p> <p>The Sub-Fund may invest part of its assets in instruments with a rating below investment grade (lower than "BBB-" by S&amp;P or "Baa3" by either Moody's or similarly by another internationally recognized rating service or determined to be of similar creditworthiness by the Portfolio Manager). The Sub-Fund may also invest part of its assets in debt securities of issuers domiciled in Emerging Countries.</p> <p>If it appears to be appropriate for reaching the investment objectives, the Sub-Fund may invest all of its assets in debt instruments. Within this asset class, the Sub-Fund may invest up to 100% of its assets in state-guaranteed (governments or public issuers) or corporate bonds.</p> <p>In addition, the Sub-Fund may invest up to 40% in equity and/or commodity related instruments. The portfolio manager may purchase ETF replicating the price performance of commodity indices.</p> <p>The portfolio manager may also purchase ETN and ETC securities replicating the price performance of either commodity indices or individual commodities.</p> <p>The Sub-Fund may also invest in existing UCI and UCITS with the emphasis on commodities on condition that these in turn invest exclusively through a participation in commodity indices.</p> <p>All the above mentioned instruments must ensure at all times that physical delivery to the Sub-Fund is excluded.</p> <p>The Sub-Fund may invest up to 100% of its assets in cash or money market-related securities.</p> <p>To achieve the investment objectives and to ensure a broad diversification of all investments by asset classes, markets, sectors, issuers, ratings and companies, the Sub-Fund may invest up to 100% of its net assets in existing UCI and UCITS. This method of investment and the associated expenses are described in the paragraph "Investments in UCI and UCITS".</p> <p>The Sub-Fund is actively managed without reference to a benchmark.</p> <p>The reference currency of the Sub-Fund is the EUR.</p> <p>Investments may be made anywhere in the world and the instruments are mainly denominated in euro. The risks related with the investment in currencies other than the reference currency may be hedged partially or in full.</p> <p>Therefore, the net asset value per share of the Sub-Fund may be influenced by the movements in the exchange rates of the invested currencies.</p> |

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|  | <p><b>Investments in UCI and UCITS</b></p> <p>Sub-Funds whose net assets are partially or fully invested in existing UCI or UCITS in accordance with their particular investment policies have either partially or fully the structure of a fund of funds.</p> <p>The general advantage of a fund of funds structure as compared to a structure of funds that make direct investments in assets is the efficient risk diversification. With a fund of funds, the risk of insufficient investment diversification is not just limited on the basis of the various positions (target funds) in the portfolio, but also because of the strict risk spreading requirements to which the target funds are subject. For this reason, when investing in a fund of funds, the investor enjoys the advantage of a product that undertakes risk diversification by means of which the risk inherent in each individual product is substantially minimised. A fund of funds also offers investors the opportunity to invest in numerous securities by means of a single product. Investors should note that with funds of funds, certain fees and expenses may be payable more than once (e.g. fees for the Depositary and the Administrative Agent and/or administration fees, management and/or consulting commissions, fees for the issue/redemption of target fund units). These fees may be charged both by the target funds and within the fund of funds.</p> <p>The general expenses as well as costs incurred when investing in existing funds are dealt with in the Chapter 23. "Investment Guidelines" under 2.7 and in the Chapter 19 "Charges and Expenses".</p> |
| <b>Risk Disclosure</b>   | <p><b>Sustainability risks</b></p> <p>Sustainability risks are not systematically integrated due to the nature of the investment objective of the Sub-Fund and they are also not a core part of the investment strategy. The Sub-Fund does not promote particular Environmental, Social and Governance (ESG) characteristics or pursue a specific sustainability or impact objective. Sustainability risks are not relevant due to the nature of the investment objective of the Sub-Fund. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund. "Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.</p>  |
| <b>Use of Techniques and Instruments</b>                             | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>  |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.   |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>   | EUR   |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating  |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100  |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100  |

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| <b>Subscription Fee for "Class P" Shares is:</b>                 | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" Shares is:</b>                 | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Optima S.p.A. SIM, Modena Italy is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus.  |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of 1.21% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of 0.65% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The maximum level of flat fee that may be charged to both the Sub-Fund and the other UCITS and/or UCI in which it intends to invest is 3.00%.</p> |

| <b>SUB-FUND 9 – BPER INTERNATIONAL SICAV – OPEN SELECTION GROWTH</b> |  |
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| <b>Profile of the typical investor</b>                               | This Sub-Fund is suitable for investors with a long term investment horizon who wish to invest in a broadly diversified and actively managed portfolio with variable risk exposure to equities. Investors are prepared to accept the risk associated with this type of investment as set in Chapter 3 "Risk Profile" of this Sales Prospectus.   |
| <b>Historical performance</b>  | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>   | <p>The aim of this Sub-Fund is to provide investors with an opportunity to invest in different asset classes through a flexible asset allocation approach and a highly diversified portfolio of debt and equity securities, commodities related securities and money market instruments in major markets and currencies. The Sub-Fund investment strategy is designed to increase initial investment with an opportunistic approach.</p> <p>The Sub-Fund mainly invests in other UCITS or UCI. The Sub-Fund may also directly invest in money market instruments and fixed and floating rate securities issued by governments, government agencies, supra nationals and corporate entities, including emerging markets.</p> <p>The Sub-Fund may directly invest in equities, equity rights and warrants as well as shares, other equity shares and dividend-right certificates acquired through the exercise of conversion and subscription rights or warrants, or warrants remaining after the separate sale of ex-issues and any equities acquired with these warrants.</p> <p>The Sub-Fund limits of exposure to the asset classes shall be considered on a consolidated basis, i.e. either by investment in other funds or by direct investment.</p> <p>The Sub-Fund may invest its assets worldwide and the investments are also broadly diversified in terms of sectors, issuers and ratings. The Sub-Fund may invest in stocks listed in the Euro area.</p> <p>The Sub-Fund may invest part of its assets in instruments with a rating below investment grade (lower than "BBB-" by S&amp;P or "Baa3" by either Moody's or similarly by another internationally recognized rating service or determined to be of similar creditworthiness by the Portfolio Manager). The Sub-Fund may also invest part of its assets in debt securities of issuers domiciled in Emerging Countries.</p> <p>If it appears to be appropriate for reaching the investment objectives, the Sub-Fund may invest all of its assets in debt instruments. Within this asset class, the Sub-Fund may invest up to 100% of its assets in state-guaranteed (governments or public issuers) or corporate bonds.</p> <p>In addition, the Sub-Fund may invest up to 60% in equity and/or commodity related instruments. The portfolio manager may purchase ETF replicating the price performance of commodity indices.</p> <p>The portfolio manager may also purchase ETN and ETC securities replicating the price performance of either commodity indices or individual commodities.</p> <p>The Sub-Fund may also invest in existing UCI and UCITS with the emphasis on commodities on condition that these in turn invest exclusively through a participation in commodity indices.</p> <p>All the above mentioned instruments must ensure at all times that physical delivery to the Sub-Fund is excluded.</p> <p>The Sub-Fund may invest up to 100% of its assets in cash or money market-related securities.</p> <p>To achieve the investment objectives and to ensure a broad diversification of all investments by asset classes, markets, sectors, issuers, ratings and companies, the Sub-Fund may invest up to 100% of its net assets in existing UCI and UCITS. This method of investment and the associated expenses are described in the paragraph "Investments in UCI and UCITS".</p> <p>The Sub-Fund is actively managed without reference to a benchmark.</p> <p>The reference currency of the Sub-Fund is the EUR.</p> <p>Investments may be made anywhere in the world and the instruments are mainly denominated in euro. The risks related with the investment in currencies other than the reference currency may be hedged partially or in full.</p> <p>Therefore, the net asset value per share of the Sub-Fund may be influenced by the movements in the exchange rates of the invested currencies.</p> |



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|  | <p><b>Investments in UCI and UCITS</b></p> <p>Sub-Funds whose net assets are partially or fully invested in existing UCI or UCITS in accordance with their particular investment policies have either partially or fully the structure of a fund of funds.</p> <p>The general advantage of a fund of funds structure as compared to a structure of funds that make direct investments in assets is the efficient risk diversification. With a fund of funds, the risk of insufficient investment diversification is not just limited on the basis of the various positions (target funds) in the portfolio, but also because of the strict risk spreading requirements to which the target funds are subject. For this reason, when investing in a fund of funds, the investor enjoys the advantage of a product that undertakes risk diversification by means of which the risk inherent in each individual product is substantially minimised. A fund of funds also offers investors the opportunity to invest in numerous securities by means of a single product. Investors should note that with funds of funds, certain fees and expenses may be payable more than once (e.g. fees for the Depositary and the Administrative Agent and/or administration fees, management and/or consulting commissions, fees for the issue/redemption of target fund units). These fees may be charged both by the target funds and within the fund of funds.</p> <p>The general expenses as well as costs incurred when investing in existing funds are dealt with in the Chapter 23. "Investment Guidelines" under 2.7 and in the Chapter 19 "Charges and Expenses".</p> |
| <b>Risk Disclosure</b>   | <p><b>Sustainability risks</b></p> <p>Sustainability risks are not systematically integrated due to the nature of the investment objective of the Sub-Fund and they are also not a core part of the investment strategy. The Sub-Fund does not promote particular Environmental, Social and Governance (ESG) characteristics or pursue a specific sustainability or impact objective. Sustainability risks are not relevant due to the nature of the investment objective of the Sub-Fund. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund.</p> <p>"Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.</p>   |
| <b>Use of Techniques and Instruments</b>                             | <p>This Sub-Fund may enter into transactions relating to techniques and instruments for investment purposes other than hedging in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.</p> <p>Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.</p> <p>The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.</p>  |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.   |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>   | EUR   |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulating  |
| <b>Valuation Day</b>   | Each Business Day in Luxembourg   |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100  |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100  |

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| <b>Subscription Fee for "Class P" Shares is:</b>                 | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" Shares is:</b>                 | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Optima S.p.A. SIM, Modena Italy is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus.  |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of 1.46% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of 0.80% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The maximum level of flat fee that may be charged to both the Sub-Fund and the other UCITS and/or UCI in which it intends to invest is 3.50%.</p> |

| SUB-FUND 10 – BPER INTERNATIONAL SICAV – MULTI ASSET GLOBAL OPPORTUNITIES |   |
|---|---|
| <b>Profile of the typical investor</b>                                    | The Sub-Fund is suitable for investors wishing to be exposed to multiple asset classes (i.e., shares, debt securities, money market instruments and cash) of different countries and economic sectors and willing to bear variations in market value.   |
| <b>Historical performance</b>   | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.  |
| <b>Investment Policy</b>  | <p>This Sub-Fund is a feeder fund of Pictet – Multi Asset Global Opportunities (the "<b>Master Fund</b>"), a sub-fund of Pictet, a Luxembourg SICAV registered under Part I of the 2010 Law. The Sub-Fund will invest at least 85% of its assets in Class ZX EUR shares in the Master Fund.</p> <p>On an ancillary basis, the Sub-Fund may also invest up to 15% of its assets in liquid instruments.</p>   |
| <b>Investment policy and objectives of the Master Fund</b>                | <p><b>Investment objective:</b></p> <p>The Master Fund's objective is to enable investors to benefit from the growth of the financial markets by investing mainly in debt securities of any type (including but not limited to corporate and sovereign bonds, convertible bonds, inflation-indexed bonds), money market instruments, deposits, equities and equity related securities (such as American depositary receipts, Global depositary receipts, European depositary receipts).</p> <p>The Master Fund may invest in any country (including emerging countries for up to 50% of its net assets), in any economic sector and in any currency. However, depending on market conditions, the investments or exposure may be focused on one country and/or one economic sector and/or one currency and/or in a single asset class.</p> <p>The Master Fund will however respect the following limits:</p> <ul style="list-style-type: none"> <li>• The Master Fund may invest up to 20% of its net asset in China onshore securities. It may invest in China A Shares, bonds and other debt securities denominated in RMB through (i) the QFII quota granted to the Managers (ii) the RQFII quota granted to the Managers and/or (iii) Bond Connect. It may also invest in China A Shares through the Shanghai-Hong Kong Stock Connect programme, the Shenzhen-Hong Kong Stock Connect programme and/or any similar acceptable securities trading and clearing linked programmes or access instruments which may be available to the Master Fund in the future. The Master Fund may also use financial derivative instruments on China A Shares. Investments in Chinese bonds may be performed, inter alia, on the China Interbank Bond Market ("CIBM") either directly or through a quota granted to the Managers or through Bond Connect.</li> <li>• The Master Fund may be exposed without limitation to non-investment grade debt securities (including defaulted and distressed securities for up to 10% of its net assets). Although the Master Fund is not subject to any limit regarding the rating of the non-investment grade debt securities concerned (except for the 10% maximum invested in distressed and defaulted securities), the managers intend to operate the Master Fund in a way that non-sovereign high yield debt securities should not exceed 50% of the Master Fund's net assets.</li> <li>• Investments in convertible bonds (other than contingent convertible bonds) may not exceed 20% of the Master Fund's net assets.</li> <li>• The Master Fund may also invest up to 20% of its net assets in contingent convertible bonds.</li> <li>• The Master Fund may invest up to 10% of its net assets in Sukuk al Ijarah, Sukuk al Wakalah, Sukuk al Mudaraba or any other type of Shariah-compliant fixed-income securities, in compliance with the requirements of the Grand-Ducal Regulation of 8 February 2008.</li> <li>• Investments in Rule 144A securities may not exceed 30% of the Master Fund's net assets.</li> <li>• The Master Fund may also invest up to 20% of its net assets in asset-backed securities (bonds whose real assets guarantee the investment) and in debt securitisations (such as but not exclusively ABS and MBS) in compliance with article 2 of the Grand-Ducal Regulation of 8 February 2008.</li> <li>• The Master Fund may also invest up to 10% of its net assets in UCITS and other UCIs in compliance with the provisions of Article 41. (1) e) of the 2010 Law, including other Sub-Funds of the Company pursuant to Article 181 of the 2010 Law.</li> </ul> |

- The Master Fund may also invest in real estate investments trusts (REITs) up to 30% of its net assets.

The Master Fund may invest in structured products, with or without embedded derivatives, such as, in particular, notes, certificates or any other transferable securities whose returns are linked to, among others, an index (including indices on volatility), currencies, interest rates, transferable securities, a basket of transferable securities, or an undertaking for collective investment, in accordance with Grand-Ducal Regulation of 8 February 2008.

In compliance with the Grand-Ducal Regulation of 8 February 2008, the Master Fund may also invest in structured products without embedded derivatives, correlated with changes in commodities (including precious metals) and real estate, with cash settlement.

The underlyings of the structured products with embedded derivatives in which the Master Fund will invest will be in line with the Grand-Ducal Regulation of 8 February 2008 and the 2010 Law.

The Master Fund may use derivative techniques and instruments for hedging and/or efficient portfolio management within the limits specified in the investment restrictions.

Financial derivative instruments may include options, futures, contracts for difference, forward exchange contracts (including non-deliverable forwards), swaps (such as but not limited to Credit Default Swaps and Total Return Swaps).

For diversification of risk, the Master Fund may use financial derivative instruments whose underliers are commodities indexes, in accordance with the law and with ESMA guidelines 2012/832.

The Master Fund will achieve its investment policy by positioning itself for the growth and/or the volatility of the markets. To achieve this management objective, the Master Fund may use derivative instruments whose underlying assets are market volatility, including, but not exclusively, instruments such as futures contracts and options on volatility futures, volatility swaps or variance swaps.

Under exceptional circumstances, if the manager considers this to be in the best interest of the shareholders, the Master Fund may hold up to 100% of its net assets in liquid assets as amongst others cash deposits, money market funds (within the above-mentioned 10% limit) and money market instruments.

The Master Fund may enter into securities lending agreements and repurchase and reverse repurchase transactions in order to increase its capital or its income or to reduce its costs or risks.

The investment process integrates ESG factors based on proprietary and third-party research to evaluate investment risks and opportunities. When selecting the Compartment's investments, securities of issuers with high sustainability risks may be purchased and retained in the Compartment's portfolio.

The Master Fund may incur leverage up to 200% of its net asset value.

Investors in the Sub-Fund will be provided with the latest available prospectus of the Master Fund on request and free of charge at the registered office of the Company.

The Master Fund is actively managed in reference to the EONIA Capitalization Index (EUR) (the "**Benchmark**"). The Benchmark is used for performance comparison. In actively managing the Master Fund, the investment manager uses a risk-managed approach to seek additional performance opportunities, and pursues a flexible asset allocation strategy. The portfolio composition of the Master Fund is not constrained relative to the Benchmark, so the similarity of the Master Fund's performance to that of the Benchmark may vary.

#### **Risk factors specific to the Master Fund**

Risk factors specific to the Master Fund are those related to risk of counterparty risk; collateral risk; credit risk; credit rating risk; currency risk; equity risk; interest rate risk; emerging market risk; QFII risk; RQFII risk; Stock Connect risk; high yield investment risk; distressed and defaulted debt securities risk; securities lending risk; repurchase and reverse repurchase agreement risk; financial derivative instruments risk; depositary receipts risk; real estate investment trusts (REITs) risk; ABS and MBS risk; structured finance securities risk; sukuk risk; contingent convertibles instruments risk; CIBM risk; bond connect risk; leverage risk; sustainability risks. Please refer to section entitled "Risk Considerations" in the prospectus of the Master Fund for further details in this connection.

For more information on the Master Sub-Fund, the investors are invited to consult the documents held at their disposal according to Chapter 20 of this Prospectus.

**Share class into which the Sub-Fund will invest:**

|  |                |                    |
|--|----------------|--------------------|
| Type of share                          | ZX EUR         |                    |
| ISIN code                              | LU1115920479   |                    |
| Initial minimum                        | N/A            |                    |
| Currency of the class                  | EUR            |                    |
| Subscription and redemption currencies | EUR            |                    |
| Dividend distribution                  | No             |                    |
| Fees                                   | Fee            | Maximum percentage |
|  | Management fee | 0%                 |
|  | Service fee    | 0.35%              |
|  | Depositary     | 0.10%              |

**Performance fee**

No performance fee will apply to the ZX EUR Share Class.

**Aggregate charges of the Sub-Fund and the Master Fund**

The expected aggregate ongoing charges of the Sub-Fund are of 1.64% of which 1.29% relate to the Sub-Fund and 0.35% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 1.95%.

**Tax implications**

The tax consequences of the investment in the Master Fund by the Sub-Fund are limited. The value of assets represented by shares of the Master Fund held in the Sub-Fund benefit from an exemption from the *taxe d'abonnement*, as these shares have already been subject to this tax.

**Agreement entered into between the feeder UCITS and the master UCITS:**

The Sub-Fund has entered into a master feeder agreement in order to ensure that the Sub-Fund is provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Law or any other applicable provision transposing the UCITS Directive into national law (the "Agreement"). The Agreement provides, amongst other, information relating to (i) the Sub-Fund's access to information; (ii) the basis of investment and disinvestment by the Sub-Fund in the Master Fund; (iii) the responsibilities of the Sub-Fund and the Master Fund in the performance of their duties; (iv) the remuneration and charges applicable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements, etc.

The Agreement is made available to the shareholders of the Master Fund and the Sub-Fund on request and free of charge at the registered office of the Company.

**Use of Techniques and Instruments**

This Sub-Fund may enter into transactions relating to techniques and instruments for hedging purposes only, for up to 15% of the assets which are not invested in the Master Fund, and in compliance with what is provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments" and in the interest of an orderly management of its assets.

The Master Fund may also enter into transactions relating to techniques and instruments for investment purposes other than hedging.

Due to their high volatility, investments in techniques and instruments are exposed to greater risks than direct investments in securities.

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|  | The Sub-Fund does not intend to enter into Securities Financing Transactions ("SFTs") and will not invest in Total Return Swaps ("TRS"). As a result, the Sub-Fund is not subject to Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. |
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| <b>Risk Disclosure</b>   | Risk factors specific to the Sub-Fund are those related to the Master Fund. Information on the Master Fund's risk profile is available to investors on the following website: <a href="https://www.am.pictet/en/luxembourg/intermediary/funds/pictet-multi-asset-global-opportunities/LU1115920479/">https://www.am.pictet/en/luxembourg/intermediary/funds/pictet-multi-asset-global-opportunities/LU1115920479/</a>  |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.  |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | EUR  |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulation   |
| <b>Valuation Day</b>   | Each business day in Luxembourg, which for the purpose of this Sub-fund shall mean a day on which the banks are normally open for business in Luxembourg. For such purpose, the 24th of December is not considered as a business day.  |
| <b>Specific cut-off, NAV calculation and settlement terms</b>        | <p>Subscription applications entered with the Administrative Agent no later than by 12:00 p.m. Central European Time (cut-off time) on a business day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the second Week Day following the applicable Valuation Day (T+2) ("<b>Calculation Day</b>"). Subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price calculated in respect of the next Valuation Day.</p> <p>Redemption applications received by the Administrative Agent no later than by 12:00 p.m. (Central European Time) on a business day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the second Week Day following the applicable Valuation Day (T+2) ("<b>Calculation Day</b>"). Redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated in respect of the next Valuation Day.</p> <p>Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).</p> <p>Payment date for subscriptions and redemptions: within 4 Week Days following the applicable Valuation Day, where "<b>Week Day</b>" means any day of the week other than Saturday, Sunday Good Friday and 1st May. For the purpose of the calculation and the publication of the NAV as well as for the count of payment date, the following days are not considered as a Week Day: the 25th and 26th of December, the 1st of January and the Easter Monday.</p> |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" Shares is:</b>                     | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" Shares is:</b>                     | None   |

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| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None |
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| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Pictet Asset Management (Europe) S.A. Italian Branch is appointed by the Company, under responsibility and supervision of the Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of Pictet Asset Management (Europe) S.A. may transfer their mandates, fully or partially, to associated portfolio managers. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.605% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.805% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>  |

| SUB-FUND 11 – BPER INTERNATIONAL SICAV – GLOBAL HIGH YIELD |  |
|--|--|
| <b>Profile of the typical investor</b>                     | The Sub-Fund is suitable for investors seeking an overall income with the potential for capital growth through exposure to global high yield bonds. Investors should ensure they have an understanding of the risks of the Sub-Fund, consider the KIID's risk level compatible with their risk tolerance and can accept the potential for loss. Investors in the Sub-Fund should plan to invest their money for the medium to long term.   |
| <b>Historical performance</b>                              | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.   |
| <b>Investment Policy</b>                                   | <p>This Sub-Fund is a feeder fund of Janus Henderson Horizon Fund – Global High Yield Bond Fund (the "<b>Master Fund</b>"), a sub-fund of Janus Henderson Horizon Fund, a Luxembourg SICAV registered under Part I of the 2010 Law. The Sub-Fund will invest at least 85% of its assets in Class I2 HEUR shares in the Master Fund.</p> <p>On an ancillary basis, the Sub-Fund may also invest up to 15% of its assets in liquid instruments.</p> <p>The performance of the Sub-Fund is expected to be broadly in line with that of the Master Fund subject to its level of investment in the Master Fund and save for additional fund expenses at the level of the Sub-Fund which will affect its performance.</p>  |
| <b>Investment policy and objectives of the Master Fund</b> | <p><b>Investment Objective</b></p> <p>The Master Fund aims to provide an income with the potential for capital growth over the long term.</p> <p><b>Investment Policy</b></p> <p>The Master Fund will invest at least 80% of its net assets in sub investment grade corporate debt securities of issuers with a credit rating equivalent to BB+ or lower. The Master Fund can invest in fixed and variable rate and index related securities issued by corporate, government, supranational institutions and local and regional agencies.</p> <p>The Master Fund may make use of a variety instruments / strategies in order to achieve the Master Fund's objective.</p> <p>Instruments may include, but not limited to asset and mortgage backed securities, convertible bonds, structured notes, exchange traded derivatives, OTC swaps (such as interest rate swaps, credit default swaps, credit default swaps on indices and total return swaps), forward foreign exchange contracts and preferred stocks.</p> <p>Strategies may include, but are not limited to sector, region, security and credit strategies for investment and hedging purposes.</p> <p>The Master Fund may invest up to:</p> <ul style="list-style-type: none"> <li>• 20% of its net assets in investment grade securities.</li> <li>• 20% of its net assets in contingent convertible bonds.</li> <li>• 20% of its net assets in asset-backed securities ("ABS") and mortgage-backed securities ("MBS"). ABS/MBS include, but are not limited to, residential mortgage-backed securities, commercial mortgage-backed securities, and collateralised loan obligations. The ABS and MBS may be leveraged.</li> <li>• 20% of its net assets in total return swaps.</li> </ul> <p>The Master Fund may use derivative instruments with the aim of making investment gains in line with the Master Fund's objective, to reduce risk or to manage the Master Fund more efficiently.</p> <p>On an ancillary basis and for defensive purposes, the Master Fund may invest in cash and money market instruments.</p> <p>The Master Fund's major part of currency exposure is hedged to Base Currency, although it may also be exposed (through investments or cash) to other currencies.</p> <p><b>Performance Target</b></p> |



To outperform the ICE BofAML Global High Yield Constrained Index (100% Hedged) by 1.75% per annum, before the deduction of charges, over any 5 year period.

#### Active Management and Benchmark Usage

The Master Fund is actively managed with reference to the ICE BofAML Global High Yield Constrained Index (100% Hedged), which is broadly representative of the bonds in which it may invest, as this forms the basis of the Master Fund's performance target. The Investment Manager has discretion to choose investments for the Master Fund with weightings different to the index or not in the index, but at times the Fund may hold investments similar to the index.

#### Investment Strategy

The Investment Manager seeks to provide a high overall yield and potential for capital growth by investing primarily in sub investment grade rated corporate bonds across global high yield markets. The investment process combines rigorous fundamentally driven security selection from the credit analysts, which is expected to be the largest driver of performance, with asset allocation views at the fund and regional levels.

#### Global Exposure Calculation

Relative Value at Risk (VaR) approach

#### Expected Leverage

100% of the Master Fund's total net asset value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions (e.g. at times of very low market volatility) to seek to meet the investment objective of the Master Fund. This methodology does not make a distinction between financial derivative instruments that are used for investment or risk reduction purposes. As a result, strategies that aim to reduce risk will contribute to an increased level of leverage for the Master Fund.

The Master Fund's reference portfolio used in relative VaR calculations is ICE BofAML Global High Yield Constrained Index.

#### Risk factors specific to the Master Fund:

Please refer to section entitled "Investment and Risk Considerations" in the prospectus of the Master Fund, the Sub-Fund KIID or the Master Fund KIID for further details in this connection.

For more information on this Sub-Fund or Master Fund, the investors are invited to consult the documents held at their disposal according to Chapter 20 of this Prospectus.

#### Share class into which the Sub-Fund will invest:

|  |                |                    |
|--|----------------|--------------------|
| Type of share                          | I2 HEUR        |                    |
| ISIN code                              | LU0978624434   |                    |
| Initial minimum                        | N/A            |                    |
| Currency of the class                  | EUR            |                    |
| Subscription and redemption currencies | EUR            |                    |
| Dividend distribution                  | No             |                    |
| Fees                                   | Fee            | Maximum percentage |
|  | Management fee | 0.75%              |
|  |                |                    |

#### Performance fee:

No performance fee will apply to the I2 HEUR Share Class.

#### Aggregate charges of the Sub-Fund and the Master Fund

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|  | <p>The expected aggregate ongoing charges of the share class P of the Sub-Fund are of 1.18 % of which 0.68% relate to the Sub-Fund and 0.50% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 1.19%.</p> <p>The expected aggregate ongoing charges of the share class I of the Sub-Fund are of 0.61 % of which 0.11% relate to the Sub-Fund and 0.50% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 0.75%.</p> <p><b>Tax implications</b></p> <p>The tax consequences of the investment in the Master Fund by the Sub-Fund are limited. The value of assets represented by shares of the Master Fund held in the Sub-Fund benefit from an exemption from the <i>taxe d'abonnement</i>, as these shares have already been subject to this tax.</p> <p><b>Agreement entered into between the feeder UCITS and the master UCITS:</b></p> <p>The Sub-Fund has entered into a master feeder agreement in order to ensure that the Sub-Fund is provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Law or any other applicable provision transposing the UCITS Directive into national law (the "Agreement"). The Agreement provides, amongst other, information relating to (i) the Sub-Fund's access to information; (ii) the basis of investment and disinvestment by the Sub-Fund in the Master Fund; (iii) the responsibilities of the Sub-Fund and the Master Fund in the performance of their duties; (iv) the remuneration and charges applicable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements, etc.</p> <p>The Agreement is made available to the shareholders of the Master Fund and the Sub-Fund on request and free of charge at the registered office of the Company.</p> |
| <b>Use of Techniques and Instruments</b> | <p>For the (up to) 15% of its assets that are not invested in the Master Fund, this Sub-Fund does not enter into transactions relating to techniques and instruments provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments".</p> <p>The Master Fund itself enters into transactions relating to techniques and instruments for investment and hedging purposes. Please refer to the prospectus of the Master Fund for information regarding the use of such techniques and instruments that is applicable to the Master Fund.</p>   |
| <b>Risk Disclosure</b>                   | <p>Risk factors specific to the Sub-Fund are those related to the Master Fund. Information on the Master Fund's risk profile is available to investors from the prospectus of the Master Fund, the Master Fund KIID and on the following website: <a href="https://www.janushenderson.com/en-lu">https://www.janushenderson.com/en-lu</a>.</p> <p>Information on the Master Fund's integration of sustainability risk is available to investors from the prospectus of the Master Fund.</p> <p>Sustainability risks are not systematically integrated due to the nature of the investment objective of the Sub-Fund and they are also not a core part of the investment strategy. The Sub-Fund does not promote particular Environmental, Social and Governance (ESG) characteristics or pursue a specific sustainability or impact objective. Sustainability risks are not relevant due to the nature of the investment objective of the Sub-Fund. Sustainability risks are currently not expected to have a material impact on the returns of the Sub-Fund.</p> <p>"Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Sub-Fund.</p>  |
| <b>Retail Share Class</b>                | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.   |
| <b>Institutional Share Class</b>         | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>               | EUR   |

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| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulation   |
| <b>Valuation Day</b>   | A bank business day in Luxembourg.   |
| <b>Specific cut-off, NAV calculation and settlement terms</b>        | <p>Subscription applications entered with the Administrative Agent no later than by 4:00 p.m. Central European Time (cut-off time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price calculated in respect of the next Valuation Day.</p> <p>Redemption applications received by the Administrative Agent no later than by 4:00 p.m. (Central European Time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated in respect of the next Valuation Day.</p> <p>Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).</p> <p>Payment date for subscriptions and redemptions: normally within 3 business days following the applicable Valuation Day. In case the calculation of the net asset value is suspended in accordance with paragraph "Suspension of the net asset value calculation and of the issue, redemption and conversion of Shares", the payment for subscriptions and redemptions will be delayed by the duration of the suspension.</p> <p>For the purpose of this section, a business day shall mean a bank business day in Luxembourg.</p> |
| <b>Minimum Subscription for "Class P" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I" Shares is:</b>                 | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" Shares is:</b>                     | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" Shares is:</b>                     | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b>     | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b>     | None   |
| <b>Portfolio Manager</b>   | Henderson Global Investors Limited is appointed by the Management Company, under responsibility and supervision of the Management Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus.   |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.105% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.535% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>  |

## SUB-FUND 12 – BPER INTERNATIONAL SICAV – OPTIMAL INCOME

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| <b>Profile of the typical investor</b>                     | The Sub-Fund is suitable for retail and institutional investors seeking to gain a combination of capital growth and income from a portfolio at least half of which will be debt instruments with the remainder including these or other asset types, but who appreciate that this is not guaranteed and that their capital will be at risk and that the value of their investment and any derived income may fall as well as rise.  |
| <b>Historical performance</b>                              | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.  |
| <b>Investment Policy</b>                                   | <p>This Sub-Fund is a feeder fund of– M&amp;G (Lux) Optimal Income Fund (the "<b>Master Fund</b>"), a sub-fund of M&amp;G (Lux) Investment Funds 1, a Luxembourg SICAV registered under Part I of the 2010 Law. The Sub-Fund will invest at least 85% of its assets in Class CI in EUR shares in the Master Fund.</p> <p>On an ancillary basis, the Sub-Fund may also invest up to 15% of its assets in liquid instruments.</p> <p>The performance of the Sub-Fund is expected to be broadly in line with that of the Master Fund subject to its level of investment in the Master Fund and save for additional fund expenses at the level of the Sub-Fund which will affect its performance.</p>   |
| <b>Investment policy and objectives of the Master Fund</b> | <p><b>Investment objective</b></p> <p>The Master Fund aims to provide a total return (the combination of capital growth and income) to investors based on exposure to optimal income streams in investment markets.</p> <p>The Master Fund invests at least 50% of its Net Asset Value in debt securities, including investment grade bonds, high yield bonds, unrated securities and asset-backed securities. These securities may be issued by governments and their agencies, public authorities, quasi-sovereigns, supranational bodies and companies. Issuers of these securities may be located in any country, including emerging markets, and denominated in any currency. At least 80% of the net asset value will be in EUR or hedged into EUR.</p> <p>While the Master Fund's overall duration will not be negative, the Master Fund may derive negative duration from individual fixed income markets.</p> <p>The Master Fund may invest up to a combined maximum of 100% of the Master Fund's net asset value in below investment grade and unrated securities. There are no credit quality restrictions with respect to the debt securities in which the Master Fund may invest.</p> <p>The Master Fund may invest in Chinese onshore debt securities denominated in CNY traded on the China Interbank Bond Market.</p> <p>The Master Fund may also hold up to a maximum of 20% of its net asset value in contingent convertible debt securities and up to a maximum of 20% of its net asset value in asset-backed securities.</p> <p>The Master Fund is a flexible bond fund that allows investment across a broad range of fixed income assets according to where the investment manager finds value. In identifying the optimal income</p> |

stream, the Master Fund also has the flexibility to invest up to a maximum of 20% of its net asset value in equities.

The Master Fund will typically invest directly. The Master Fund may also invest indirectly via derivative instruments to take both long and short positions and to gain exposure to investments exceeding the net asset value of the Master Fund in order to increase potential returns in both rising and falling markets. Derivative instruments can be used to meet the Master Fund's investment objective, for efficient portfolio management and for the purpose of hedging. These instruments may include, but are not limited to, spot and forward contracts, exchange traded futures, credit default swaps, total return swaps and interest rate swaps.

The Master Fund may also invest in other assets including, collective investment schemes, cash and near cash, deposits, warrants and other debt securities

The Master Fund is categorized as ESG Integrated.

The ESG categorization of the Master Fund is explained in Appendix 1 "ESG Integration and Approaches to Responsible Investment" in the prospectus of the Master Fund. Investors should refer to that section for further details.

For performance comparison use, Master Fund has this composite index made of the following three indices:

- 1/3 Bloomberg Barclays Global Aggregate Corporate Index EUR Hedged;
- 1/3 Bloomberg Barclays Global High Yield Index EUR Hedged; et
- 1/3 Bloomberg Barclays Global Treasury Index EUR Hedged.

These indices represent the global investment grade corporate market, the global high yield corporate market and the global government bond market respectively.

Sub Fund and Master Fund is actively managed. The composite index is a point of reference against which the performance of Sub-fund and Master Fund may be measured. Master Fund may bear little resemblance to this composite index as it only represents the neutral position of the Fund.

#### **Risk factors specific to the Master Fund**

Risk factors specific to the Master Fund are those related to Risk to Capital & Income Will Vary currency and exchange rate risk; emerging markets; securitised bonds; exposure greater than net asset value; short sales; contingent convertibles debt securities; investment in China; liquidity risk; credit risk; interest rate risk; emerging market risk; financial derivative instruments risk; Please refer to section entitled "Risk Factors" in the prospectus of the Master Fund for further details in this connection.

For more information on the Master Sub-Fund, the investors are invited to consult the documents held at their disposal according to Chapter 20 of this Prospectus.

#### **Share class into which the Sub-Fund will invest**

|   |   |                           |
|---|---|---------------------------|
| <b>Type of share</b>                          | CI in EUR   |                           |
| <b>ISIN code</b>                              | LU1797814339  |                           |
| <b>Initial minimum</b>                        | EUR 500,000   |                           |
| <b>Currency of the class</b>                  | EUR   |                           |
| <b>Subscription and redemption currencies</b> | EUR   |                           |
| <b>Dividend distribution</b>                  | If declared, the Master Fund will pay dividends on a semi-annual basis. |                           |
| <b>Fees</b>                                   | <b>Fee</b>  | <b>Maximum percentage</b> |
|   | Management fee  | 0.75%                     |
|   | Initial Charge  | 1.25%                     |
|   | Administration Charge   | 0.15%                     |
|   |   |                           |

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|--|--|
|  | <p><b>Performance fee</b></p> <p>No performance fee will apply to the Master Fund.</p> <p><b>Aggregate charges of the Sub-Fund and the Master Fund</b></p> <p>The expected aggregate ongoing charges of the share class P of the Sub-Fund are up to 1.46% of which up to 0.96% relate to the Sub-Fund and up to 0.50% are charges relating to the Master Fund. The expected ongoing charges in case of a direct investment into the Master Fund would be up to 1.47%.</p> <p>The expected aggregate ongoing charges of the share class I of the Sub-Fund are up to 0.66% of which up to 0.16% relate to the Sub-Fund and up to 0.50% are charges relating to the Master Fund. The expected ongoing charges in case of a direct investment into the Master Fund would be up to 0.91%.</p> <p><b>Tax implications</b></p> <p>The tax consequences of the investment in the Master Fund by the Sub-Fund are limited. The value of assets represented by shares of the Master Fund held in the Sub-Fund benefit from an exemption from the <i>taxe d'abonnement</i>, as these shares have already been subject to this tax.</p> <p><b>Agreement entered into between the Management Company of the feeder UCITS and the Management Company of the master UCITS:</b></p> <p>The Sub-Fund and the Management Company will enter into an master feeder agreement with the Master Fund and the management company of the Master Fund in order to ensure that the Management Company and the Sub-Fund are provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Law with respect to the Sub-Fund or any other applicable provision transposing the UCITS Directive into national law (the "Agreement"). The Agreement provides, amongst other, information relating to (i) the Management Company's access to information; (ii) the basis of investment and disinvestment by the Sub-Fund in the Master Fund; (iii) the responsibilities of the respective management companies in the performance of their duties; (iv) the remuneration and charges applicable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements, etc.</p> <p>The Agreement is made available to the shareholders of the Sub-Fund on request and free of charge at the registered office of the Company.</p> |
| <b>Use of Techniques and Instruments</b>                             | <p>For (up to) 15% of its assets that are not invested in the Master Fund, this Sub-Fund does not enter into transactions relating to techniques and instruments provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments".</p> <p>The Master Fund itself enters into transactions relating to techniques and instruments for investment and hedging purposes. Please refer to the prospectus of the Master Fund for information regarding the use of such techniques and instruments that is applicable to the Master Fund.</p>  |
| <b>Risk Disclosure</b>   | <p>Risk factors specific to the Sub-Fund are those related to the Master Fund. Information on the Master Fund's risk profile is available to investors on the following website: <a href="https://www.mandg.lu/private-investors/fund-literature/">https://www.mandg.lu/private-investors/fund-literature/</a>.</p>  |
| <b>Retail Share Class</b>  | <p>Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.</p>   |
| <b>Institutional Share Class</b>                                     | <p>Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.</p>  |
| <b>Accounting Currency</b>   | <p>EUR</p>   |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | <p>Accumulation</p>  |
| <b>Valuation Day</b>   | <p>Each business day in Luxembourg, which for the purpose of this Sub-Fund shall mean any day when the banks are fully open for normal banking business in both England and Luxembourg. For</p>  |

|  |  |
|--|--|
|  | clarification purposes, 24 December and 31 December will be considered business days, unless they fall on the weekend.   |
| <b>Specific cut-off, NAV calculation and settlement terms</b>    | <p>Subscription applications entered with the Administrative Agent no later than by 4:00 p.m. Central European Time (cut-off time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price calculated in respect of the next Valuation Day.</p> <p>Redemption applications received by the Administrative Agent no later than by 4:00 p.m. (Central European Time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated in respect of the next Valuation Day.</p> <p>Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).</p> <p>Payment date for subscriptions and redemptions: normally within 3 business days following the applicable Valuation Day. In case the calculation of the net asset value is suspended in accordance with paragraph "Suspension of the net asset value calculation and of the issue, redemption and conversion of Shares", the payment for subscriptions and redemptions will be delayed by the duration of the suspension.</p> <p>For the purpose of this section, a business day shall mean any day when the banks are fully open for normal banking business in both England and Luxembourg. For clarification purposes, 24 December and 31 December will be considered business days, unless they fall on the weekend.</p> |
| <b>Minimum Subscription for "Class P" Shares is:</b>             | Initial subscriptions: EUR 100   |
| <b>Minimum Subscription for "Class I" Shares is:</b>             | Initial subscriptions: EUR 100   |
| <b>Subscription Fee for "Class P" Shares is:</b>                 | Up to 3% of the subscribed amount payable to the Distributor.  |
| <b>Subscription Fee for "Class I" is:</b>                        | None   |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None   |
| <b>Portfolio Manager</b>   | Optima S.p.A. SIM, Modena Italy is appointed by the Management Company, under responsibility and supervision of the Management Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of Optima S.p.A. SIM, Modena Italy may transfer their mandates, fully or partially, to associated portfolio managers. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company.  |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.395% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.55% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>   |





| <b>SUB-FUND 13 – BPER INTERNATIONAL SICAV – LOW DURATION EUROPEAN COVERED BOND</b> |   |
|--|---|
| <b>Profile of the typical investor</b>   | The Sub-Fund is suitable for investors who are looking for investment growth and are interested in exposure to developed bond markets. Such investors typically understand the risks of the Sub-Fund and plan to invest for at least 1 year.  |
| <b>Historical performance</b>  | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.  |
| <b>Investment Policy</b>   | <p>This Sub-Fund is a feeder fund of Nordea 1 – Low Duration European Covered Bond Fund (the "<b>Master Fund</b>"), a sub-fund of Nordea 1, SICAV, a Luxembourg SICAV registered under Part I of the 2010 Law. The Sub-Fund will invest at least 85% of its assets in Class BI-EUR shares in the Master Fund.</p> <p>On an ancillary basis, the Sub-Fund may also invest up to 15% of its assets in liquid instruments.</p> <p>As a result of the direct investments which may be made by the Sub-Fund as detailed above and different fee structures between the Sub-Fund and the Master Fund, the performance of the Sub-Fund and the Master Fund may not be identical.</p>   |
| <b>Investment policy and objectives of the Master Fund</b>                         | <p><b>Investment objective</b></p> <p>The objective of the Master Fund is to provide investors with investment growth in the short to medium term.</p> <p>The Master Fund mainly invests in European covered bonds. Specifically, the Master Fund invests at least two thirds of total assets in covered bonds that are issued by companies or financial institutions that are domiciled, or conduct the majority of their business, in Europe. The Master Fund also invests at least two thirds of total assets in debt securities with a rating of AAA/Aaa or lower, but not lower than A-/A3, or equivalent. The Master Fund's modified duration is between 0 and 2 years. The Master Fund may invest in, or be exposed to debt securities rated BB+/Ba1 or lower, including unrated securities up to 10%. The Master Fund's major part of currency exposure is hedged to the base currency, although it may also be exposed (through investments or cash) to other currencies.</p> <p>The Master Fund manages its investments following the responsible investment policy of Nordea Asset Management. Thus, the Master Fund is subject to norms-based screening and exclusion of certain sectors or companies.</p> <p>The Master Fund may use derivatives for hedging (reducing risks), efficient portfolio management and to seek investment gains. The Master Fund does not compare its performance against any reference index.</p> <p><b>Risk factors specific to the Master Fund</b></p> <p>Risk factors specific to the Master Fund are those related to covered bond risks, derivatives risk, hedging risk, interest rate risk and prepayment and extension risk. Please refer to section entitled "Risk Descriptions" in the prospectus of the Master Fund for further details in this connection.</p> <p><b>SFDR related information</b></p> <p>The Master Fund applies baseline ESG safeguards (see in the prospectus of the Master Fund Baseline ESG safeguards applicable to all funds within the Responsible Investment Policy) and is promoting ESG characteristics as per Article 8 of the SFDR.</p> <p><b>Environmental and/or social characteristics</b></p> <p>The Master Fund invests within an investment universe that generally exhibits a high level of ESG performance across constituents. Consequently, the screenings that apply to the strategy have limited impact on the investment universe and the actual investments of the fund, and only serve as an insurance that underlying investments consistently represent the expected ESG characteristics of the asset class.</p> <p>The Master Fund adheres to Nordea Asset Management (NAM) 's Paris-Aligned Fossil Fuel Policy.</p> <p>Enhanced exclusion filters are applied to the portfolio construction process to restrict investments in companies and issuers with significant exposure to certain activities deemed to be damaging</p> |

for the environment and/or the society at large, including tobacco companies and fossil fuel companies.

**Policy to assess good governance**

An evaluation of the quality of governance is an integral part of the assessment of potential investments. The governance assessment considers accountability, protection of shareholder/bondholder rights and long-term sustainable value creation.

**ESG strategy**

The strategy ensures that applied exclusion filters are reflected in the investment universe.

NAM's Paris-Aligned Fossil Fuel Policy sets thresholds for companies' exposure to fossil fuel production, distribution and services and excludes companies that are involved beyond these thresholds if they do not have a documented transition strategy that aligns with the Paris agreement.

The inherent limitations on the investment universe resulting from the strategy are monitored and controlled on a regular basis.

**NAM's Responsible Investment Policy**

A NAM level overlay of norms-based screening and exclusion list is deployed as Baseline safeguards through NAM's Responsible Investment Policy which bans investments in companies active in the production of illegal or nuclear weapons and companies with exposure to coal mining exceeding a predefined threshold.

Based on regular screenings, NAM's Responsible Investment Committee instigates appropriate action for any company that is allegedly involved in breaches of, or controversies around, international laws and norms. If engagement fails or is deemed futile, investments may be put on hold or the company may be placed on the exclusion list.

The detailed Responsible Investment Policy and the Corporate Exclusion List are available at [nordea.lu](http://nordea.lu)

**Implementation of the ESG strategy**

The Paris-aligned fossil fuel screening and other exclusions filters apply to all direct investments of the Master Fund.

The Master Fund may use derivatives and other techniques for the purposes described in the 'Derivatives and techniques' section. Any such holdings are not in scope of the ESG criteria. NAM conducts a thorough due diligence on external data vendors to clarify applied methodologies and verify data quality. However, as the regulation and standards of non-financial reporting is rapidly developing, data quality, coverage and accessibility remains challenging – especially for smaller companies and less developed markets.

**Sustainability risk integration**

Sustainability risks are included in the investment decision process together with traditional financial factors, such as risk and valuation metrics, when building and monitoring portfolios. Exclusions of certain sectors and/or financial instruments from the investable universe are expected to reduce the sustainability risk of the fund. Conversely, such exclusions may increase the concentration risk of the fund which could – seen in isolation – result in higher volatility and a greater risk of loss.

See Sustainability Risk Integration applicable to all funds in the prospectus of the Master Fund.

**More fund specific information**

Please refer to [nordea.lu](http://nordea.lu) for more specific information on the Master Fund.

**Reference benchmark and alignment with the sustainability profile of the Master Fund** The Master Fund uses a benchmark which is not aligned with the environmental and social characteristics of the fund. Please refer to the 'Investment Objective and Policy' section of the Master fund for further information

For more information on the Master Fund, the investors are invited to consult the documents held at their disposal according to Chapter 20 of this Prospectus.

**Share class into which the Sub-Fund will invest:**

|  |                      |                    |
|--|----------------------|--------------------|
| Type of share                          | BI-EUR               |                    |
| ISIN code                              | LU1694214633         |                    |
| Initial minimum                        | EUR 75,000           |                    |
| Currency of the class                  | EUR                  |                    |
| Subscription and redemption currencies | EUR                  |                    |
| Dividend distribution                  | No                   |                    |
| Fees                                   | Fee                  | Maximum percentage |
|  | Management fee       | 0.25%              |
|  | Operational expenses | 0.15%              |

**Performance fee**

No performance fee will apply to the Master Fund.

**Aggregate charges of the Sub-Fund and the Master Fund**

The expected aggregate ongoing charges of the share class P of the Sub-Fund are of 0.68% of which 0.48% relate to the Sub-Fund and 0.20% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 0,72%.

The expected aggregate ongoing charges of the share class I of the Sub-Fund are of 0.33% of which 0.13% relate to the Sub-Fund and 0.20% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 0,35%.

The expected aggregate ongoing charges of the share class S of the Sub-Fund are of up to 0.53% of which up to 33% relate to the Sub-Fund and up to 0.20% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be as specified above.

**Tax implications**

The tax consequences of the investment in the Master Fund by the Sub-Fund are limited. The value of assets represented by shares of the Master Fund held in the Sub-Fund benefit from an exemption from the *taxe d'abonnement*, as these shares have already been subject to this tax.

**Agreement entered into between the management companies of the Sub-Fund and of the Master Fund**

The Management Company, on behalf of the Sub-Fund, will enter into a master feeder agreement with the management company of the Master Fund, on behalf thereof, in order to ensure that the Management Company is provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Law or any other applicable provision transposing the UCITS Directive into national law (the "Agreement"). The Agreement provides, amongst other, information relating to (i) the Management Company's access to information; (ii) the basis of investment and disinvestment by the Sub-Fund in the Master Fund; (iii) the responsibilities of the Management Company and the management company of the Master Fund in the performance of their duties; (iv) the remuneration and charges applicable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements, etc.

The Agreement is made available to the shareholders of the Master Fund and the Sub-Fund on request and free of charge at the registered office of the Company.

**Use of Techniques and Instruments**

For (up to) 15% of the assets which are not invested in the Master Fund, this Sub-Fund does not enter into transactions relating to techniques and instruments provided under Chapter 23,

|   |   |
|---|---|
|   | <p>Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments".</p> <p>The Master Fund itself enters into transactions relating to techniques and instruments for investment and hedging purposes. Please refer to the prospectus of the Master Fund for information regarding the use of such techniques and instruments that is applicable to the Master Fund.</p>  |
| <b>Risk Disclosure</b>  | <p>Risk factors specific to the Sub-Fund are those related to the Master Fund. Information on the Master Fund's risk profile is available to investors on the following website: <a href="https://www.nordea.lu/en/professional/funds/low-duration-european-covered-bond-fund/">https://www.nordea.lu/en/professional/funds/low-duration-european-covered-bond-fund/</a>.</p>   |
| <b>Retail Share Class</b>   | Shares of "Class P" and "Class S" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.   |
| <b>Institutional Share Class</b>  | Shares of "Class I" and "Class S" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.  |
| <b>Accounting Currency</b>  | EUR   |
| <b>Distribution Policy of the "Class P", "Class I" and "Class S" Shares is:</b> | Accumulation  |
| <b>Valuation Day</b>  | Each business day in Luxembourg, which for the purpose of this Sub-Fund shall exclude any legal and bank holidays in Luxembourg as well as Good Friday and 24 December. A business day is not a valuation day if, on that day, any stock exchange or market on which a substantial portion (as determined by the Master Fund or its designee) of the Master Fund's investment trades is closed, restricted, suspended, cancelled or otherwise altered. The management company of the Master Fund may determine that certain business day will not be valuation days; in such cases, such business days shall not be Valuation Days, in which case shareholders of the Sub-Fund will be notified as required by law. |

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| <p><b>Specific cut-off, NAV calculation and settlement terms</b></p>               | <p>Subscription applications entered with the Administrative Agent no later than by 12:00 p.m. Central European Time (cut-off time) on a business day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price calculated in respect of the next Valuation Day.</p> <p>Redemption applications received by the Administrative Agent no later than by 12:00 p.m. (Central European Time) on a business day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated in respect of the next Valuation Day.</p> <p>Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).</p> <p>Payment date for subscriptions and redemptions: generally no later than 3 business days after the requests have been processed (without exceeding 8 business days). For redemptions, the settlement period can also be extended if the Master Fund decides to do so because of exceptional circumstances (for example, if the Master Fund does not have adequate liquidity to pay out redemption proceeds). In case the calculation of the net asset value is suspended in accordance with paragraph "Suspension of the net asset value calculation and of the issue, redemption and conversion of Shares", the payment for subscriptions and redemptions will be delayed by the duration of the suspension.</p> <p>For the purpose of this section, a business day shall mean each business day in Luxembourg, which shall exclude any legal and bank holidays in Luxembourg as well as Good Friday and 24 December. A day is not a business day if, on that day, any stock exchange or market on which a substantial portion (as determined by the Master Fund) of the Master Fund's investment trades is closed, restricted, suspended, cancelled or otherwise altered.</p> |
| <p><b>Minimum Subscription for "Class P" Shares is:</b></p>                        | <p>Initial subscriptions: EUR 100</p>   |
| <p><b>Minimum Subscription for "Class I" Shares is:</b></p>                        | <p>Initial subscriptions: EUR 100</p>   |
| <p><b>Subscription Fee for "Class P" Shares is:</b></p>                            | <p>Up to 3% of the subscribed amount payable to the Distributor.</p>  |
| <p><b>Minimum Subscription for "Class S" Shares is:</b></p>                        | <p>Initial subscriptions: EUR 50.000</p>  |
| <p><b>Subscription Fee for "Class I" Shares is:</b></p>                            | <p>None</p>   |
| <p><b>Subscription Fee for "Class S" Shares is:</b></p>                            | <p>Up to 1,5% of the subscribed amount payable to the Distributor.</p>  |
| <p><b>Redemption Fee for the "Class P", "Class I" and "Class S" Shares is:</b></p> | <p>None</p>   |
| <p><b>Conversion Fee for the "Class P" "Class I" and "Class S" Shares is:</b></p>  | <p>None</p>   |

|                               |  |
|-------------------------------|--|
| <b>Portfolio Manager</b>      | Nordea Investment Management AB is appointed by the Management Company, under responsibility and supervision of the Management Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of Nordea Investment Management AB may transfer their mandates, fully or partially, to associated portfolio managers. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company.  |
| <b>Flat Fee</b>               | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 0.605% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.255% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class S is subject to a "Flat Fee" of maximum 0,455% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> |
| <b>Additional Information</b> | Investors are invited to consult the additional information available on the Company website ( <a href="http://www.fundinfo.com">www.fundinfo.com</a> ).   |

| SUB-FUND 14 – BPER INTERNATIONAL SICAV – FIXED INCOME CREDIT STRATEGIES |   |
|---|---|
| <b>Profile of the typical investor</b>                                  | The Sub-Fund is suitable for all types of investors. The Sub-Fund may not be appropriate for short term investment.   |
| <b>Historical performance</b>   | The performance of the Sub-Fund is outlined in the key investor information document relating to the Sub-Fund.  |
| <b>Investment Policy</b>  | <p>This Sub-Fund is a feeder fund of BlackRock Strategic Funds – BlackRock Fixed Income Credit Strategies Fund (the "<b>Master Fund</b>"), a sub-fund of BlackRock Strategic Funds, a Luxembourg SICAV registered under Part I of the 2010 Law. The Sub-Fund will invest at least 85% of its assets in Class X2 EUR shares in the Master Fund.</p> <p>On an ancillary basis, the Sub-Fund may also invest up to 15% of its assets in liquid instruments.</p> <p>The performance of the Sub-Fund is expected to be broadly in line with that of the Master Fund subject to its level of investment in the Master Fund and save for additional fund expenses at the level of the Sub-Fund which will affect its performance.</p>  |
| <b>Investment policy and objectives of the Master Fund</b>              | <p><b>Investment objective</b></p> <p>The Master Fund seeks to maximise total return.</p> <p>The Master Fund will seek to achieve this investment objective by using a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing synthetic long and/or synthetic short positions, with the aim of maximising positive returns. The Master Fund will seek to gain at least 70% of its investment exposure through fixed income transferable securities and fixed income related securities (including derivatives) issued by, or giving exposure to, companies, governments and/or agencies worldwide, but with a focus on nongovernment bonds. The Master Fund will invest in fixed income transferable securities and fixed income related securities, derivatives and, when determined appropriate, cash and near-cash instruments.</p> <p>The asset allocation of the Master Fund is intended to be flexible and the Master Fund will maintain the ability to switch exposure as market conditions and valuations dictate. The currency exposure of the Master Fund is flexibly managed. No more than 40% of the Master Fund's total assets may be invested in noninvestment-grade fixed income securities, including corporate bonds, ABS and MBS. No more than 20% of the Master Fund's total assets may be invested in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Master Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The fixed income securities held directly by the Master Fund will generally have a minimum credit rating of B- (Standard and Poor's or equivalent rating) at the time of purchase.</p> <p>The Master Fund may at times hold fixed income securities with a rating of CCC+ to CCC- (Standard and Poor's or equivalent rating), but these are not expected to form a significant part of the Master Fund's portfolio. The average credit rating of the fixed income securities held directly by the Master Fund is generally expected to be BB or higher (Standard and Poor's or equivalent rating). The Master Fund's exposure to contingent convertible bonds is limited to 20% of its net asset value.</p> <p>The Master Fund is actively managed and the investment advisor has discretion to select the Master Fund's investments and is not constrained by any benchmark in this process.</p> <p>Expected level of leverage of the Master Fund: 400% of net asset value.</p> <p><b>Risk factors specific to the Master Fund:</b></p> <p>Risk factors specific to the Master Fund are those related to risk of counterparty risk; collateral risk; credit risk; liquidity risk; credit rating risk; currency risk; equity risk; interest rate risk;; distressed and defaulted debt securities risk; financial derivative instruments risk; depositary receipts risk; real</p> |

estate investment trusts (REITs) risk; ABS and MBS risk; structured finance securities risk; contingent convertibles instruments risk; leverage risk. Please refer to sections entitled "Risk Considerations" and "Specific Risk Consideration" in the prospectus of the Master Fund for further details in this connection.

For more information on the Master Sub-Fund, the investors are invited to consult the documents held at their disposal according to Chapter 20 of this Prospectus.

#### Share class into which the Sub-Fund will invest

|  |                 |                    |
|--|-----------------|--------------------|
| Type of share                          | X2 EUR          |                    |
| ISIN code                              | LU1965317008    |                    |
| Initial minimum                        | EUR 10, million |                    |
| Currency of the class                  | EUR             |                    |
| Subscription and redemption currencies | EUR             |                    |
| Dividend distribution                  | No              |                    |
| Fees                                   | Fee             | Maximum percentage |
|  | Management fee  | 0 %                |
|  |                 |                    |

#### Performance fee

No performance fee will apply to the Master Fund.

#### Aggregate charges of the Sub-Fund and the Master Fund

The expected aggregate ongoing charges of the share class P in the Sub-Fund are of 1.40 % of which 1.31% relate to the Sub-Fund and 0.09% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 1.80%.

The expected aggregate ongoing charges of the share class I in the Sub-Fund are of 0.55 % of which 0.46% relate to the Sub-Fund and 0.09% are charges relating to the Master Fund. The ongoing charges in case of a direct investment into the Master Fund would be of 0.09%.

#### Tax implications

The tax consequences of the investment in the Master Fund by the Sub-Fund are limited. The value of assets represented by shares of the Master Fund held in the Sub-Fund benefit from an exemption from the *taxe d'abonnement*, as these shares have already been subject to this tax.

#### Agreement entered into between the feeder UCITS, and the master UCITS

The Sub-Fund and the Management Company will enter into a master feeder agreement with the Master Fund and the management company of the Master Fund in order to ensure that the Sub-Fund and the Management Company are provided with all documents and information necessary for it to meet the requirements laid down in the 2010 Law or any other applicable provision transposing the UCITS Directive into national law (the "Agreement"). The Agreement provides, amongst other, information relating to (i) the Management Company's access to information; (ii) the basis of investment and disinvestment by the Sub-Fund in the Master Fund; (iii) the responsibilities of the Management Company and the management company of the Master Fund in the performance of their duties; (iv) the remuneration and charges applicable to the Master Fund; (v) standard dealing arrangements; (vi) the changes to standing arrangements, etc.

The Agreement is made available to the shareholders of the Master Fund and the Sub-Fund on request and free of charge at the registered office of the Company.

#### Use of Techniques and Instruments

For (up to) 15% of the assets which are not invested in the Master Fund, this Sub-Fund does not enter into transactions relating to techniques and instruments provided under Chapter 23, Investment Guidelines, paragraph "Special techniques and instruments related to transferable securities and money market instruments.



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|  | <p>The Master Fund itself enters into transactions relating to techniques and instruments for investment and hedging purposes. Please refer to the prospectus of the Master Fund for information regarding the use of such techniques and instruments that is applicable to the Master Fund.</p>   |
| <b>Risk Disclosure</b>   | <p>Risk factors specific to the Sub-Fund are those related to the Master Fund. Information on the Master Fund's risk profile is available to investors on the following website: <a href="http://www.blackrock.com">www.blackrock.com</a>.</p> <p>The Portfolio Manager considers Environmental, Social and Governance (ESG) insights and data, including Sustainability risks, within the total set of information in its research process and makes a determination as to the materiality of such information in its investment process. ESG insights are not the sole consideration when making investment decisions and the extent to which ESG insights are considered during investment decision making will also be determined by the ESG characteristics or objectives of the Master Fund. Sustainability risks are identified at various steps of the investment process, where relevant, from research, allocation, selection, portfolio construction decisions, or management engagement, and are considered relative to the Funds' risk and return objectives. Assessment of these risks is done relative to their materiality (i.e. likelihood of impacting returns of the investment) and in tandem with other risk assessments (e.g. liquidity, valuation, etc.).</p> <p>Unless otherwise stated in the Master Fund documentation and included within the Master Fund's investment objective and investment policy, ESG integration does not change the Master Fund's investment objective or constrain the portfolio manager's investable universe. ESG integration does not determine the extent to which the Master Fund may be impacted by Sustainability risks.</p> <p>ESG characteristics are not a core part of the Master Fund investment strategy and the Sub-Fund does not promote particular ESG characteristics or pursue a specific sustainability or impact objective, however, Sustainability risks may have an impact on the returns of the Sub-Fund over time and these are reviewed, reported, and managed alongside other investment risks within the portfolio manager's risk management framework.</p> <p>"Sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by each Sub-Fund.</p> |
| <b>Retail Share Class</b>  | Shares of "Class P" issued in the Accounting Currency which is an accumulating class dedicated to retail investors.  |
| <b>Institutional Share Class</b>                                     | Shares of "Class I" issued in the Accounting Currency which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations.   |
| <b>Accounting Currency</b>   | EUR  |
| <b>Distribution Policy of the "Class P" and "Class I" Shares is:</b> | Accumulation   |
| <b>Valuation Day</b>   | Each business day in Luxembourg, which for the purpose of this Sub-Fund shall mean a day on which the banks are normally open for business in Luxembourg. For such purpose, the 24th of December and such other day as the Master Fund may decide is not considered as a business day.   |
| <b>Specific cut-off, NAV calculation and settlement terms</b>        | <p>Subscription applications entered with the Administrative Agent no later than by 4:00 p.m. Central European Time (cut-off time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable Valuation Day (T+1) ("<b>Calculation Day</b>"). Subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price calculated in respect of the next Valuation Day.</p> <p>Redemption applications received by the Administrative Agent no later than by 4:00 p.m. (Central European Time) on a business day preceding the Valuation Day (Valuation Day, "T") will be processed on the basis of the net asset value calculated on the business day following the applicable</p>  |

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|  | <p>Valuation Day (T+1) ("<b>Calculation Day</b>"). Redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated in respect of the next Valuation Day.</p> <p>Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).</p> <p>Payment date for subscriptions and redemptions: on the third business day, following the relevant dealing day. In case the calculation of the net asset value is suspended in accordance with paragraph "Suspension of the net asset value calculation and of the issue, redemption and conversion of Shares", the payment for subscriptions and redemptions will be delayed by the duration of the suspension.</p> <p>For the purpose of this section, a business day shall mean a day on which the banks are normally open for business in Luxembourg. For such purpose, the 24th of December and such other day as the Master Fund may decide is not considered as a business day.</p> |
| <b>Minimum Subscription for "Class P" Shares is:</b> | Initial subscriptions: EUR 100  |

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| <b>Minimum Subscription for "Class I" Shares is:</b>             | Initial subscriptions: EUR 100  |
| <b>Subscription Fee for "Class P" Shares is:</b>                 | Up to 3% of the subscribed amount payable to the Distributor.   |
| <b>Subscription Fee for "Class I" Shares is:</b>                 | None  |
| <b>Redemption Fee for the "Class P" and "Class I" Shares is:</b> | None  |
| <b>Conversion Fee for the "Class P" and "Class I" Shares is:</b> | None  |
| <b>Portfolio Manager</b>   | BlackRock Investment Management (UK) Limited is appointed by the Management Company, under responsibility and supervision of the Management Company, as the delegated portfolio manager for the Sub-Fund's assets, according to Chapter 13 of this Sales Prospectus. The portfolio management units of BlackRock Investment Management (UK) Limited may transfer their mandates, fully or partially, to associated portfolio managers. Responsibility, in the latter case remains with the aforementioned delegated portfolio manager and with the Company. |
| <b>Flat Fee</b>  | <p>The Sub-Fund's share Class P is subject to a "Flat Fee" of maximum 1.335 % p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p> <p>The Sub-Fund's share Class I is subject to a "Flat Fee" of maximum 0.50% p.a. calculated daily on the average total net assets of the respective class during the month concerned.</p>   |

## SECTION II GENERAL PROVISIONS

### MANAGEMENT AND ADMINISTRATION

**Registered Office** 33A, avenue J.F. Kennedy L-1855 Luxembourg  
Grand Duchy of Luxembourg

**Board of Directors**

**Chairman** Giuseppe Lusignani  
*Independent Director*

**Directors** Maurizio Morgillo  
*Director*

Marco Righi-Nicli  
*Head of Operations Department*  
BPER Banca S.p.A. Modena  
Modena, Italy

Gian Enrico Venturini  
*Deputy General Manager*  
BPER BANCA S.p.A. Modena  
Modena, Italy

Paolo Zanni  
*General Manager*  
BPER BANK LUXEMBOURG S.A.  
Luxembourg, Grand Duchy of Luxembourg

Fabrizio Greco  
*Wealth and Investment Managing Director*  
BPER BANCA S.p.A. MODENA  
Modena, Italy

**Management Company** UBS Fund Management (Luxembourg) S.A.  
33A, avenue J.F. Kennedy,  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

**Board of Directors of the Management Company** André Valente (Chairman)  
*CEO*  
UBS Fund Management (Switzerland) AG,  
Basel, Switzerland

Francesca Prym (Member)  
*CEO*  
UBS Fund Management (Luxembourg) S.A.  
Luxembourg, Grand Duchy of Luxembourg

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|   | <p>Christian Maurer (Member)<br/> <i>Head of Product Management</i><br/> UBS Asset Management Switzerland AG,<br/> Zurich, Switzerland</p>   |
|   | <p>Gilbert Schintgen (Member)<br/> <i>Independent Director</i><br/> Dudelange, Grand Duchy of Luxembourg</p>   |
| <b>Day to Day Manager of the Management Company</b> | <p>Valérie Bernard<br/> <i>Executive Director</i><br/> UBS Fund Management (Luxembourg) S.A.<br/> Luxembourg, Grand Duchy of Luxembourg</p> <p>Geoffrey Lahaye<br/> <i>Executive Director</i><br/> UBS Fund Management (Luxembourg) S.A.<br/> Luxembourg, Grand Duchy of Luxembourg</p> <p>Federica Ghirlandini<br/> <i>Executive Director</i><br/> UBS Fund Management (Luxembourg) S.A.<br/> Luxembourg, Grand Duchy of Luxembourg</p> <p>Olivier Humbert<br/> <i>Director</i><br/> UBS Fund Management (Luxembourg) S.A.<br/> Luxembourg, Grand Duchy of Luxembourg</p> |
| <b>Distributors</b>                                 | <p>BPER Banca S.p.A.<br/> Via S. Carlo, 8/20<br/> 41121 Modena<br/> Italy</p> <p>BPER BANK LUXEMBOURG S.A.<br/> 30 Boulevard Royal,<br/> L-2449 Luxembourg<br/> Grand Duchy of Luxembourg</p>  |
| <b>Portfolio Managers</b>                           | <p>The name of the respective delegated Portfolio Manager is disclosed for each Sub-Fund under Section I "Available Sub-Funds".</p>  |
| <b>Depository and Paying Agent</b>                  | <p>UBS Europe SE, Luxembourg Branch<br/> 33A, avenue J.F. Kennedy,<br/> L-1855 Luxembourg<br/> Grand Duchy of Luxembourg</p>   |
| <b>Administrative Agent</b>                         | <p>Northern Trust Global Services SE<br/> 10 rue du Chateau d'Eau,</p>   |

L-3364, Leudelange  
Grand Duchy of Luxembourg

**Auditor**

PricewaterhouseCoopers, Société Coopérative  
2 rue Gerhard Mercator,  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

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## 1. THE FUND

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### STRUCTURE OF THE FUND

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BPER International SICAV is a managed investment company qualifying as a "*société d'investissement à capital variable*" ("**SICAV**") with multiple Sub-Funds under the laws of the Grand Duchy of Luxembourg, which envisages to invest in transferable securities, in accordance with the investment policy of each particular Sub-Fund. The Fund complies with the requirements of the European Directive 2009/65/EC of the European Parliament and of the Council of July 13, 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (the "**Directive 2009/65/EC**").

BPER International SICAV is characterised by an "umbrella construction" which allows the issue of various categories of Shares, each relating to a specific pool of assets known as "Sub-Funds". Such Shares belonging to a particular category shall hereinafter also be called "**Sub-Fund Shares**".

The entirety of the Sub-Funds' net assets forms the total net assets of the Fund, which at any time correspond to the share capital of the Fund and consist of fully paid in and non-par-value Shares.

At general meetings, the shareholder has the right to one vote per Share held, irrespective of the difference in value of Shares in the respective Sub-Funds. Shares of a particular Sub-Fund carry the right of one vote per Share held when voting at meetings affecting this Sub-Fund.

The Fund draws the investor's attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund (notably the right to participate in general shareholders' meetings), if the investor is registered himself and in his own name in the shareholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his 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 Fund. Investors are advised to take advice on their rights.

The Fund is unlimited with regard to duration and total assets.

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### LEGAL ASPECTS

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BPER International SICAV was incorporated on November 13, 1997 as an open-end investment fund under Luxembourg law in the legal form of a public limited company (*société anonyme*) having the status of an investment company with variable capital (*société d'investissement à capital variable*) in accordance with Part I of the Luxembourg law relating to undertakings for collective investment enacted on March 30, 1988 (currently the 2010 Law). The Fund is entered under no. B 61.517 in the Luxembourg Commercial Register. Following an extraordinary general meeting of the shareholders held on 15 November 2011 the articles of incorporation of the Fund (the "**Articles**") were amended in order to have the Fund regulated by Part I of the 2010 Law.

The Articles were published in the "Mémorial, Recueil des Sociétés et Associations", the official gazette of the Grand Duchy of Luxembourg, of December 17, 1997 and on 21 December 2011 and were deposited together with the legal notice concerning the issue of the Fund's Shares at the Commercial and Company Register of the District Court of Luxembourg. Such amendments become legally binding in respect of all shareholders subsequent to their approval by the general meeting of shareholders.

The Fund's accounts are audited by PricewaterhouseCoopers, Société Coopérative.

The financial year of the Fund ends on December 31 each calendar year. The ordinary general meeting takes place annually on the third Wednesday in May at 11.00 a.m. at the registered office of the Fund. If the third Wednesday in May happens to be a holiday, the ordinary general meeting will take place on the next following Business Day.

The Board of Directors of the Fund (the "**Board**") reserves the right to launch new Sub-Funds, at any point in time. The offering memorandum and investment policy of such Sub-Funds are to be communicated through a revised Sales Prospectus. In compliance with the regulations laid down in paragraph "Liquidation and merging of the Fund and its Sub-Funds", the Board reserves the right to liquidate or to merge certain Sub-Funds.

Variations in the capital of the Fund can take place without further consideration or enquiry and without the need for publication or registration in the Register of Commerce. The minimum capital required is EUR 1,250,000. This minimum has to be reached within a time frame of six months after the registration of the Fund on the official list of undertakings for collective investment.

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## 2. INVESTMENT OBJECTIVES AND POLICY

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The purpose of the Fund is to provide investors with an opportunity for investment in all types of transferable securities through professionally managed Sub-Funds, each with their own specific investment objectives and policies as more fully described in Section I "Available Sub-Funds", in order to achieve a high regular income while giving ultimate consideration to capital security and portfolio liquidity.

The Fund will seek maximum capital appreciation (income plus capital gains) without undue risk.

Provided the particular Sub-Fund's investment policy does not specify otherwise, the Sub-Fund may invest no more than 10% of its assets in other undertakings for collective investment in transferable securities ("UCITS") or undertakings for collective investment ("UCI").

Notwithstanding the limits set forth in the paragraph "Special techniques and instruments relating to transferable securities and money market instruments", each time a Sub-Fund enters into transactions pursuant to which it will borrow bonds via repurchase agreements in order to sell them, such sales may not engage more than 10% of its net assets.

For the avoidance of doubt, the transactions referred to above may not be considered as short selling within the meaning of Article 52 of the 2010 Law.

As set out in 1.1 g) and 4 of the Investment Guidelines, as a core element in achieving investment policy the Fund may use special techniques and financial instruments whose underlyings are securities, money market instruments and other financial instruments within the statutory limits defined for each Sub-Fund.

The investment policy of each individual Sub-Fund is set out in Section I "Available Sub-Funds".

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### USE OF DERIVATIVES

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This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

While observing the restrictions set out in **paragraph 2** of the Investment Guidelines (Risk diversification), the Fund may, in relation to each Sub-Fund, use derivatives. Derivatives are instruments that derive their value from another financial instrument (underlying asset).

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).

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.

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### USE OF FUTURES AND OPTIONS

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This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

While taking account of the restrictions set forth in **paragraph 4** of the Investment Guidelines (Special techniques and instruments that have securities and money market instruments), the Fund, in relation to each Sub-Fund, 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 portfolio manager 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 portfolio manager to increase or decrease the exposure to the underlying with respect to the market conditions/trends.

- 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.

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 specialised 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.

- **Futures:** 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 instrument 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.

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#### **USE OF CREDIT DEFAULT SWAPS (CDS)**

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This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

The Fund may, in relation to each Sub-Fund, enter into credit default swaps (CDS) transactions for purposes of hedging or sound portfolio management.

Acquisition of protection by means of a CDS contract means that the Fund is hedged against risk of failure of the reference issuer and/or basket of issuers in return for payment of a premium. For example, when the physical delivery of the underlying is planned, a CDS entitles the Fund with the right to sell to the counterparty a bond security that belongs to a specific issuing basket of the defaulting issuer for a predefined price (which typically corresponds to 100% of the nominal value).

Moreover, the following rules must be complied with where CDS contracts are executed with a purpose other than hedging:

- The CDS must be used in the exclusive interest of the investors by allowing a satisfactory return compared to the risks incurred by the Fund;
- 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 Fund;
- The general investment restrictions must apply to the CDS issuer and to the CDS' final debtor risk ("underlying");
- The use of CDS must fit the investment and the risk profiles of the Sub-Funds concerned;
- The Fund 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;
- The CDS selected by the Fund must be sufficiently liquid so as to allow the Fund to sell/settle the contracts in question at the defined theoretical prices.



## RISKS CONNECTED WITH THE USE OF DERIVATIVES

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This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

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.

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 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). To trade derivatives on a stock exchange, participants must deposit collateral with a clearing agent in the form of liquid funds (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).

If derivatives do not possess any such settlement guarantee (OTC derivative transaction), their default risk is generally limited by the investment restrictions set out in the **paragraph 2** of the Investment Guidelines (Risk diversification). 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. 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 (see letter g), indent (iv) under **paragraph 1** of the Investment Guidelines - Permitted investments of the Fund).

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.

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.

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### 3. RISK PROFILE

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Sub-Fund investments may be subject to substantial fluctuations and no guarantee can be given that the value of a Share will not fall below its value at the time of acquisition.

Factors that can trigger such fluctuations or can influence their scale include but are not limited to:

- changes affecting specific companies
- changes in interest rates
- changes in exchange rates
- changes affecting economic factors such as employment, public expenditure and indebtedness, inflation
- changes in the legal situation
- changes in the confidence of investors in certain classes of investment (e.g. equities), markets, countries, industries and sectors
- changes in the prices of raw materials

The risks described above apply in particular to investments in the PRC.

#### **Risk information on investments traded on the China Interbank Bond Market**

The bond market in mainland China comprises the interbank bond market and the listed bond market. The CIBM was established in 1997 as an over-the-counter ("OTC") market, and it accounts for over 90% of all bond trades in China. Primarily, government bonds, corporate bonds, bonds issued by state-owned banks and medium term debt instruments are traded on this market. In accordance with applicable regulations in mainland China, foreign institutional investors wishing to invest directly in the CIBM, must do so via an onshore settlement agent with responsibility for filing the required registration and opening an account with the relevant authorities. There are no quota restrictions of any kind.

The CIBM is undergoing a phase of development and internationalisation. Market volatility and a potential lack of liquidity due to low trade volumes can lead to dramatic fluctuations in certain debt securities traded on this market. Sub-funds that invest in this market are therefore exposed to liquidity and volatility risk, and may suffer losses from mainland Chinese bond trades. In particular, the bid and offer spread of mainland Chinese bonds may be wide, and selling such investments may thus generate considerable trading and realisation costs for the sub-fund in question. The relevant sub-fund may also be exposed to risks in connection with settlement processes and counterparty default. It is possible that the sub-fund may enter into transactions with counterparties who are then unable to fulfil their obligations by delivering or paying for the appropriate securities. The CIBM is also subject to regulatory risk.

#### **Risk information on investments traded on the CIBM via the Northbound Trading Link through Bond Connect**

Bond Connect is a new initiative started in July 2017 enabling mutual bond market access between Hong Kong and mainland China ("Bond Connect") that was founded by the China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS"), the China Central Depository & Clearing Co. Ltd ("CCDC"), the Shanghai Clearing House ("SCH"), the Hong Kong Stock Exchange ("HKEx") and the Central Moneymarkets Unit ("CMU"). In accordance with applicable regulations in mainland China, eligible foreign investors can invest in bonds on the CIBM through the Northbound Trading Link of Bond Connect. There is no investment quota for the Northbound Trading Link. Within the framework of the Northbound Trading Link, eligible foreign investors must name CFETS or another institute approved by the People's Bank of China ("PBC") as their registration agent in order to be able to file for registration with the PBC.

The Northbound Trading Link refers to the trading platform located outside mainland China and linked to CFETS that enables eligible foreign investors to transmit their trading orders for bonds listed on the CIBM through Bond Connect. HKEx and CFETS work with electronic offshore bond trading platforms to provide electronic trading services and platforms that enable direct trading between eligible foreign investors and approved onshore traders in mainland China on CFETS.

Eligible foreign investors can transmit trading orders for bonds listed on the CIBM through the Northbound Trading Link made available by electronic offshore trading platforms (such as Tradeweb and Bloomberg). These in turn transmit their requests for quotations to CFETS. CFETS sends the requests for quotations to a range of

authorised onshore traders (including market makers and other parties involved in market making) in mainland China. The authorised onshore traders respond to the requests for quotations through CFETS, and CFETS transmits their responses via the same electronic offshore bond trading platforms to the eligible foreign investors. If an eligible foreign investor accepts the offer then the trade is concluded on CFETS

Settlement and custody of bonds traded through Bond Connect on CIBM are handled via the settlement and custody link between the CMU as the offshore depository, and the CCDC and SCH as the onshore depositories and clearing houses in mainland China. Gross settlement of confirmed trades is carried out by CCDC or SCH onshore via the settlement link, and the CMU executes the instructions of CMU members regarding bond settlement on behalf of eligible foreign investors in accordance with the applicable rules.

In accordance with applicable regulations in mainland China, as the offshore depository approved by the Hong Kong Monetary Authority ("HKMA"), the CMU opens collective nominee accounts with the onshore depository approved by the PBC (i.e. the CCDC and Hong Kong Interbank Clearing Limited). All bonds traded by eligible foreign investors are registered in the name of the CMU, which holds these bonds as nominee.

### **Risks relating to securities trading in mainland China via Stock Connect**

If sub-fund investments in mainland China are traded via Stock Connect, there are additional risk factors in relation to these transactions. Investors should note in particular that Stock Connect is a new trading programme. There is currently no empirical data. Furthermore, the corresponding provisions could change in future. Stock Connect is subject to quota limits that could restrict the sub-fund's ability to perform transactions in a timely manner via Stock Connect. This could impair the sub-fund's ability to effectively implement its investment strategy. The scope of Stock Connect initially encompasses all securities included on the SSE 180 Index and SSE 380 Index, as well as all Chinese A Shares listed on the Shanghai Stock Exchange ("SSE"). It also extends to all securities included in the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index with a market capitalisation of at least RMB 6 billion, as well as to all Chinese A Shares listed on the Shenzhen Stock Exchange ("SZSE"). Investors should also note that under the applicable regulations a security can be removed from the Stock Connect programme. This could have an adverse effect on the sub-fund's ability to achieve its investment objective, for example if the Portfolio Manager wishes to acquire a security that has been removed from the Stock Connect programme.

### **Beneficial owner of SSE shares/SZSE shares**

Stock Connect consists of the northbound link, through which investors in Hong Kong and abroad – such as the sub-fund – may acquire and hold Chinese A Shares listed on the SSE ("SSE shares") and/or SZSE ("SZSE shares"), and the southbound link, through which investors in mainland China may acquire and hold shares listed on the Hong Kong Stock Exchange ("SEHK"). The sub-fund trades in SSE shares and/or SZSE shares through its broker, which is associated with the Fund's sub-depository and admitted to the SEHK. After settlement by brokers or depositories (the clearing agents), these SSE shares or SZSE shares shall be held in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS"), maintained by Hong Kong Securities and Clearing Company Limited ("HKSCC"), the central securities depository in Hong Kong and the nominee. HKSCC in turn holds the SSE shares and/or SZSE shares of all participants on a "Single Nominee Omnibus Securities Account," which is registered in its name with ChinaClear, the central securities depository in mainland China.

Since HKSCC is only the nominee and not the beneficial owner of the SSE shares and/or SZSE shares, if HKSCC were to be wound down in Hong Kong, the SSE shares and/or SZSE shares would not be deemed part of HKSCC's general assets available for distribution to creditors, even under PRC law. However, HKSCC is not required to take legal measures or initiate legal proceedings to enforce rights on behalf of investors in SSE shares and/or SZSE shares in mainland China. Foreign investors – such as the sub-fund in question – who invest through Stock Connect and hold SSE shares and/or SZSE shares via HKSCC are the beneficial owners of the assets and are therefore entitled to exercise their rights exclusively through the nominee.

### **QFII/RQFII Risks**

#### **QFII / RQFII Quota**

Under the prevailing regulations in the PRC, foreign investors can invest in the China A Share market and other QFII / RQFII permissible securities through institutions that have obtained qualified status such as QFII and/or RQFII status in the PRC. The current QFII and RQFII regulations impose strict restrictions (such as investment guidelines) on China A Share investments.

The Sub-Funds themselves are neither a QFII nor RQFII, but may invest directly in China A Shares and other QFII / RQFII permissible securities via the QFII and/or RQFII status of the relevant Portfolio Manager.

Potential investors should note that there is no guarantee that any of the Sub-Funds will continue to benefit from the QFII / RQFII quota(s) of the relevant Portfolio Manager nor that it will be made exclusively available to any of the Sub-Funds. The Sub-Fund may also seek exposure to QFII/RQFII permissible securities through QFII / RQFII quotas granted to other QFIIs / RQFIIs.

Portfolio Managers may assume dual roles as the Portfolio Manager of the Sub-Funds and the holder of the QFII / RQFII quota applicable to the Sub-Funds. Portfolio Managers will ensure all transactions and dealings will be dealt with having regard to the documents of the Sub-Fund as well as the relevant laws and regulations applicable to the Portfolio Manager. In the event that conflicts of interest arise, the Company will in conjunction with the Depositary and PRC Sub-Custodian (as defined below) seek to ensure that the Sub-Fund is managed in the best interests of shareholders and the shareholders are treated fairly.

There can be no assurance that Portfolio Manager will be able to allocate a sufficient portion of its QFII and/or RQFII quota to meet all applications for subscription to the Sub-Funds, or that redemption requests can be processed in a timely manner due to adverse changes in relevant laws or regulations, including changes in QFII / RQFII repatriation restrictions. Such restrictions may result in suspension of dealings of the Sub-Funds.

QFII / RQFII restrictions on investment apply to the quota granted to a QFII / RQFII as a whole and not simply to investments made by the Sub-Funds. Consequently, investors should be aware that violations of the QFII / RQFII regulations on investment arising out of activities related to portions of the investment quota allocated to another client of the QFII / RQFII or another Sub-Fund through whom a Sub-Fund invests could result in the revocation of or other regulatory action in respect of the investment quota of the QFII / RQFII as a whole, including any portion utilised by the Sub-Fund. Likewise, limits on investment in China A Shares, and the regulations relating to the repatriation of capital and profits may apply in relation to the quota held by Portfolio Managers as a whole. Hence the ability of a Sub-Fund to make investments and/or repatriate monies from a Portfolio Manager's QFII and/or RQFII quota may be affected adversely by the investments, performance and/or repatriation of monies invested by other investors or other Sub-Fund(s) utilising the Portfolio Manager's QFII and/or RQFII quota.

Should a Portfolio Manager lose its QFII / RQFII status or retire or be removed, or a Portfolio Manager's QFII / RQFII quota be revoked or reduced, a Sub-Fund may not be able to invest in China A Shares or other QFII / RQFII permissible securities through that Portfolio Manager's QFII / RQFII quota, and the Sub-Fund may be required to dispose of its holdings, which would likely have a material adverse effect on such Sub-Fund.

Investors should note that a Portfolio Manager's QFII and/or RQFII quota is subject to a minimum asset allocation (as a percentage of aggregate investment in QFII / RQFII permissible securities or otherwise required/agreed/prescribed by PRC regulators) as required/agreed/prescribed by PRC regulators. Accordingly for Sub-Funds that invest in QFII / RQFII permissible securities, the implementation of their respective investment policy is restricted by such asset allocation requirement which applies at an aggregated level among all Sub-Funds utilizing the same Portfolio Manager's QFII and/or RQFII quota.

The relevant Portfolio Manager as QFII / RQFII will also select brokers ("PRC Brokers") to execute transactions for the Sub-Fund in the PRC markets. The Sub-Fund may incur losses due to the acts or omissions of the PRC Brokers or the PRC Sub-Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. The Sub-Fund may have difficulty in obtaining best execution of transactions in QFII / RQFII permissible securities subject to restriction/limitations under applicable QFII / RQFII regulations or operational constraints such as the restriction/limitation as to the number of brokers that the Portfolio Manager as QFII / RQFII may appoint. If a PRC Broker offers the Sub-Funds standards of execution which the Portfolio Manager reasonably believes to be amongst best practice in the PRC marketplace, the Portfolio Manager may determine that they should consistently execute transactions with that PRC Broker (including where it is an affiliate) notwithstanding that they may not be executed at the best price and shall have no liability to account to the Sub-Funds in respect of the difference between the price at which the Sub-Fund executes transactions and any other price that may have been available in the market at that relevant time.

## **Custody**

The Depositary acts as the depositary of the Sub-Funds and holds the assets. The Sub-Fund and the Depositary will appoint a sub-custodian for the Sub-Fund (the "PRC Sub-Custodian"), where the PRC Sub-Custodian will hold

the assets of the Sub-Funds invested in the PRC through the Portfolio Manager(s)' QFII quota and/or the Portfolio Manager(s)' RQFII quota respectively.

Any QFII / RQFII permissible securities acquired by the Sub-Funds through a Portfolio Manager's QFII and/or RQFII quota will be maintained by the PRC Sub-Custodian in separate securities account(s) and will be registered for the sole benefit and use of the Sub-Funds or the Company (on behalf of the Sub-Funds) subject to applicable laws. There will be segregation of assets by the PRC Sub-Custodian such that the assets of a Sub-Fund will not form part of the assets of a Portfolio Manager as QFII and/or RQFII, the PRC Sub-Custodian, or the PRC Brokers. However, subject to the investment regulations, Portfolio Managers (as QFII / RQFII) could be the party entitled to the securities in such securities account(s) (albeit that this entitlement does not constitute an ownership interest or preclude the Portfolio Manager purchasing the securities on behalf of the Sub-Funds), such securities may be vulnerable to a claim by a liquidator of a Portfolio Manager and may not be as well protected as if they were registered solely in the name of a Sub-Fund. In particular, there is a risk that creditors of the Portfolio Managers may incorrectly assume that a Sub-Fund's assets belong to a Portfolio Manager and such creditors may seek to gain control of a Sub-Fund's assets to meet a Portfolio Manager's liabilities owed to such creditors.

Investors should note that cash deposited in the cash account of a Sub-Fund with the PRC Sub-Custodian will not be segregated but will be a debt owing from the PRC Sub-Custodian to the Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the PRC Sub-Custodian. In the event of bankruptcy or liquidation of the PRC Sub-Custodian, the Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the Sub-Fund will become an unsecured creditor, ranking *pari passu* with all other unsecured creditors of the PRC Sub-Custodian. The Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.

#### **Risks connected with the use of ABS/MBS**

Investors are advised that investing in ABS, MBS and CMBS may involve higher complexity and lower transparency. These products involve exposure in a pool of receivables (for ABS, these receivables may be car or student loans or other receivables based on credit card agreements; for MBS or CMBS, they are mortgages), with the receivables issued by an institution founded exclusively for this purpose and which is independent from the lender of the receivables in the pool from a legal, bookkeeping and economic perspective. The payment flows from the underlying receivables (including interest, repayment of receivables and any unscheduled repayments) are passed on to the investors in the products. These products include various tranches subject to a hierarchy. This structure determines the order of repayments and any unscheduled special repayments within the tranches. If interest rates rise or fall, investors are subject to a higher or lower repayment or reinvestment risk if the unscheduled special repayments for the underlying receivables increase or decrease due to better or worse refinancing options for the debtors. The average term of sub-fund investments in ABS/MBS often differs from the maturity date set for the bonds. The average term is generally shorter than the final maturity date and depends on the dates of repayment flows, which are normally based on the structure of the security and the priority of cash inflows and/or borrower's behaviour in respect of refinancing, repayment and default. The sub-fund invests in securities with an average term of 0 to 30 years. ABS/MBS originate from different countries with differing legal structures. The sub-fund may invest in ABS/MBS from all Member States of the European Economic Area and Switzerland. Investments in other countries may be considered if the underlying securities are permitted by the sub-fund guidelines and the securities meet the research-based criteria laid down by the advisers. The sub-fund invests in securities issued by recognised issuers of ABS/MBS or similar securities. ABS/MBS may be investment-grade, non-investment-grade or have no rating.

#### **Risks connected with the use of CDO/CLO**

Investors are cautioned that some Sub-Funds may invest in certain types of asset-backed securities called Collateralised Debt Obligations (CDOs) or (if the underlying assets are loans) Collateralised Loan Obligations (CLOs). Typical CDO or CLO structures have several tranches of varying rank, with the highest-ranked tranche having first access to interest and principal payments from the Underlying Pool, followed by the next highest tranche, etc., up to the remaining (equity) tranche with access to the interest and repayments. CDO / CLO may be affected by a decline in the value of the underlying assets. Moreover, due to their complex structure, they may be difficult to value and their behaviour in different market situations can be unpredictable. **Risk factors specific to the feeder Sub-Funds**

Risk factors specific to Sub-Funds qualifying as feeder UCITS pursuant to Article 77 (1) of the 2010 Law are those related to the risks of their respective master funds, which are summarised in the relevant description of such

Sub-Funds. Further information on risk profiles of the relevant master funds may be found in the prospectus of each master fund.

### **Limits on Redemption**

Where the Sub-Fund is invested in the securities market in the PRC by investing through a Portfolio Manager's QFII and/or RQFII quota, repatriation of invested principal and income from the PRC will be subject to the QFII / RQFII regulations in effect from time to time including any regulatory requirements applicable to (including but not limited to) lock-up period, frequency and limits on repatriation or withdrawal of investments in such China A Shares and other QFII / RQFII permissible securities.

Where a RQFII fails to effectively utilise the RQFII quota within 1 year upon obtaining the RQFII quota, SAFE may reduce or even revoke its RQFII quota depending on the relevant circumstances. As utilization of the Portfolio Manager's RQFII quota may depend on the subscription level of the Sub-Fund and redemptions by investors of the Sub-Fund, this might result in the Portfolio Manager's RQFII quota being reduced or revoked.

The Portfolio Manager may obtain additional QFII quota (the "Additional QFII Quota") / RQFII quota (the "Additional RQFII Quota") from SAFE to be utilised by the Sub-Fund from time to time. Each Additional QFII Quota / Additional RQFII Quota may be open to a different share class for investors. Utilisation of the Additional QFII Quota / Additional RQFII Quota is subject to the applicable QFII / RQFII regulations.

Under current QFII regulations applicable to the Sub-Funds investing in QFII permissible securities, since the Sub-Fund/the Company (as the case may be) qualifies as an open-ended fund (as defined under the QFII regulations), no lock-up period is applicable to the capital invested into the PRC by the Sub-Fund through the Portfolio Manager's Additional QFII Quota.

Under the current RQFII regulations applicable to the Sub-Funds investing in RQFII permissible securities, since the Sub-Fund/the Company (as the case may be) qualifies as an open-ended fund (under the RQFII regulations), no lock up period is applicable to the capital invested into the PRC by the Sub-Fund through the Portfolio Manager's RQFII quota.

Remittance and repatriation for the account of the Sub-Fund may be effected by the PRC Sub-Custodian through the Portfolio Manager's QFII quota by reference to the net subscriptions and redemption of shares of the Sub-Fund/Company (as the case may be) up to a monthly net repatriation limit (including profit and principal of 20% of the total assets value of the Sub-Fund/Company (as the case may be) in the PRC invested under the Portfolio Manager's QFII quota as of the end of the immediately preceding calendar year.

Remittance and repatriation for the account of the Sub-Fund may be effected by the PRC Sub-Custodian through the Portfolio Manager's RQFII quota by reference to the net subscriptions and redemption of shares of the Sub-Fund/Company (as the case may be).

The relevant QFII / RQFII regulations are subject to uncertainty in their application. The investment regulations and/or the approach adopted by SAFE in relation to the repatriation limit may change from time to time. A repatriation of principal and/or profits over and above the applicable limit will require approval from SAFE which may delay payment of redemption proceeds; there is no assurance that such approval will be granted, and shares cannot be redeemed unless and until such approval has been obtained.

In addition, as the Portfolio Manager's QFII / RQFII quota value could be affected by the amount repatriated (by reference to the repatriated principal and profits amounts), large redemptions by investors of the Sub-Fund might affect the ability of the Portfolio Manager to remit funds back to the PRC through its QFII / RQFII quota thereafter.

Investors should be aware that owing to investment and repatriation restrictions, the Sub-Fund may need to maintain relatively high cash balances. This may result in lesser amounts being invested than would otherwise be the case if such investment and repatriation restrictions did not apply.

### **Investment Restrictions**

Since there are limits on the total shares held by all underlying investors and/or all QFII / RQFII holders in one PRC listed company under the QFII / RQFII regulations, the capacity of the Sub-Fund to make investments in China A Shares will be affected by the activities of all underlying investors and/or all QFII / RQFII holders.

The above mentioned investment restrictions will be applied to all underlying investors and/or all QFII / RQFII holders. Therefore, it will be difficult in practice for the Portfolio Manager, as a QFII and/or RQFII, to monitor the investments of the underlying investors of the Sub-Fund since an investor may make investment through different QFIIs / RQFII. It is also practically difficult for the Portfolio Manager to monitor the investments made by other QFIIs / RQFIIs.

By diversifying investments, the portfolio management endeavours to partially reduce the negative impact of such risks on the value of the Sub-Funds.

The Global Risk Exposure calculation method in accordance with applicable laws and regulations can be prepared based either on the commitment approach or the Value at Risk approach (relative or absolute). The risk management procedure shall also be applied within the scope of collateral management (see Chapter "Collateral management" below) and the techniques and instruments for the efficient management of the portfolio (see *paragraph 4* of the Investment Guidelines - Special techniques and instruments relating to transferable securities and money market instruments).

Leverage is defined pursuant to the applicable ESMA guidelines and CSSF Circular 11/512 as the total of the nominal values of the derivatives used by the respective Sub-Fund. According to the definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

Where applicable, the expected leverage is expressed in the table below as a ratio between the total of the nominal value and the net asset value of the respective Sub-Fund and is based on historical data. For Sub-Funds which have not yet been launched, the expected leverage value will be calculated on the basis of a model portfolio or on the investments of a comparable Sub-Fund. Greater leverage amounts may be attained for all Sub-Funds, under certain circumstances.

| Active Sub-Funds   | Risk Profile          | Expected level of leverage (absolute value) | Reference Portfolio (Benchmark) <sup>1</sup>  |
|--|-----------------------|---|---|
| BPER International SICAV - Multi Asset Dividend                    | Absolute VAR approach | 2.00  | n.a.  |
| BPER International SICAV - Global Convertible Bond EUR             | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV - Global Bond                             | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV - Global Balanced Risk Control            | Absolute VAR approach | 1.00  | n.a.  |
| BPER International SICAV - Equity North America                    | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV - Emerging Markets – Multi Asset Dividend | Relative VAR approach | 2.00  | The reference portfolio reflects the properties of a broadly diversified portfolio, which combines investment grade and non-investment grade bonds and shares from emerging markets |
| BPER International SICAV - Open Selection Defence                  | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV - Open Selection Income                   | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV - Open Selection Growth                   | Commitment approach   | n.a.  | n.a.  |
| BPER International SICAV – Multi Asset Global Opportunities        | Absolute VAR approach | 2.00 <sup>2</sup>                           | n.a   |
| BPER International SICAV – Global High Yield                       | Relative VAR approach | 0.75  | ICE BofAML Global High Yield Constrained Index  |

|   |                       |      |     |
|---|-----------------------|------|-----|
| BPER International SICAV – Optimal Income                     | Absolute VAR approach | 2.00 | n.a |
| BPER International SICAV – Low Duration European Covered Bond | Commitment approach   | n.a. | n.a |
| BPER International SICAV – Fixed Income Credit Strategies     | Absolute VAR approach | 4.00 | n.a |

<sup>1</sup> In accordance with CSSF Circular 11/512, reference portfolio must be disclosed for Sub-Funds for which the Global Risk Exposure is calculated using the Relative Value at Risk Approach.

<sup>2</sup> At the level of the Master Fund.

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#### 4. TOTAL EXPENSE RATIO ("TER") AND PORTFOLIO TURNOVER ("PTO")

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##### Total Expense Ratio ("TER")

The "TER" expresses the relationship between the gross amount of costs and average net assets of the Fund. The "TER" of each Sub-Fund is given in the annual reports (also in the semi-annual reports in the case of Switzerland).

##### Portfolio turnover ("PTO")

The "PTO" is computed on the basis of the financial year by applying the following formula:

$$\begin{aligned}
 &\text{Securities purchased} = X && \text{Subscriptions for Shares in the Sub-Fund} = S \\
 &\text{Securities sold} = Y && \text{Redemptions of Shares in the Sub-Fund} = T \\
 &\text{Total 1} = \text{total securities transactions} = X+Y && \text{Total 2} = \text{total transactions involving Shares of the Sub-Fund} = S+T \\
 &&& \text{Average monthly total assets} = M \\
 &&& \text{Turnover} = (\text{Total 1} - \text{Total 2})/M_{100}
 \end{aligned}$$

The "PTO" for each Sub-Fund is set forth in the annual reports.

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#### 5. COLLATERAL MANAGEMENT

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This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

If the Fund, on behalf of a Sub-Fund enters into OTC transactions, it may be exposed to risks related to the creditworthiness of the OTC counterparties: when the Fund enters into futures contracts or options or uses other derivative techniques it is subject to the risk that an OTC counterparty may not meet (or cannot meet) its obligations under a specific or multiple contracts. Counterparty risk can be reduced by depositing a security (collateral) (see above).

Collateral may be provided in the form of liquid assets in highly liquid currencies, highly liquid equities and first-rate government bonds. The Fund 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 Fund, or a service provider appointed by the Fund, 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 Fund 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 Fund and may not be sold, invested or pledged by the Fund.

The Fund shall ensure that the collateral transferred to it is adequately diversified, particularly regarding geographic dispersal, diversification across different markets and diversification 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 Fund's net assets.

Collateral that is deposited in the form of liquid funds may be invested by the Fund. Investments may only be made in: sight deposits or deposits at notice in accordance with letter f) under *paragraph 1* of the Investment Guidelines (Permitted investments of the Fund); high-quality government bonds; repurchase transactions within the meaning of *paragraph 4* of the Investment Guidelines (Special techniques and instruments relating to transferable securities and money market instruments), provided that the counterparty to this transaction is a credit institute within the meaning of letter f) under *paragraph 1* of the Investment Guidelines (Permitted investments of the Fund) and the Fund has 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.

If the Fund owes a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favour of the Fund. Bankruptcy and insolvency events or other credit events with the Depositary or within its sub-custodian/correspondent bank network may result in the rights of the Fund in connection with the security to be delayed or restricted in other ways. If the Fund owes a security pursuant to an applicable agreement, then any such security is to be transferred to the OTC counterparty as agreed between the Fund and the OTC counterparty.

Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Depositary or within its sub-custodian/correspondent bank network may result in the rights or recognition of the Fund in connection with the security to be delayed, restricted or even eliminated, which would go so far as to force the Fund 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 Board 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 liquid funds that are deposited as collateral. This framework agreement is reviewed and adapted where appropriate by the Board on a regular basis.

The maximum counterparty risk of the Fund related to OTC transactions is currently below the 10%/5% threshold provided by the 2010 Law. Consequently, OTC transactions are not collateralized so that no haircut policy is currently applicable.

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## 6. INVESTMENTS IN BPER INTERNATIONAL SICAV

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### NET ASSET VALUE

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Unless otherwise described under Section I "Available Sub-Funds", the net asset value per Share of the individual Sub-Funds is calculated on each business day of the Administration Agent (the "Valuation Day"). In this context, "**Business Day**" refers to the normal bank business day (i.e. each day on which banks are open during normal hours) in Luxembourg, with the exception of individual, non-statutory rest days as well as days on which exchanges in the main countries in which the Sub-Fund invests are closed or 50% or more Sub-Fund investments cannot be adequately valued. Non-statutory rest days are days on which banks and financial institutions are closed.

The net asset value of each Sub-Fund is equal to the total assets of that Sub-Fund less its liabilities. The net asset value of each Sub-Fund will be expressed in the currency of the relevant Sub-Fund as further described under Section I "Available Sub-Funds" (except when there exists any state of affairs which, in the opinion of the Board, makes the determination in the currency of the relevant Sub-Fund either not reasonably practical or prejudicial to the shareholders, the net asset value may temporarily be determined in such other currency as the Board may determine) and shall be determined in respect of any Valuation Day by dividing the total net assets of the Sub-Fund by the number of its Shares then outstanding.

The net asset value per Share of the individual Sub-Funds is calculated on the basis of closing prices on each Business Day in Luxembourg, unless otherwise described under Section I "Available Sub-Funds".

This means that net asset value for settlement purposes is not known when the order is placed (forward pricing). It will be calculated on the valuation date on the basis of the last known prices (i.e. closing prices or if such do not reflect reasonable market value in the opinion of the Board, at the last prices available at the time of valuation). The individual valuation principles applied are described in the section that follows.

The total net assets of the Fund are expressed in EUR and correspond to the difference between the total assets of the Fund and its total liabilities. For the purpose of this calculation, the net assets of each Sub-Fund, if they are not denominated in EUR, are converted into EUR and added up.

Without prejudice to the regulations of each Sub-Fund, the valuation of each Sub-Fund and of each of the different Share classes follows the criteria below:

- a) The value of any cash in 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 is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b) Securities, derivatives and other investments listed on a stock exchange are valued at the last known market price. If the same security, derivative or other investment is quoted on several stock exchanges, the last available quotation on the stock exchange that represents the major market for this investment will apply.

In the case of securities, derivatives and other investments where trading of these assets on the stock exchange is thin but which are traded between securities dealers on a secondary market using usual market price formation methods, the Fund can use the prices on this secondary market as the basis for the valuation of these securities, derivatives and other investments. Securities, derivatives 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 operates in a due and orderly fashion, are valued at the last available price on this market.

- c) Securities and other investments that are not listed on a stock exchange or traded on any other regulated market, and for which no reliable appropriate price can be obtained, will be valued by the Fund according to other principles chosen by it in good faith on the basis of the likely sales prices.
- d) The valuation of derivatives that are not listed on a stock exchange (OTC derivatives) is made by reference to independent pricing sources. In case only one independent pricing source of a derivative is available, the plausibility of the valuation price obtained will be verified by employing methods of calculation recognised by the Board, the risk management and the auditors, based on the market value of the underlying instrument from which the derivative has been derived.
- e) Units or shares of other UCITS and/or UCI will be valued at their last net asset value. Certain units or shares of other UCITS and/or UCI may be valued based on an estimate of the value provided by a reliable price provider independent from the target fund's investment manager or investment adviser (Estimated Pricing).
- f) For money market instruments, the valuation price will be gradually adjusted to the redemption price, based on the net acquisition price and retaining the ensuing yield. In the event of a significant change in market conditions, the basis for the valuation of different investments will be brought into line with the new market yields.

For Sub-Funds that predominantly invest in money market instruments,

- securities with a residual maturity of less than 12 months are valued in accordance with the ESMA guidelines for money market instruments;
  - interest income earned by Sub-Funds up to and including the second valuation date following the Valuation Date concerned is included in the valuation of the assets of the Sub-Funds concerned. The asset value per Share on a given valuation date therefore includes projected interest earnings as at two Valuation Dates hence.
- g) Securities, money market instruments, derivatives and other investments that are denominated in a currency other than the currency of account of the relevant Sub-Fund and which are not hedged by means of currency transactions are valued at the middle currency rate (midway between the bid and offer rate) obtained from external price providers.
  - h) Time deposits and fiduciary investments are valued at their nominal value plus accumulated interest.
  - i) The value of swap transactions is calculated by the counterparty to the swap transaction and a second independent valuation is made available by another external service provider. The calculation is based on the net present value of all cash flows, both inflows and outflows. In some specific cases, internal calculations based on models and market data available from Bloomberg and/or broker statement

valuations may be used. The valuation methods depend on the respective security and are determined pursuant to UBS Global Valuation Policy based on market value. This valuation method is recognized by the Board and is audited by the Fund's auditor.

The Fund is authorised to temporarily apply other adequate valuation principles which have been determined by it in good faith and are generally accepted and verifiable by auditors to the Fund's assets as a whole or of an individual Sub-Fund if the above criteria are deemed impossible or inappropriate for accurately determining the value of the Sub-Funds concerned due to extraordinary circumstances or events.

In the event of extraordinary circumstances or events, additional valuations, which will affect the prices of the Shares to be subsequently issued or redeemed, may be carried out within one day.

If on any trading day the total number of subscription and redemption applications for all Share classes in a Sub-Fund leads to a net cash in- or outflow, the net asset value of the Share classes may be adjusted for that trading day (Swinging Single Pricing, "SSP").

The maximum adjustment generally amounts to 1% of the net asset value per Share (prior to the adjustment). Both the estimated transaction costs and taxes incurred by the Sub-Fund as well as the estimated bid/offer spread of the assets in which the Sub-Fund invests may be taken into account.

The Board may decide, in respect of any Sub-Fund and/or Valuation Day, to apply on a temporary basis a dilution adjustment greater than 1% of the then applicable Net Asset Value per Share in exceptional circumstances (e.g. high market volatility and/or illiquidity, exceptional market conditions, market disruptions, etc.) where the Board can justify that this is representative of prevailing market conditions and that this is in the best interests of Shareholders. Such dilution adjustment is calculated in conformity with the procedures established by the Board. Shareholders shall be notified at the introduction of the temporary measures as well as at the end of the temporary measures via the usual communication channels.

The adjustment leads to an increase in net asset value per Share in the event of a net cash inflow into the Sub-Fund concerned. It will result in a reduction in the net asset value per Share in the event of a net cash outflow from the Sub-Fund concerned. The Board may lay down a threshold figure for each Sub-Fund in Section I "Available Sub-Funds". This may consist in the net movement on a trading day in relation to the net Fund assets or to an absolute amount in the currency of the Sub-Fund concerned. The net asset value per Share would be adjusted only if this threshold were to be exceeded on a trading day.

When deciding about the introduction of SSP, the Board shall decide which Sub-Funds will be affected. Sub-Funds for which SSP is introduced will not have transaction fees payable and vice-versa.

The Fund will undertake the allocation of assets and liabilities to the Sub-Funds, and the Share classes, as follows:

- a) If several Share classes have been issued for a Sub-Fund, all of the assets relating to each Share class will be invested in accordance with the investment policy of that Sub-Fund.
- b) The value of Shares issued in each Share class will be allocated in the books of the Fund to the Sub-Fund of this Share class; the portion of the Share class to be issued in the net assets of the relevant Sub-Fund will rise by this amount; receivables, liabilities, income and expenses allocable to this Share class will be allocated in accordance with the provisions of this section to this Sub-Fund.
- c) Derivative assets will be allocated in the books of the Fund to the same Sub-Fund as the assets from which the related derivative assets have been derived and, with each revaluation of an asset, the increase or reduction in value will be allocated to the relevant Sub-Fund.
- d) Liabilities in connection with an asset belonging to a particular Sub-Fund resulting from action in connection with this Sub-Fund will be allocated to this Sub-Fund.
- e) If one of the Fund's assets or liabilities cannot be allocated to a particular Sub-Fund, such receivables or liabilities will be allocated to all of the Sub-Funds pro rata to the respective net asset value of the Sub-Funds, or on the basis of the net asset value of all Share classes in the Sub-Fund, in accordance with the determination made in good faith by the Board. The assets of a Sub-Fund can only be used to offset the liabilities which the Sub-Fund concerned has assumed.
- f) Distributions to the shareholders in a Sub-Fund or a Share class reduce the net asset value of this Sub-Fund or of this Share class by the amount of the distribution.

For the purposes of this section, the following terms and conditions apply:

- a) Shares of the Fund to be redeemed under Articles 8 and 9 of the Articles shall be treated as existing Shares in circulation and taken into account until immediately after the time on the Valuation Date on which such valuation is made, as determined by the Board. From such time and until paid by the Fund, the redemption price shall be deemed to be a liability of the Fund;
- b) Shares count as issued from the time of their valuation on the relevant Valuation Date on which such valuation is made, as determined by the Board. From such time and until payment received by the Fund, the issue price shall be deemed to be a debt due to the Fund;
- c) Investment assets, cash and any other assets handled in a currency other than that in which the net asset value is denominated will be valued on the basis of the market and foreign exchange rates prevailing at the time of valuation.
- d) If on any Valuation Date the Fund has contracted to:
  - purchase any asset, the value of the consideration to be paid for such asset shall be shown as a liability of the Fund and the value of the asset to be acquired shall be shown as an asset of the Fund;
  - sell any asset, the value of the consideration to be received for such asset shall be shown as an asset of the Fund and the asset to be delivered shall not be included in the assets of the Fund;
  - provided however, that if the exact value or nature of such consideration or such asset is not known on such Valuation Date, then its value shall be estimated by the Fund.
  - The net assets of the Fund are at any time equal to the total of the net assets of the various Sub-Funds.
  - The value of all assets and liabilities not expressed in the reference currency of a Sub-Fund will be converted into the reference currency of such Sub-Fund at the rate of exchange determined on the relevant Valuation Date in good faith by or under procedures established by the Board. The Board, in its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

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## 7. ISSUE, CONVERSION AND REDEMPTION OF SHARES

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### ISSUE OF SHARES

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The Board reserves the right to issue, for each Sub-Fund, various classes of Shares, which may differ from one another, particularly in respect of their dividend policy and commission structure. At present six classes of Shares are issued:

- Shares of "Class P" which is an accumulating class dedicated to retail investors issued in the Accounting Currency of the respective Sub-Fund.
- All Shares already issued in the various Sub-Funds before August 2008 have been automatically renamed "Class P" Shares as of that date.
- Shares of "Class I" which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations issued in the Accounting Currency of the respective Sub-Fund.
- Shares of "Class (EUR hedged) P" which is an accumulating class dedicated to retail investors issued in EUR.
- Shares of "Class (EUR hedged) I" which is an accumulating class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations issued in EUR.
- Shares of "Class P-dist" of the respective Sub-Fund which is a distributing class dedicated to retail investors issued in the Accounting Currency.
- Shares of "Class I-dist" of the respective Sub-Fund which is a distributing class dedicated to institutional investors as defined from time to time by the Luxembourg laws and regulations issued in the Accounting Currency.
- Shares of "Class S" which is an accumulating class dedicated to retail and institutional investors as defined from time to time by the Luxembourg laws and regulations issued in EUR.

For Share classes with "hedged" in their name and denominated in a currency other than the Sub-Fund's currency of account, foreign exchange transactions and currency forwards are conducted in order to hedge the net asset value of the Sub-Fund, calculated in the currency of account, against the net asset values of the Share classes denominated in other currencies. Although it will not be possible to fully hedge the total net asset value of a Share class against currency fluctuations of the currency of account, the aim is to secure a currency hedge for the currency of account against the corresponding currency of the Share class equivalent to between 90% and 110%

of the net asset value. Changes in the value of the hedged sections of the portfolios and the volume of subscription and redemption requests for Shares not denominated in the currency of account may, however, result in the level of currency hedging temporarily surpassing the stated limits.

Shares in each Sub-Fund are issued at the subscription price; this price is calculated on every Valuation Day (as defined under section "Introduction") of the net asset value per Share of the relevant class of Shares.

A local paying agent will submit transactions on behalf of the final investor on a nominee basis. Costs incurred for such services may be charged to the investor.

As soon as Sub-Funds or classes of Shares are open for subscription, the Fund may set an initial subscription period during which the Shares are issued at a fixed subscription price, plus a sales commission, to be charged if applicable.

Unless otherwise stated in Section I "Available Sub-Funds", the Board is authorised without limitation to allot and issue Shares of any Sub-Fund. The Board is also authorised to fix a minimum subscription, redemption and conversion level, as well as a minimum holding for each Sub-Fund.

The Board at its discretion may accept subscriptions in kind, in whole or in part. However in this case the investments in kind must be in accordance with the respective Sub-Fund's investment policy and restrictions. In addition these investments will be audited by the Fund's appointed auditor. The related fees will be borne by the affected investor.

The initial and subsequent minimum investment and minimum holding requirements, if any, are disclosed under Section I "Available Sub-Funds".

Fractional entitlements to a Share will be recognised to three decimal places.

Shares will be issued in registered form only. Unless otherwise provided under Section I "Available Sub-Funds", dividends shall not be distributed.

No issue or redemption will take place on days on which the Board has decided not to calculate net asset value as described in the paragraph "Suspension of the net asset value calculation and of the issue, redemption and conversion of Shares". In addition, the Board is empowered to:

- a) Reject a subscription application at its discretion and to discretionary decide to accept subscription and conversion requests on any other Valuation Date
- b) At any time redeem Fund Shares held by shareholders who are not qualified to purchase or hold Fund Shares. Such redeemed Shares are reimbursed to the shareholder and thereby cease to be valid.

### **Initial subscription**

Details on the initial subscription period and prices of the Shares are presented under Section I "Available Sub-Funds"

### **Subsequent subscription**

After the closing of the initial offering period, Shares will be issued at a price corresponding to the net asset value per Share, plus a possible subscription fee to be determined for each Sub-Fund by reference to the net asset value. Any taxes, commissions and other fees incurred in the respective countries in which Fund Shares are sold will also be charged. For the calculation of the issue price the net asset value per Share is rounded up to the next smallest currency unit.

### **Subscription procedures**

BPER Banca S.p.A., via S. Carlo, 8/20, 156, I - 41121 Modena and BPER Bank Luxembourg S.A. were appointed distributors of the Fund (the "**Distributors**" and each a "**Distributor**"). Any subscriptions in the Fund have to be proceeded only through the Distributor, its subsidiaries, branches and sales agencies.

Unless otherwise provided under Section I "Available Sub-Funds", subscription applications entered with the Administrative Agent no later than by 4 p.m. Central European Time (cut-off time) on a Business Day (order date)

will be processed on the same Business Day (valuation date) on the basis of the net asset value calculated for that day. The subscriptions received by the Administrative Agent after the above mentioned cut-off times will be settled at the subscription price of the next Valuation Day. Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).

It will be calculated on the valuation date on the basis of the last known prices (i.e. closing prices or if such do not reflect reasonable market value in the opinion of the Fund, at the last prices available at the time of valuation).

Applications shall be submitted for payment in the reference currency as defined under Section I "Available Sub-Funds". The issue price is calculated in the relevant reference currency as defined under Section I "Available Sub-Funds". For the calculation of the issue price the net asset value per Share is rounded up to the next smallest currency unit.

Payment must be received by the depositary of the Fund (the "**Depositary**") within 2 Business Days after the calculation of the subscription price (Valuation Day). Investors must note that subscriptions will only be allotted after receipt of the subscription money.

The Shares will be transferred to the investors concerned without delay upon payment of the full purchase price. They may be credited to the securities account of the shareholder's choice. Fractions will be issued up to the 3 decimals. Fractional Shares, however, will not be issued in certificate form. The Share certificates will be delivered in denominations of 1 or more Shares

The Fund may, in the course of its sales activities and at its discretion, cease issuing Shares, refuse purchase applications and suspend or limit the sale of Shares for specific periods or permanently to individuals or corporate bodies in particular countries or areas. The Fund may also at any time reclaim Shares from shareholders who are excluded from the acquisition or ownership of Fund Shares.

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## CONVERSION OF SHARES

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Unless otherwise provided under Section I "Available Sub-Funds", the shareholder of a Sub-Fund may convert some or all of his Shares into Shares of the same Sub-Fund or into Shares of another Sub-Fund up to the counter value of the Shares presented for conversion, provided that the issue of Shares by this Sub-Fund has not, as described below, been suspended.

If on any Valuation Day, conversion requests exceed a certain level determined by the Board in relation to the net asset value of any Sub-Fund, the Board may decide that part or all of such requests for conversion will be deferred for a period and in a manner that the Board considers to be in the best interests of the relevant Sub-Fund. On the next dealing day following that period, these conversion requests will be met in priority to later requests.

If as a result of any request for conversion, the aggregate net asset value of the Shares held by a shareholder in any Share class of any Sub-Fund would fall below such value as determined by the Board and described in Section I "Available Sub-Funds", the Fund may decide that this request shall be treated as a request for redemption for the full balance of such shareholder's holding of Shares in such Share class of the applicable Sub-Fund.

A conversion of a retail Share class into an institutional Share class may not be effected.

The Fund calculates the number of Shares to be allotted after conversion using the following formula:

$$A = (B \times C) \times F / (D + E)$$

- A = number of the Shares of the new Sub-Fund to be issued
- B = number of Shares of the existing Sub-Fund
- C = net asset value per Share of the existing Sub-Fund less any taxes, commissions or other fees
- D = net asset value per Share of the new Sub-Fund plus any taxes, commissions or other fees
- E = conversion fee, if any (as further described in Section I "Available Sub-Funds")
- F = Exchange rate of the reference currencies of the two Sub-Funds;

The Shareholder can request such a conversion by written conversion application indicating the number of Shares and the Sub-Fund to be converted in.

The Shares which have been converted shall be cancelled.

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## REDEMPTION OF SHARES

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Redemption applications received by the Administrative Agent no later than by 4 p.m. (Central European Time) on a Business Day shall be settled at the redemption price per Share calculated on the same Business Day (valuation date). They shall be submitted for payment in the reference currency as defined under Section I "Available Sub-Funds". All redemption requests received by the Administrative Agent after the cut-off-time mentioned above shall be settled at the redemption price calculated on the next following Valuation Day. Earlier closing times for receipt of orders are applied by the Distributor, its subsidiaries, branches and sales agencies for those orders in order to ensure these can be communicated to the Administrative Agent on time. The earlier closing time is usually the business opening hours of the Distributor, its subsidiaries, branches and sales agencies preceding the net asset value calculation date. This means that net asset value for settlement purposes is not known when the order is placed (forward pricing).

A local paying agent will submit transactions on behalf of the final investor on a nominee basis. Costs incurred for such services may be charged to the investor.

The redemption price is based on the net asset value per Share. Any taxes, commissions and other fees incurred in the respective countries in which Shares are sold will be charged. For the calculation of the redemption price, the net asset value per Share will be rounded down to the next smallest currency unit. Since provision must be made for an adequate supply of liquidity in the Fund's assets, payment for Shares is effected under normal circumstances within 2 Business Days after the calculation of the redemption price unless legal provisions, such as foreign exchange controls or restrictions on capital movements, or other circumstances beyond the control of the Fund, make it impossible to transfer the redemption amount to the country in which the redemption application was submitted.

If on any Valuation Day, redemption requests exceed a certain level determined by the Board in relation to the net asset value of any Sub-Fund, the Board may decide that part or all of such requests for redemption will be deferred for a period and in a manner that the Board considers to be in the best interests of the relevant Sub-Fund. On the next dealing day following that period, these redemption requests will be met in priority to later requests.

If as a result of any request for redemption, the aggregate net asset value of the Shares held by a shareholder in any Share class of any Sub-Fund would fall below such value as determined by the Board and described in Section I "Available Sub-Funds", the Fund may decide that this request shall be treated as a request for redemption for the full balance of such shareholder's holding of Shares in such Share class of the applicable Sub-Fund.

On payment of the redemption price, the corresponding Share ceases to be valid.

With the approval of the affected shareholders, the Board (while observing the principle of equal treatment of all shareholders) may at its own discretion execute redemption requests wholly or partly in kind by allocating to such shareholder assets from the Sub-Fund portfolio equivalent in value to the net asset value of the redeemed Shares. Moreover, these assets will be audited by the Fund's appointed auditor. The related fees will be borne by the affected investor.

### **"Market timing" and "Late Trading"**

Investors are informed that the Board is entitled to take adequate measure in order to prevent practices known as "Market-Timing" in relation to investments in the Fund. The Board will also ensure that the relevant cut-off time for requests for subscription, redemption and conversion are strictly complied with and will therefore take adequate measures to prevent practices known as "Late Trading". In the event of recourse to distributors, the Board will ensure that the relevant cut-off time is duly complied with by the distributor.

The Board is entitled to reject requests for subscription and conversion in the event that it has knowledge or suspicions of the existence of such practices. In addition, the Board is authorized to take any further measures

deemed appropriate to prevent the above mentioned practices, without prejudice however to the provisions under Luxembourg law.

### **Money Laundering**

Distributors and sales agents of Shares must respect the rules set out by the Luxembourg law regarding the prevention of money laundering and the amended law of April 5, 1993 regarding the financial sector as well as any subsequent regulation issued by the Luxembourg government or supervisory authorities.

Amongst others, subscribers must establish their identity with the distributors or the sales agent which collects their subscription. The distributors or the sales agent must request from subscribers the following identification documents: for individuals, certified copy of passport/identity card (certified by the distributors or the sales agent or by the local public authority); for corporations or other legal entities, certified copy of their articles of incorporation, certified copy of the Register of Commerce and Companies, copy of the latest annual accounts published, full identification of the beneficial owner, i.e. final shareholder.

Distributors must make sure that the sales agents are strictly observing the above identification procedure. Northern Trust Global Services SE and the Fund may at any time request assurance for compliance from the distributors. Northern Trust Global Services SE controls the observance of the above mentioned rules for any subscription/redemption requests it receives from subscribers established in non-GAFI/FATF countries.

In addition, distributor and its appointed sales agents must also respect the Luxembourg data protection laws and all rules regarding the prevention of money laundering and of financing terrorism in force in their respective country.

### **SUSPENSION OF THE NET ASSET VALUE CALCULATION AND OF THE ISSUE, CONVERSION AND REDEMPTION OF SHARES**

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The Fund may temporarily suspend calculation of the net asset value and hence the issue, conversion and redemption of Shares for one or more Sub-Funds:

- a) during any period when any of the stock exchanges or other markets on which the valuation of a significant and substantial part of any of the investments of the Fund attributable to such Sub-Fund from time to time is based, or any of the foreign-exchange markets in whose currency the net asset value any of the investments of the Fund attributable to such Sub-Fund from time to time or a significant portion of them is denominated, are closed – except on customary bank holidays – or during which trading and dealing on any such market is suspended or restricted or if such markets are temporarily exposed to severe fluctuations, provided that such restriction or suspension affects the valuation of the investments of the Fund attributable to such Sub-Fund quoted thereon;
- b) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board as a result of which disposal or valuation of assets owned by the Fund attributable to such Sub-Fund would be impracticable;
- c) during any breakdown in the means of communication or computation normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-Fund;
- d) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-Fund, or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board, be effected at normal rates of exchange;
- e) if political, economic, military or other circumstances beyond the control or influence of the Fund make it impossible to access the Fund's assets under normal conditions without seriously harming the interests of the shareholders;
- f) when for any other reason, the prices of any investments owned by the Fund attributable to such Sub-Fund, cannot promptly or accurately be ascertained;
- g) upon the publication of a notice convening a general meeting of shareholders for the purpose of the liquidation of the Fund;
- h) to the extent that such suspension is justified by the necessity to protect the shareholders, upon publication of a notice convening a general meeting of shareholders for the purpose of the merger of the



Fund or one or more of its Sub-Funds, or upon publication of a notice informing the shareholders of the decision of the Board to merge one or more Sub-Fund(s);

- i) when restrictions on foreign exchange transactions or other transfers of assets render the execution of the Fund's transactions impossible; or
- j) in case of a feeder Sub-Fund, when the master UCITS temporarily suspends, on its own initiative or at the request of its competent authorities, the redemption, the reimbursement or the subscription of its units; in such a case the suspension of the calculation of the net asset value at the level of the feeder Sub-Fund will be for a duration identical to the duration of the suspension of the calculation of the net asset value at the level of the master UCITS.

The suspension of the calculation of the net asset value of any particular Sub-Fund shall have no effect on the determination of the net asset value per Share or on the issue, redemption and conversion of Shares of any Sub-Fund that is not suspended.

Any such suspension of the net asset value will be notified to investors having made an application for subscription, redemption or conversion of Shares in the Sub-Fund(s) concerned and will be published if required by law or decided by the Board or its agent(s) at the appropriate time.

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## **8. LIQUIDATION AND MERGING OF THE FUND AND ITS SUB-FUNDS**

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### **LIQUIDATION OF THE FUND**

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The liquidation of the Fund will take place if the conditions stated in the 2010 Law apply. The Fund can be dissolved at any time by the general meeting of the shareholders in due observance of the legal conditions governing the quorum and necessary majority.

If the total net assets of the Fund fall below two thirds of the prescribed minimum capital, the Board must submit the question of the dissolution of the Fund to a general meeting for which no quorum shall be prescribed and which shall decide by simple majority of the Shares represented at the meeting. If the total net assets of the Fund fall below one fourth of the prescribed minimum capital, the Board must submit the question of the dissolution of the Fund to a general meeting, the dissolution may be resolved by investors holding one fourth of the Shares represented at the meeting for which no quorum shall be prescribed. The meeting must be convened so that it is held within a period of 40 days as from the ascertainment that the net assets have fallen below two thirds or one fourth of the legal minimum as the case may be. Furthermore, the general meeting may decide to dissolve the Fund following the relevant provisions of the Articles. Any decision or order of liquidation will be notified to the shareholders, and published in accordance with the 2010 Law.

If the Fund is dissolved, the liquidation shall be carried out by one or more liquidators to be designated by the general meeting, which shall also determine their sphere of responsibility and remuneration. The liquidators shall realise the Fund's assets in the best interests of the shareholders and distribute the net proceeds from the liquidation of the Sub-Funds to the shareholders of said Sub-Funds in proportion to their respective holdings. Any liquidation proceeds which cannot be distributed to the shareholders shall be deposited with the "Caisse de Consignation" in Luxembourg until expiry of the prescription period, at present thirty years.

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### **Liquidation Of Sub-Funds And/Or Share Classes**

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If the total value of the net assets of a Sub-Fund and/or Share class falls to a level that does not allow the Sub-Fund and/or the Share class to be managed in an economically reasonable way as well as in the course of rationalisation, the Board may demand the liquidation of that Sub-Fund and/or Share class. The same also applies in cases where changes to the political or economic conditions justify such liquidation.

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 Board may however determine a different procedure, in the interest of the shareholders of the Sub-Fund(s) and/or of the Share classes of Sub-Fund(s).

The liquidation of a Sub-Fund and/or Share class shall not involve the liquidation of another Sub-Fund and/or Share class. Only the liquidation of the last remaining Sub-Fund of the Fund involves the liquidation of the Fund.

Regardless of the Board's rights, the general meeting of shareholders of a Sub-Fund and/or Share class of a Sub-Fund may reduce the Fund's capital at the proposal of the Board 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.

The shareholders of the respective Sub-Fund and/or Share class will be informed of the decision of the general meeting of shareholders to withdraw the Shares or of the decision of the Board to liquidate the Sub-Fund and/or Share 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 Fund are sold, an announcement will then be made in the official publications of each individual country concerned.

The counter value of the net asset value of Shares liquidated which have not been presented by shareholders for redemption will be deposited with the "*Caisse de Consignation*" in Luxembourg at the latest nine months after the decision of the liquidation. All redeemed Shares shall be cancelled by the Fund.

Each Sub-Fund of the Fund being a feeder Sub-Fund shall be liquidated if its master UCITS is liquidated and divided into two or more UCITS or merged with another UCITS, unless the Luxembourg supervisory authority (the "CSSF") approves:

- a) the investment of at least 85 % of the assets of the feeder Sub-Fund in units of another master UCITS; or
- b) its conversion into a Sub-Fund which is not a feeder Sub-Fund.

Without prejudice to specific provisions regarding compulsory liquidation, the liquidation of a Sub-Fund of the Fund being a master Sub-Fund shall take place no sooner than three months after the master Sub-Fund has informed all of its shareholders and the CSSF of the binding decision to liquidate.

#### **MERGER OF THE FUND OR OF SUB-FUNDS WITH ANOTHER UCITS OR OTHER SUB-FUNDS THEREOF; MERGERS OF ONE OR MORE SUB-FUNDS WITHIN THE FUND; DIVISION OF SUB-FUNDS**

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"Merger" means an operation whereby:

- a) 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;
- b) 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;
- c) 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**".

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.

Under the same circumstances as provided in the previous paragraph "Liquidation of Sub-Funds and/or Share classes", the Board may decide to reorganise a Sub-Fund and/or Share class by means of a merger with another existing Sub-Fund and/or Share class within the Fund or with another UCITS established in Luxembourg or in another Member-State or to another sub-fund and/or Share class within such other UCITS (the "**new fund/sub-fund**") and to re-designate the Shares of the relevant Sub-Fund or Share class concerned as Shares of another sub-fund and/or Share 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 paragraph "Liquidation of Sub-Funds and/or Share classes" (and, in addition, the publication will contain information in relation to the new fund or sub-fund), thirty days before the date on which

the merger becomes effective in order to enable shareholders to request redemption or conversion of their Shares, free of charge, during such period.

If a Sub-Fund and/or Share class is to be merged with a Luxembourg or foreign UCITS which is not qualifying as a UCITS or sub-fund and/or Share class thereof, such merger has to be decided upon by a general meeting of the contributing sub-fund and/or Share class. There shall be no quorum requirements for such general meeting, but resolutions shall be binding only upon such shareholders who will have voted in favour of such merger

Under the same circumstances as provided in the previous paragraph "Liquidation of Sub-Funds and/or Share classes", the Board may decide to reorganise a Sub-Fund and/or Share class by means of a division into two or more Sub-Funds and/or Share 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) thirty days before the date on which the division becomes effective, in order to enable the shareholders to request redemption or conversion of their Shares free of charge during such period.

Where a Sub-Fund of the Fund has been established as a master sub-fund, no merger or division of shall become effective, unless the master sub-fund has provided all of its shareholders and the CSSF with the information required by law, by sixty days before the proposed effective date. Unless the CSSF or the competent authorities of the home Member State of the European Union (the "**Member State**") of the feeder-UCITS, as the case may be, have granted the feeder-UCITS approval to continue to be a feeder-UCITS of the master sub-fund resulting from the merger or division of such master sub-fund, the master sub-fund shall enable the feeder-UCITS to repurchase or redeem all shares in the master sub-fund before the merger or division becomes effective.

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 Fund 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-fund have been informed of the proposed merger and shall cease to exist five working days before the date for calculating the exchange ratio.

The Board may temporarily suspend the subscription, repurchase or redemption of Shares, provided that any such suspension is justified for the protection of the shareholders.

If a Sub-Fund of the Fund is the receiving sub-fund, the entry into effect of the merger shall be made public through all appropriate means by the Fund 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 paragraph "Liquidation of Sub-Funds and/or Share classes", the general meeting of shareholders of the Fund may decide with no quorum requirement and simple majority to merge the whole Fund with another UCITS established in Luxembourg or in another Member State or with any sub-fund thereof.

A merger which has been taken in accordance with the provisions of the 2010 Law cannot be declared null and void.

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## 9. DIVIDEND POLICY

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Each Sub-Fund may comprise distributing Shares and non-distributing Shares. The dividend policy of each of the Sub-Funds is further described under Section I "Available Sub-Funds" and it shall indicate whether Shares confer the right to dividend distributions ("**Distribution Shares**") or do not confer this right ("**Capitalisation Shares**"). Distribution Shares and Capitalisation Shares issued within the same Sub-Fund will be represented by different Share Classes.

Capitalisation Shares capitalise their entire earnings whereas Distribution Shares pay dividends. Whenever dividends are distributed to holders of Distribution Shares, their Net Asset Value per Share will be reduced by an amount equal to the amount of the dividend per Share distributed, whereas the Net Asset Value per Share of Capitalisation Shares will remain unaffected by the distribution made to holders of Distribution Shares.

The Fund shall determine how the earnings of Distribution Shares shall be distributed and may declare

distributions from time to time, at such time and in relation to such periods as the Fund shall determine, in the form of cash, in accordance with the dividend distribution policy adopted for such Distribution Shares as described in the Section I "Available Sub-Funds". The dividend distribution policy may vary between Distribution Shares within the same or different Sub-Funds. Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2010 Law which is currently EUR 1,250,000.

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#### 10. DEPOSITARY

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Pursuant to a depositary and paying agent agreement (the "Depositary Agreement"), UBS Europe SE, Luxembourg Branch, has been appointed as depositary of the Fund (the "Depositary"). The Depositary will also provide paying agent services to the Fund.

The Depositary is a Luxembourg established branch of UBS Europe SE, a European Company (Societas Europaea), having its registered office in Frankfurt am Main, Germany, registered with the German Trade Register under number HRB 58164. UBS Europe SE, Luxembourg Branch has its address at 33A, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourgish Trade and Company Register under number B 209.123.

The Depositary has been appointed for the safe-keeping of financial instruments that can be held in custody, for the record keeping and verification of ownership of other assets of the Fund as well as to ensure for the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the 2010 Law and the Depositary Agreement.

Assets held in custody by the Depositary shall not be reused by the Depositary, or any third party to which the custody function has been delegated, for their own account, unless such reuse is expressly allowed by the 2010 Law.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation, (ii) the value of the Shares is calculated in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation, (iii) the instructions of the Company or the Fund are carried out, unless they conflict with applicable Luxembourg law, the Prospectus and/or the Articles of Incorporation, (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits, and (v) the Fund's incomes are applied in accordance with Luxembourg law, the Prospectus and the Articles of Incorporation.

In compliance with the provisions of the Depositary Agreement and the 2010 Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more sub-custodian(s), as they are appointed by the Depositary from time to time.

The Depositary does not allow its sub-custodians to make use of sub-delegates which have not been approved by the Depositary in advance.

Prior to the appointment of any sub-custodian and sub-delegate and on an ongoing basis, based on applicable laws and regulations as well as its conflict of interests policy the Depositary shall assess potential conflicts of interests that may arise from the delegation of its safekeeping functions and any potential conflict of interests that could arise out of such delegation. The Depositary is part of the UBS Group, a worldwide, full-service private banking, investment banking, asset management and financial services organization which is a major participant in the global financial markets. As such, potential conflicts of interest from the delegation of its safekeeping functions could arise as the Depositary and its affiliates are active in various business activities and may have differing direct or indirect interests.

Investors may obtain additional information free of charge by addressing their request in writing to the Depositary.

In order to avoid any potential conflicts of interest, the Depositary does not appoint any sub-custodians and does not allow the appointment of any sub-delegate which is part of the UBS Group, unless such appointment is in the

interest of the shareholders and no conflict of interest has been identified at the time of the delegate's appointment. Irrespective of whether a given sub-custodian or sub-delegate is part of the UBS Group or not, the Depositary will exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant sub-custodian or sub-delegate. Furthermore, the conditions of any appointment of a sub-custodian or sub-delegate that is member of the UBS Group will be negotiated at arm's length in order to ensure the interests of the Fund and its shareholders. Should a conflict of interest occur and in case such conflict of interest cannot be mitigated, such conflict of interest as well as the decisions taken will be disclosed to shareholders. An up-to-date description of any safekeeping functions delegated by the Depositary and an up-to-date list of these delegates and sub-delegate(s) can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>.

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the 2010 Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements. In order to ensure that its tasks are only delegated to sub-custodians providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law in the selection and the appointment of any sub-custodian to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any sub-custodian to which it has delegated parts of its tasks as well as of any arrangements of the sub-custodian in respect of the matters delegated to it. In particular, any delegation is only possible when the sub-custodian at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the sub-custodian in accordance with the 2010 Law. The Depositary's liability shall not be affected by any such delegation, unless otherwise stipulated in the 2010 Law and/or the Depositary Agreement.

The Depositary is liable to the Fund or its shareholders for the loss of a financial instrument held in custody within the meaning of article 35 (1) of the 2010 Law and article 12 of the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regard to obligations of depositaries (the "**Fund Custodial Assets**") by the Depositary and/or a sub-custodian (the "**Loss of a Fund Custodial Asset**").

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

The Depositary shall be liable to the Fund and to the shareholders for all other direct losses suffered by them as a result of the Depositary's negligence or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the 2010 Law and the Depositary Agreement.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' notice by registered letter. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund, the Depositary must be replaced before maturity of such notice period by a successor depositary to whom the Fund's assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Fund does not name such successor depositary in time the Depositary may notify the CSSF of the situation.

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## 11. MANAGEMENT COMPANY

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UBS Fund Management (Luxembourg) S.A., a company incorporated under Luxembourg law with registered office situated at 33A, Avenue J.F. Kennedy, L-1855, Luxembourg, Grand-Duchy of Luxembourg, is appointed as management company of the Fund (previously defined as the "**Company**"), according to Chapter 15 of the 2010 Law and pursuant to the agreement signed between the Fund and the Company (the "Management Company Services Agreement").

Under the terms of the Management Company Services Agreement, the Company shall act as the Fund's management company in the best interest of the investors and according to the provisions set forth by applicable law, the Sales Prospectus, the Articles and the instructions of the Board, and shall, in particular, be in charge of the day-to-day management of the Fund under the overall supervision, instruction, control and ultimate liability of the Board. As such, the Company shall be responsible for the investment management of the assets of the Fund, the administration of the Fund and the marketing functions of the Fund.

Subject to the conditions set forth by the 2010 Law and the Management Company Services Agreement, the Company is authorized, in order to conduct its business efficiently, to delegate, under its responsibility and control, and with the consent of the Fund and the Luxembourg supervisory authority of the financial sector, part or all of its functions and duties to any third party.

The Company delegated the management of the Sub-Fund's assets to the different Portfolio Managers, the marketing functions to the Distributor(s) and the administration functions to the Administrative Agent.

In consideration of the services rendered, the Company receives from the Fund fees in accordance with normal banking practice in Luxembourg. These are described in the Chapter 19 "Charges and Expenses".

### Remuneration policy

The board of directors of the Company has adopted a remuneration policy, the objectives of which are to ensure that the remuneration is in line with the applicable regulations, and more specifically with the provisions defined under (i) the UCITS Directive 2014/91/EU, the ESMA final report on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016, (ii) the Alternative Investment Fund Managers (AIFM) Directive 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time, the ESMA guidelines on sound remuneration policies under the AIFM published on 11 February 2013 and (iii) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on 1 February 2010; and to comply with the UBS Asset Management Switzerland AG Remuneration policy framework. Such remuneration policy is reviewed at least annually.

The policy promotes a sound and effective risk management environment, is in line with the interests of the investor and discourages risk-taking which is inconsistent with the risk profiles rules or instruments of incorporation of such Collective Investment in Transferable Securities (UCITS)/Alternative Investment Funds (AIFs).

The policy furthermore fosters compliance with the Company's and the UCITS'/AIFs' strategies, objectives, values and interests including measures to avoid conflict of interests.

This approach furthermore focuses amongst others on:

- The assessment of performance which is set in a multi-year framework appropriate to the holding periods recommended to the investors of the Sub-Funds in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period.
- The remuneration of all staff members which is appropriately balanced between fixed and variable elements. The fixed component of the remuneration represents a sufficient high proportion of the total remuneration and allows a fully flexible bonus strategy, including the possibility to pay no variable remuneration component. The fixed remuneration is determined by taking into consideration the role of the individual employee, including responsibility and job complexity, performance and local market

conditions. It is also to be noted that the company may, on its own discretion, offer fringe benefits to some employees which are an integral component of the fixed remuneration;

Any relevant disclosures shall be made in the annual reports of the Company in accordance with the provisions of the UCITS Directive 2014/91/EU.

Investors can find more details about the up-to-date remuneration policy of the Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available on <https://www.ubs.com/global/en/asset-management/investment-capabilities/platform-services/fms/fund-management-company.html>. A paper copy of such document is available free of charge from the Company upon request.

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## 12. ADMINISTRATIVE SERVICES

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The Company delegated the administrative services of the Fund to Northern Trust Global Services S.E. (the "**Administrative Agent**"), a European public limited-liability company (*societas europaea*) registered since 1 March 2019 with the Luxembourg trade and companies register with the number B232.281.

Northern Trust Global Services SE as the Administrative Agent is responsible for the general administrative duties involved in managing the Fund and prescribed by Luxembourg law. These administrative services mainly include calculation of the net asset value per Share and the keeping of the Fund's accounts as well as reporting. The Administrative Agent is entitled to charge commission in line with the scale of fees customarily applied at the financial centre of Luxembourg.

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## 13. PORTFOLIO MANAGERS

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The Company delegated to different Portfolio Managers the portfolio management of the Sub-Funds assets. The portfolio management comprises the active management of the Sub-Fund's assets and the ongoing monitoring and adjusting of investments. The delegated Portfolio Managers may delegate part or all of their duties. The Sales Prospectus will be adapted in the case of delegation of day to day portfolio management. The mandate is executed under the supervision and the responsibility of the Company.

The Company delegated to UBS Asset Management Switzerland AG the day to day portfolio management of the following sub-funds:

- BPER International SICAV - Equity North America
- BPER International SICAV - Global Bond
- BPER International SICAV - Emerging Markets – Multi Asset Dividend
- BPER International SICAV - Global Convertible Bond EUR
- BPER International SICAV - Multi Asset Dividend

The Company delegated to Optima S.p.A. SIM, Modena Italy the day to day portfolio management of the following sub-funds:

- BPER International SICAV - Open Selection Defence
- BPER International SICAV - Open Selection Income
- BPER International SICAV – Open Selection Growth
- BPER International SICAV – Optimal Income

Optima S.p.A. SIM, Modena Italy belongs to the banking group "BPER Banca S.p.A."

The Company delegated to Morgan Stanley Investment Management Limited the day to day portfolio management of BPER International SICAV – Global Balanced Risk Control.

The Company delegated to Pictet Asset Management (Europe) S.A. Italian Branch the day to day portfolio management of BPER International SICAV – Multi Asset Global Opportunities.

The Company delegated to Henderson Global Investors Limited the day to day portfolio management of BPER International SICAV – Global High Yield.

The Company delegated to Nordea Investment Management AB the day to day portfolio management of BPER International SICAV –Low Duration European Covered Bond.

The Company delegated to BlackRock Investment Management (UK) Limited the day to day portfolio management of BPER International SICAV – Fixed Income Credit Strategies.

Each of the delegated Portfolio Managers is also described under Section I "Available Sub-Funds".

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#### 14. DISTRIBUTORS

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The Company delegated the marketing functions of the Fund in Italy to the following distributors:

- BPER Banca S.p.A. ("BPER"), a bank whose origin dates back to 1867.  
BPER is the parent company of a banking group founded in 1992.  
In its history, BPER has gone through a number of mergers and acquisitions changing names on several occasions. In May 1992 BPER acquired Banca Popolare di Cesena, a bank based in the Romagna region. In February 2013, BPER acquired an additional 35.98% stake of CR Bra S.p.A. from the banking foundation of CR Bra. On 2 March 2017 BPER Banca signed a contract to acquire Nuova Cassa di Risparmio di Ferrara and on 30 June the deal was completed.  
In 2016, BPER acquired the controlling interest in Cassa di Risparmio di Saluzzo S.p.A. (joined the BPER Group on 4 October 2016) and merged the Irish subsidiary Emro Finance Ireland Ltd. on 1 August 2016. Finally, in application of Law Decree no. 3/2015 ("Urgent measures for the banking system and investments") converted into Law no. 33/2015, by resolution of the Bank's Shareholders' Meeting of 26 November 2016 - registered at the Business Register of Modena on 28 November 2016 - the legal form was transformed from a cooperative company into a joint stock company and the company name was changed from "Banca Popolare dell'Emilia Romagna cooperative society" to "BPER Banca SpA ". On the occasion, the change of the name of the banking group of the same name to "Gruppo BPER Banca S.p.A." was also approved.  
The Issuer is listed on the Mercato Telematico Azionario (MTA) organized and managed by Borsa Italiana and participates in the formation of the Dow Jones STOXX 600 Index. The BPER share is also included in the FTSE MIB index and, therefore, traded on the THA MTF market (multilateral trading system - MTF). The following strategic operations were carried out in 2019:
  - the acquisition of Unipol Banca, subsequently incorporated into the Parent Company, with the simultaneous sale of a portfolio of bad loans with a gross value of approximately Euro 1 billion to UnipolReC;
  - the purchase of minority stakes in Banco di Sardegna, bringing the equity stake held from 50.940% to 98.677%;
  - the purchase of an incremental shareholding in Arca Holding, thus holding 57.1% of the share capital.Following the aforementioned transactions, from 1 July 2019 Unipol Banca (together with the subsidiary Finitalia) and Arca Holding (together with the subsidiary Arca Fondi SGR) became part of the consolidation perimeter of the BPER Banca Group.  
In the last quarter of 2019, in addition to the aforementioned incorporation of Unipol Banca, the BPER Banca Group reached the signing of the agreement with the trade unions relating to the reduction of the workforce envisaged by the 2019-2021 Business Plan; this agreement is aimed at promoting the optimization of the size of the workforce and generational turnover.  
In 2020, BPER entered into an agreement with [Intesa Sanpaolo](#) to acquire 532 branches the latter will have to shed as a result of regulatory obligations resulting from its successful acquisition of rival [UBI Banca](#).  
The bank's head office is in Via San Carlo, 8/20, 41121 Modena, Italy.
- BPER Bank Luxembourg S.A., a bank belonging to BPER Group whose origin dates back to 1996.  
The bank's head office is in 30 bd. Royal, 2449 Luxembourg.

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#### 15. CONFLICTS OF INTEREST

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The Board of Directors, the Company, the Investment Manager, the Depositary, the Administrative Agent and the other service providers of the Fund, and/or their respective affiliates, members, employees or any person connected with them may be subject to various conflicts of interest in their relationships with the Fund.

The Company, the Fund, the Investment Manager, the Administrative Agent and the Depositary have adopted and implemented a conflicts of interest policy and have made appropriate organisational and administrative



arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund's investors are treated fairly.

The Company, the Administrative Agent, the Depositary, the Investment Manager and the main distributor are part of the UBS Group (the "**Affiliated Person**").

The Affiliated Person is a worldwide, full-service private banking, investment banking, asset management and financial services organization and a major participant in the global financial markets. As such, the Affiliated Person is active in various business activities and may have other direct or indirect interests in the financial markets in which the Fund invests.

The Affiliated Person including its subsidiaries and branches may act as counterparty and in respect of financial derivative contracts entered into by the Fund.

A potential conflict may further arise as the Depositary is related to a legal entity of the Affiliated Person which provides other products or services to the Fund.

In the conduct of its business, the Affiliated Person's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the Affiliated Persons' various business activities and the Fund or its investors. The Affiliated Person strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, the Affiliated Person has implemented procedures that shall ensure that any business activities involving a conflict which may harm the interests of the Fund or its investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly. Investors may obtain additional information on the Company and/or Fund's policy related to conflict of interests free of charge by addressing their request in writing to the Company.

Notwithstanding its due care and best effort, there is a risk that the organisational or administrative arrangements made by the Company for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interests of the Fund or its shareholders will be prevented. In such case these non-mitigated conflicts of interest as well as the decisions taken will be reported to investors on the following website of the Company: <https://www.ubs.com/global/en/asset-management/investment-capabilities/platform-services/fms/fund-management-company.html>.

Respective information will also be available free of charge at the registered office of the Company.

In addition, it has to be taken into account that the Company and the Depositary are members of the same group. Thus, both have put in place policies and procedures ensuring that they (i) identify all conflicts of interests arising from that link and (ii) take all reasonable steps to avoid those conflicts of interest.

Where a conflict of interest arising out of the group link between the Company and the Depositary cannot be avoided, the Company or the Depositary will manage, monitor and disclose that conflict of interest in order to prevent adverse effects on the interests of the Fund and of the shareholders.

An up-to-date description of any safekeeping functions delegated by the Depositary and an up-to-date list of these delegates and sub-delegate(s) can be found on the following webpage: <https://www.ubs.com/global/en/legalinfo2/luxembourg.html>.

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## 16. TAXATION

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### Taxation of the Fund

The Fund is subject to Luxembourg legislation. In conformity with current legislation in the Grand Duchy of Luxembourg, the Fund is not subject to any Luxembourg withholding, income, capital gains or wealth taxes.

The Fund is, however, liable in Luxembourg to a tax of 0.05 % per annum ("taxe d'abonnement") of its net asset value (except for certain Sub-Funds or Sub-Fund's Shares specifically reserved for to institutional investors, which benefit from the reduced rate of 0.01% per annum), such tax being payable quarterly on the basis of the value of the net assets of the Fund at the end of the relevant calendar quarter. This tax is calculated on the net assets of each Sub-Fund at the end of every quarter.

### Investments in Chinese A shares via Stock Connect

On 14 November 2014, the Chinese authorities published Caishui circular 2014 No. 81, which stated that with effect from 17 November 2014, capital gains made by foreign investors from trading in Chinese A shares via Stock Connect would be temporarily exempt from the corporate income tax applicable in the PRC, as well as individual income and business taxes. Foreign investors are obliged to pay the 10% withholding tax on dividends applicable in the PRC. This will be withheld by companies listed in the PRC and remitted to the competent tax authorities in the PRC. Investors resident for tax purposes in a jurisdiction that has concluded a tax treaty with the PRC can apply for a refund of any excess withholding tax paid, provided the relevant tax treaty stipulates a lower rate for the withholding tax on dividends in the PRC than the one paid.

The Fund is subject to the stamp duty of 0.1% applicable in the PRC when disposing of Chinese A shares via Stock Connect.

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## 17. AUTOMATIC EXCHANGE OF INFORMATION AND COMMON REPORTING STANDARD

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Capitalized terms used in this chapter should have the meaning as set forth in the CRS Law, as defined below, unless provided otherwise herein.

On 9 December 2014, the Council of the European Union adopted the Directive 2014/107/EU amending the Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation which provides for an automatic exchange of financial account information between Member States of the European Union ("**DAC Directive**"). The adoption of the aforementioned directive implements the Common Reporting Standard (the "**CRS**") and generalizes the automatic exchange of information as of 1 January 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016. Luxembourg law of 18 December 2015 ("**CRS Law**") implements this Multilateral Agreement, jointly with the DAC Directive introducing the CRS in Luxembourg law.

Under the terms of the CRS Law, the Fund may be required to annually report to the Luxembourg tax authority (the "**LTA**"), the name, address, Member State(s) of residence, tax identification number(s), as well as the date and place of birth of i) each Reportable Person that is an Account Holder, ii) and, in the case of a Passive non-financial entities ("**NFEs**"), of each Controlling Person(s) that is a Reportable Person. Such information may be disclosed by the LTA to foreign tax authorities.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Fund with the information, including information regarding direct or indirect owners of each investor, along with the required supporting documentary evidence. Upon request of the Fund, each investor shall agree to provide the Fund such information,

Although the Fund will attempt to satisfy any obligation imposed on it to avoid any taxes or penalties imposed by the CRS Law, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a tax or penalty as result of the CRS Law, the value of the Shares held by the investors may suffer material losses.

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

Investors should consult their own tax advisor or otherwise seek professional advice regarding the impact of the CRS Law on their investment.

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## 18. FATCA PROVISIONS

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The Fund may be subject to regulations imposed by foreign regulators, in particular, the United States laws and regulations known as FATCA. FATCA provisions generally impose a reporting obligation to the US Internal Revenue Services of non-US financial institutions that do not comply with FATCA and US persons' direct and indirect ownership of non-US accounts and non-US entities. Failure to provide the requested information will

result in a 30% withholding tax applying to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends. The Fund will be treated as a "Sponsored FFI that has not obtained a GIIN" within the meaning of FATCA. As such, the Fund may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Fund shall have the right to: (i) withhold on any payment to investors an amount equal to any taxes or similar charges required by applicable laws and regulations to be withheld in respect of any shareholding in the Fund, (ii) require any investor or beneficial owner of Shares to promptly furnish such personal data as may be required by the Fund in its discretion in order to comply with any law and/or determine the amount to be withheld; (iii) divulge any such personal data to any tax authority, as may be required by applicable laws and regulations or requested by such authority; (iv) delay payments to any investor, including any dividend or redemption proceeds, until the Fund holds sufficient information to comply with applicable laws and regulations and/or determine the amount to be withheld.

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## 19. CHARGES AND EXPENSES

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Apart from the "taxe d'abonnement" described above, the Fund is subject to a "Flat Fee" calculated daily on the average total net assets of the class concerned during the month concerned, as described under Section I "Available Sub-Funds".

This Flat Fee is used to pay the Administrative Agent, the Depositary, the Portfolio Manager(s) and the Distributor(s). It covers all the costs incurred by the Fund respectively the Sub-Funds with the exception of the following:

- all taxes which are levied on the net assets and the income of the Fund;
- customary brokerage fees and commissions which are charged by other banks and brokers for securities transactions and similar transactions;
- the costs which may be incurred for extraordinary steps or measures to protect shareholders, in particular expert opinions or lawsuits;
- the cost of printing the Shares certificates, the cost of preparing, depositing and publishing agreements and other documents concerning the Fund, including fees for the notification of and registration with all authorities and stock exchanges, the cost of preparing, translating, printing and distributing the periodical publications and all other documents which are required by the relevant legislation or regulations, the cost of preparing and distributing notifications to shareholders, the fees for the Fund's auditors and legal advisers and all other similar expenses;
- the Company fee and the cost of additional services within the scope of the 2010 Law;
- the costs of the Paying Agent, the Selling Agents including and the Representatives abroad;
- the cost of any remuneration of the members of the Board and their reasonable out-of-pocket expenses, insurance coverage and reasonable travelling costs in connection with Board meetings;
- the annual administration cost of the differed Share classes launched from time to time;
- the administration costs incurred in relation to the advertisement and the distribution of the Fund which are related directly to the offering and distribution of Shares;
- the administration costs incurred in relation to daily administrative tasks performed for and on behalf of the Fund.

A minimum Depositary and Paying Agent Fee of EUR 15.000 per sub-fund per annum, in accordance with the Luxembourg usual market practice, will be applied and charged to the Company. The minimum Depositary and Paying Agent Fee applied can result into the fact that the rate of the "Flat Fee", as described under Section I "Available Sub-Funds", is exceeded. This fee does not include the transaction fees charged to the Company.

A minimum Administrative, Registrar, Transfer and Domiciliary Agent Fee of EUR 20.000 per sub-fund per annum, in accordance with the Luxembourg usual market practice, may be applied. The minimum Administrative, Registrar, Transfer and Domiciliary Agent Fee applied can result into the fact that the rate of the "Flat Fee", as described under Section I "Available Sub-Funds", is exceeded.

The costs of launching new Sub-Funds will be written off only by the respective Sub-Fund. The expenditure involved in establishing the Fund still outstanding may only be written off by the Sub-Funds launched at the same time as the Fund was established.

Fees and expenses that cannot be attributed to one single Sub-Fund will either be ascribed to all Sub-Funds on

an equal basis or will be prorated on basis of the net asset value of each Sub-Fund, if the amount and cause justify doing so.

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## 20. INFORMATION AVAILABLE TO SHAREHOLDERS AND COMPLAINTS HANDLING

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The audited annual report will be made available to shareholders free of charge at the registered office and administrative address of the Fund within four months of the end of the financial year. The annual report includes reports on the Fund in general and on the individual Sub-Funds. It shall also contain details on the underlying assets focused on by the respective Sub-Fund through the use of derivative financial instruments, the counterparties to these derivative transactions, as well as the collateral (and its scope) provided in favour of the Sub-Fund by its counterparties, in order to reduce credit risk.

Un-audited semi-annual reports of the Sub-Funds will be made available at the same places as the annual reports within two months of the end of the period to which they refer.

Other information on the Fund, as well as on the net asset value, the issue, conversion and redemption prices of the Shares may be obtained on any Business Day at the administrative address of the Fund and at the registered office of the Depositary. If necessary, any information relating to a suspension or resumption of the calculation of the net asset value, the issue or redemption price as well as all notifications to shareholders will be published in the RESA ("*Recueil Electronique des Sociétés et Associations*") and in the "Luxemburger Wort".

Copies of the Articles of the Fund may be obtained at the registered office administrative address of the Fund. Material provisions of the agreements referred to in the Sales Prospectus may be inspected during usual business hours on any Luxembourg Business Day at the administrative address of the Fund.

In addition, the Articles, the Sales Prospectus as well as the latest annual and semi-annual reports are available free of charge from the Depositary. The issue and redemption prices as well as any documents mentioned above may also be obtained there.

The key investor information document is published on the website <http://www.ubs.com/fml-white-labelling-funds>. Furthermore the key investor information documents will be supplied to shareholders on request and free of charge.

With regard to the feeder Sub-Funds, the following documents are also available free of charge on request from the Management Company: the prospectus, the key investor information documents, the annual and semi-annual reports of the Master and the agreement entered into between the feeder Sub-Fund and the Master.

Complaints of shareholders may be filed with the Company, the Depositary and any paying agent or distributor(s). Complaints will be dealt with properly in a timely manner.

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## 21. DISCLOSURE OF IDENTITY

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The Management Company, the Administrative Agent or the Depositary may be required by law, regulation or government authority or where it is in the best interests of the Company to disclose information in respect of the identity of investors.

The Company is required under Luxembourg Law to (i) obtain and hold accurate and up-to-date information (i.e. full names, nationality/ies, date and place of birth, address and country of residence, national identification number, nature and extent of the interest in the Company) about its beneficial owners (as such term is defined under the act of 12 November 2004 on the fight against money laundering and terrorist financing (the **AML Act 2004**)) and relevant supporting evidence and (ii) file such information and supporting evidence with the Luxembourg Register of beneficial owners (the **RBO**) in accordance with the Luxembourg act of 13 January 2019 creating a Register of beneficial owners (the **RBO Act 2019**)

The attention of investors is drawn to the fact that the information contained in the RBO (save for the national identification number and address of the beneficial owner) is available to the public. Luxembourg national authorities and professionals (as referred to in the AML Act 2004) may request that the Company gives them access to the information on the beneficial owner(s) of the Company (as well as its legal owners). Investors, their direct or indirect (share)holders who are natural persons, the natural person(s) who directly or indirectly control(s) the Company, the natural person(s) on whose behalf investors may act, may qualify as beneficial owner(s), and

beneficial ownership may evolve or change from time to time in light of the factual or legal circumstances. Beneficial owners are under a statutory obligation to provide to the Company all relevant information about them as referred to above. Non-compliance with this obligation may expose beneficial owners to criminal sanctions.

Each investor will be required in its subscription agreement to agree that the Company and any service provider of the Fund cannot incur any liability for any disclosure about a beneficial owner made in good faith to comply with Luxembourg Law.

Each investor will be required in its subscription agreement to make such representations and warranties that it will promptly provide upon request, all information, documents and evidence that the Company may require to satisfy its obligations under any applicable laws and in particular the RBO Act 2019.

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## 22. DATA PROTECTION

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In accordance with the provisions of the Luxembourg law of 1st August 2018 organizing the National Commission for data protection and of the general system on data protection, as it may be amended from time to time and the Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("**Data Protection Law**"), the Fund, acting as data controller, collects, stores and processes, by electronic or other means, the data supplied by investors for the purpose of fulfilling the services required by the investors and complying with its legal and regulatory obligations.

The data processed includes in particular the name, contact details (including postal or email address), banking details, invested amount and holdings in the Fund of investors (and, if the investor is a legal person, of any natural person related to it such as its contact person(s) and/or beneficial owner(s)) ("**Personal Data**").

The investor may at his/her/its discretion refuse to communicate Personal Data to the Fund. In this case, however, the Fund may reject a request for Shares.

Personal Data supplied by investors is processed to enter into and perform the subscription in the Fund (i.e. for the performance of a contract), for the legitimate interests of the Fund and to comply with the legal obligations imposed on the Fund. In particular, the Personal Data is processed for the purposes of (i) processing subscriptions, redemptions and conversions of Shares and payments of dividends to investors, account administration, (ii) client relationship management, (iii) performing controls on excessive trading and market timing practices, tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS Law and (iv) compliance with applicable anti-money laundering rules. Data supplied by shareholders is also processed for the purpose of (v) maintaining the register of shareholders of the Fund. In addition, Personal Data may be processed for the purposes of (vi) marketing.

The "legitimate interests" referred to above are:

- the processing purposes described in points (ii) and (vi) of the above paragraph of this data protection section;
- meeting and complying with the Fund's accountability requirements and regulatory obligations globally; and
- exercising the business of the Fund in accordance with reasonable market standards.

To this end, and in accordance with the provisions of the Data Protection Law, Personal Data may be transferred by the Fund to its data recipients (the "Recipients") which, in the context of the above-mentioned purposes, refer to its affiliated and third-party entities supporting the activities of the Fund which include, in particular, the Management Company, Administrative Agent, Distributors, Depositary and Paying Agent, Portfolio Manager and Auditor of the Fund.

The Recipients may, under their own responsibility, disclose the Personal Data to their agents and/or delegates (the "**Sub-Recipients**"), which shall process the Personal Data for the sole purposes of assisting the Recipients in providing their services to the Fund and/or assisting the Recipients in fulfilling their own legal obligations.

The Recipients and Sub-Recipients may be located within or outside the European Economic Area (the "**EEA**"), in countries whose data protection laws may not offer an adequate level of protection.

In case of a transfer of Personal Data to Recipients and/or Sub-Recipients located outside the EEA in a country that does not provide an adequate level of protection, the Fund will contractually ensure that the Personal Data relating to investors is protected in a manner which is equivalent to the protection offered pursuant to the Data Protection Law, which may take the form of EU Commission approved "Model Clauses". In this respect, the investor has a right to request copies of the relevant document for enabling the Personal Data transfer(s) towards such countries by writing to the Fund's address.

In subscribing for Shares, each investor is expressly informed of the transfer and processing of his/her/its Personal Data to the Recipients and Sub-Recipients referred to above, including entities located outside the EEA and in particular in countries which may not offer an adequate level of protection.

The Recipients and Sub-Recipients may, as the case may be, process the Personal Data as data processors (when processing the Personal Data upon instructions of the Fund), or as distinct data controllers (when processing the Personal Data for their own purposes, namely fulfilling their own legal obligations). The Fund may also transfer Personal Data to third- parties such as governmental or regulatory agencies, including tax authorities, in or outside the EEA, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may acting as data controller, disclose the same to foreign tax authorities.

In accordance with the conditions set out by the Data Protection Law, each investor will upon written request to be addressed to the Fund's address have the right to:

- access his/her/its Personal Data (i.e. the right to obtain from the Fund confirmation as to whether or not his/her/its Personal Data is being processed, to be provided with certain information about the Fund's processing of his/her/its Personal Data, to access such data, and to obtain a copy of the Personal data undergoing processing (subject to legal exceptions));
- ask for Personal Data to be rectified where it is inaccurate or incomplete (i.e. the right to require from the Fund that inaccurate or incomplete Personal Data or any material error be updated or corrected accordingly);
- restrict the use of his/her/its Personal Data (i.e. the right to obtain that, under certain circumstances, the processing of his/her/its Personal Data should be restricted to storage of such data unless his/her/its consent has been obtained);
- object to the processing of his/her/its Personal Data, including to object to the processing of his/her/its Personal Data for marketing purposes (i.e. the right to object, on grounds relating to the investor's particular situation, to processing of Personal Data which is based on the performance of a task carried out in the public interest or the legitimate interests of the Fund. The Fund shall stop such processing unless it can either demonstrate compelling legitimate grounds for the processing that override investor's interests, rights and freedoms or that it needs to process the data for the establishment, exercise or defence of legal claims);
- ask for erasure of his/her/its Personal Data (i.e. the right to require that Personal Data be erased in certain circumstances, including where it is no longer necessary for the Fund to process this data in relation to the purposes for which it collected or processed);
- ask for Personal Data portability (i.e. the right to have the data transferred to the investors or another controller in a structured, commonly used and machine-readable format, where this is technically feasible).

Investors also have a right to lodge a complaint with the National Commission for Data Protection (the "CNPD") at the following address: 1, Avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Grand Duchy of Luxembourg, or when investors reside in another European Union Member State, with any other locally competent data protection supervisory authority.

Personal Data will not be retained for a period longer than necessary for the purpose of the data processing, subject to applicable statutory periods of retention.

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## 23. INVESTMENT GUIDELINES

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The following terms shall also apply to the investments of each Sub-Fund:

### 1. Permitted investments of the Fund

#### 1.1 The Fund's investments solely consist of:

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market, as defined in Article 4 point 1 (44) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
- b) transferable securities and money market instruments dealt in on another regulated market in a Member State which operates regularly and is recognised and open to the public; For the purpose of this prospectus, the term "Member State" refers to a member state as defined in the 2010 Law;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another regulated market in a non-Member State which operates regularly and is recognised and open to the public and is situated in an European, American, Asian, African or Australasian country (an "**approved state**");
- d) recently issued transferable securities and money market instruments, provided that:
  - (i) the terms of issue include an undertaking that application will be made for admission to official listing or on another regulated market which operates regularly and is recognised and open to the public;
  - (ii) the admission is secured within one year of issue.
- e) units of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of Article 1, paragraph (2), points a) and b) of Directive 2009/65/EC, whether or not established in a Member State, provided that:
  - (i) such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured. This is currently the case with all Member States of the European Union, Japan, Hong Kong, USA, Canada, Switzerland, Norway, Jersey, Guernsey, Iceland and Liechtenstein;
  - (ii) 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 asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements set forth in Directive 2009/65/EC;
  - (iii) 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;
  - (iv) no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated can, according to their instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs.

Each Sub-Fund may also acquire Shares of another Sub-Fund subject to the provisions of point 2.8 here below.

- f) 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 Member State, or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law;
- g) financial derivative instruments ("**derivatives**"), including equivalent cash-settled instruments, dealt in on a regulated market referred to in 1.1 a) 1.1 b) and 1.1 c) above, and/or derivatives dealt in over-the-counter ("**OTC derivatives**"), provided that:

- (i) the use of derivatives is in accordance with the investment purpose and investment policy of the respective Sub-Fund, and is suited towards achieving these;
  - (ii) the underlying consists of instruments covered by 1.1, financial indices, interest rates, foreign exchange rates or currencies in which the Fund is permitted to invest;
  - (iii) the Sub-Funds ensure, through adequate diversification of the underlying assets, that the diversification requirements applicable to them and listed in the paragraph entitled "Risk diversification" are adhered to;
  - (iv) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF and have been specially approved by the Board;
  - (v) 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 value at the UCITS initiative; and
  - (vi) the respective counterparty is not granted discretion regarding the composition of the portfolio managed by the respective Sub-Fund (e.g. in the case of a total return swap or a derivative financial instrument with similar characteristics) or the underlying of the respective OTC derivative.
- h) money market instruments other than those dealt in on a regulated market and which fall under Article 1 (23) of the 2010 Law provided that the issuer or the issuer of these instruments is itself regulated for the purpose of protecting investors and investments and provided that such instruments are:
- (i) issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in 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 Member States belong, or issued by an undertaking whose securities are dealt in on a regulated market mentioned in 1.1 a) 1.1 b) and 1.1 c);
  - (ii) Issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community law; or
  - (iii) 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 the first, second or 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 under the provisions of 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, or an entity within a group of companies which includes one or several listed companies and is dedicated to the financing of the group, or an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

1.2 Each Sub-Fund shall not, however:

- invest more than 10% of its assets in transferable securities or money market instruments other than those referred to in 1.1;
- acquire either precious metals or certificates representing them.

Notwithstanding the aforementioned prohibited investments, the Fund is entitled to invest in the following:

- certificates with individual precious metals as underlying assets and which comply with the securities requirements stipulated in Article 2 of Directive 2007/16/EC and which do not include any embedded derivatives linked to an index's performance; and
- certificates with individual commodities or commodities indices as underlying assets and which comply with the securities requirements stipulated in Article 2 of Directive 2007/16/EC and which do not include any embedded derivatives linked to an index's performance.

The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business.

1.3 The Fund must ensure that the overall risk associated with derivatives does not exceed the total net value of the Fund's portfolio. As part of its investment strategy, each Sub-Fund, within the limits set out in 2.2 and



2.3, may invest in derivatives provided that the overall risk of the underlying assets does not exceed the investment limits cited in point 2 below.

1.4 Each Sub-Fund may hold liquid assets on an ancillary basis.

## **2 Risk diversification**

- 2.1 In accordance with the principle of risk diversification, the Fund may not invest more than 10% of the net assets of a Sub-Fund in transferable securities or money market instruments issued by the same body. The risk exposure to a counterparty of a Sub-Fund in an OTC derivative transaction may not exceed 10% of its assets when the counterparty is a credit institution as defined in 1.1 f) or 5% of its assets in other cases.
- 2.2 The total value of the transferable securities and money market instruments held by the Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph (1), a Sub-Fund shall not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following:

- investments in transferable securities or money market instruments issued by that body;
  - deposits made with that body; or
  - exposures arising from OTC derivative transactions undertaken with that body.
- 2.3 The limit laid down in the first sentence of paragraph 2.1 may be of a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or by public international bodies of which one or more Member States belong.
- 2.4 The limit laid down in the first sentence of 2.1 may be of a maximum of 25% for certain bonds where they are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bondholders. In particular, sums deriving from the issue of those 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 attaching to the bonds and which, in the case of bankruptcy of the issuer, would be used on a priority basis for the reimbursement 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 the first sub-paragraph which are issued by a single issuer, the total value of such assets may not exceed 80% of the value of the assets of the Sub-Fund.

- 2.5 The transferable securities and money market instruments referred to in paragraphs 2.3 and 2.4 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.2.

The limits set out in 2.1, 2.2, 2.3 and 2.4 shall not be combined and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with paragraphs 2.1, 2.2, 2.3 and 2.4 shall not exceed in total of 35% of the net assets of a given Sub-Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits contained in this Article.

However, a Sub-Fund may cumulatively invest up to 20% of its assets in transferable securities and money market instruments within the same group.

Without prejudice to the limits laid down in paragraph 3.1 to 3.3, the limits here above may be raised to a maximum of 20% for investments in shares and/or debt securities issued by the same body when, according to the Articles, the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers; and
- it is published in an appropriate manner.

The before mentioned limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in 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.

- 2.6 The Fund is authorised, in the interests of risk diversification, to invest up to 100% of the net assets of a Sub-Fund in transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a OECD Member State or public international body to which one or more Member States belong.

These transferable securities or money market instruments must be divided into at least six different issues, with securities or money market instruments from one and the same issue not exceeding 30% of the total net assets of a Sub-Fund.

If the above mentioned limits are exceeded unintentionally or due to the exercise of subscription rights, the Fund must attach top priority in its sales of securities to rectifying the situation while, at the same time, considering the best interests of the shareholders.

- 2.7 A Sub-Fund may acquire the units of UCITS and or other UCIs referred to in 1.1 e), provided that no more than 20% of its assets are invested in the units of a single UCITS or other UCI.

For the purpose of the application of this investment limit, each compartment of a UCI 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.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the assets of the Sub-Fund.

The assets of these UCITS or other UCIs do not have to be combined for the purposes of the limits set out in point 2.

If a Sub-Fund invests a substantial proportion of its assets in other UCITS and/or UCIs the maximum level of the management fees that may be charged both in the Sub-Fund itself and to the other UCITS and/or UCI in which it intends to invest will be disclosed in the relevant description of the Sub-Fund. In its annual report it shall indicate the maximum proportion of management fees charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it invests.

- 2.8 Each Sub-Fund may also subscribe for, acquire and/or hold Shares issued or to be issued by one or more other Sub-Funds of the Fund subject to additional requirements which may be specified in Section I "Available Sub-Funds", if:

- a) the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund; and
- b) no more than 10% of the assets of the target Sub-Funds whose acquisition is contemplated may be invested in aggregate in Shares of other Sub-Funds of the Fund;
- c) voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Sub-Fund concerned;
- d) in any event, for as long as these securities are held by the relevant Sub-Fund, their value will not be taken into consideration for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and
- e) there is no duplication of management/subscription or redemption fees between those at the level of the Sub-Fund having invested in the target Sub-Fund, and this target Sub-Fund.

- 2.9 Specific Rules for Master / feeder structures

- a) A feeder Sub-Fund is a sub-fund of the Fund, which has been approved to invest, by way of derogation from article 2, paragraph (2), first indent of the 2010 Law, at least 85% of its assets in units of another UCITS or Sub-Fund thereof (hereafter referred to as the "**master UCITS**").
- b) A feeder Sub-Fund may hold up to 15% of its assets in one or more of the following:
  - (i) ancillary liquid assets in accordance with point 1.4 above;
  - (ii) financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41, paragraph (1), point g) and Article 42, paragraphs (2) and (3) of the 2010 Law;
  - (iii) movable and immovable property which is essential for the direct pursuit of its business.
- c) For the purposes of compliance with Article 42, paragraph (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 point b) ii. above, with:
  - (i) either the master UCITS' actual exposure to financial derivative instruments in proportion to the feeder Sub-Fund's investment into the master UCITS;
  - (ii) 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's investment into the master UCITS.
- d) A master UCITS is a UCITS, or a sub-fund thereof, which:
  - (iii) has, among its shareholders, at least one feeder UCITS;
  - (iv) is not itself a feeder UCITS; and
  - (v) does not hold units of a feeder UCITS.
- e) If a master UCITS has at least two feeder UCITS as shareholders, article 2, paragraph (2), first indent and Article 3, second indent of the 2010 Law shall not apply.

A Sub-Fund needs not comply with the above-mentioned limits when exercising subscription rights attaching to transferable securities or money market instruments which form part of the assets.

While ensuring observance of the principle of risk-spreading, recently authorized Sub-Funds may derogate from the investment restrictions for a period of six months following the date of their authorisation.

### **3 Investment restrictions**

The Fund is prohibited from:

- 3.1 acquiring shares carrying voting rights that would enable it to exercise a significant influence over the management of the issuer in question;
- 3.2 acquiring more than:
  - 10% of the non-voting shares of the same issuer;
  - 10% of the debt securities of the same issuer;
  - 25% of the units of the same UCITS or other UCI within the meaning of Article 2, paragraph (2) of the 2010 Law;
  - 10% of the money market instruments of any single issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the money market instruments or the net amount of the instruments in issue cannot be determined.

- 3.3 Paragraphs (1) and (2) are waived as regards:

- a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- b) transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union or its local authorities;

- c) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- d) Shares held by Sub-Funds in the capital of a company incorporated in a non-Member State of the European Union 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 Sub-Fund can invest in the securities of the issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-Member State of the European Union complies with the limits laid down in 2.1 to 2.5, 2.7, 3.1 and 3.2. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 of the 2010 Law shall apply mutatis mutandis;
- e) shares held by one or more investment companies in the capital of subsidiary companies, which, carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the repurchase of shares at the request of shareholders exclusively on its or their behalf.

#### 3.4 Neither:

- the Fund; nor
- the Depositary on behalf of a Sub-Fund may borrow.

However, a Sub-Fund may acquire foreign currency by means of a back-to-back loan.

By way of derogation from the aforementioned, a Sub-Fund may borrow provided that such a borrowing is:

- a) on a temporary basis and represents no more than 10% of its net assets;
- b) to enable the acquisition of immovable property essential for the direct pursuit of its business and represents no more than 10% of its assets

Where a Sub-Fund is authorised to borrow under points a) and b), that borrowing shall not exceed 15% of its net assets in total.

#### 3.5 Without prejudice to the application of point (1) neither:

- the Fund; nor
- the Depositary acting on behalf of a Sub-Fund.

may grant loans to or act as guarantor for third parties.

This restriction shall not prevent the acquisition of transferable securities, money market instruments or the other financial instruments referred to in 1.1 e) and 1.1 g) and 1.1 h) if not fully paid up;

#### 3.6 Neither:

- the Fund; nor
- the Depositary acting on behalf of a Sub-Fund

may carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in 1.1 e), 1.1 g) and 1.1 h).

### 4 Special techniques and instruments relating to transferable securities and money market instruments

This section is not applicable to Sub-Funds which qualify as feeder UCITS pursuant to Article 77 (1) of the 2010 Law unless expressly provided in the relevant description of such Sub-Funds.

The Fund 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 Fund 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 paragraph entitled "Risks connected with the use of derivatives". The Fund 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 Fund is primarily carried out through reviewing contracts and corresponding processes on a regular basis.

The Fund 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 liquid funds to the respective counterparty can be reclaimed by the Fund. In addition, the liquid funds should include the interest incurred up to the time of being reclaimed.

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

#### 4.1 Securities lending

Within the framework of the use of techniques and instruments for the efficient management of the portfolio, the Fund may lend portions of its securities portfolio to third parties ("securities lending"). In general, lending may only be effectuated via recognised clearing houses such as Clearstream International or Euroclear, or through the mediation of prime financial institutions that are specialized in such activities and in the modus specified by them. Such transactions may not be entered into for longer than 30 days, however. If the loan exceeds 50% of the securities portfolio of the corresponding Sub-Fund, it may only be effectuated on condition that termination of the loan contract is possible immediately.

In the case of securities lending transactions, the Fund must, in principle, receive a guarantee, the value of which, on conclusion of the loan contract, must at least correspond to the total value of the securities lent out and any accrued interest thereon.

This guarantee must in principle consist of liquid funds and/or securities issued or guaranteed by an OECD member country or its public central, regional and local authorities or international organisations, and which are blocked in the Fund's name until the expiry of the aforementioned contract. Such a guarantee is not required if the securities lending transaction is effected via Clearstream International or Euroclear or another organisation which guarantees that the value of the securities lent out will be refunded.

The provisions of the Chapter entitled "Collateral management" shall apply accordingly to the management of collateral that was left to the Fund within the scope of securities lending.

Service providers that provide services to the Fund in the field of securities lending have the right to receive a fee in return for their services that is 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 Fund and/or Depositary can be found in the respective annual or semi-annual report.

Furthermore, the Fund 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 Fund, as well as the information to be published in the annual and semi-annual reports.

Currently, the Fund does not perform any securities lending activity but may do so in the future in which case this will be disclaimed in respect of the relevant Sub-Fund.

#### 4.2 Securities repurchase agreements

The Fund may, for any Sub-Fund, engage in repurchase transactions ("repos" or "reverse repos") 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.

All repurchase transactions are subject to the following conditions:

- Securities may only be sold/purchased under a repurchase agreement if the counterparty is a first-class financial institution specialising 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 the underlyings 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.

#### 4.3 Further techniques and instruments

The above-mentioned techniques and instruments may be amended by the Fund 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.