

## **PROSPECTUS**

### **NORTHERN TRUST INVESTMENT FUNDS PLC**

**An umbrella fund with segregated liability between funds  
A company incorporated with limited liability as an open-ended umbrella investment company  
with variable capital under the laws of Ireland with registered number 378116 and authorised  
by the Central Bank as a UCITS pursuant to the Regulations**

**Dated 14 August 2023**

#### **Prospectus for Germany**

**This Prospectus is a consolidation of the Prospectus of the Company dated 14 August 2023, and the Additional Information for Investors in Germany dated 5 September 20223. This Prospectus is a consolidated prospectus for investors in Germany. It is exclusively used for offer and distribution of the Shares in the Fund in or from Germany. It may not be used for the offer or distribution of the Shares in the Company in any other jurisdiction and does not constitute a prospectus under Irish law.”**

**We confirm no other additions or amendments have been made to the current version of the Irish Prospectus**

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## 1 INFORMATION SECTION

This Prospectus contains important information about the Company and the Funds and should be read carefully before investing.

### 1.1 Reliance on this Prospectus and KID/KIID Access

In deciding whether to invest in the Company, investors should rely on information in this Prospectus, the Supplement of the relevant Fund and the Company's most recent annual and/or semi-annual reports. Prospective investors may also wish to consider the KID/KIID (as appropriate) for the relevant Share Class prior to subscribing for Shares in that Share Class in order to assist them in making an informed investment decision. **For the avoidance of doubt, KIDs shall be made available to EEA retail investors with KIIDs being made available to any non-EEA investors and/or any EEA professional clients. An investor shall only receive either a KID or KIID depending on their status and domicile.**

Each Share Class that is available for subscription will have a KID/KIID issued in accordance with the Central Bank Rules. While some Share Classes are described in the Supplement for the relevant Fund as available, these Share Classes may not currently be offered for subscription and in that event a KID/KIID may not be available. Prospective investors should contact the Investment Manager, Administrator or Distributor directly to determine whether the relevant Share Class is available for subscription.

Because the Prospectus and KID/KIID may be updated from time to time, investors should make sure they have the most recent versions.

Statements made in this Prospectus are based on the law and practice in force in the Republic of Ireland at the date of this Prospectus, which may be subject to change. This Prospectus will be updated to take into account material changes from time to time and any such amendments will be notified in advance to and cleared by the Central Bank.

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability for you of investing in the Company, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

Neither the Company, the Manager nor the Investment Manager shall be liable to investors (or to any other persons) for any error of judgement in the selection of each Fund's investments.

This Prospectus and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Irish law. With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Prospectus (including any non-contractual obligations arising out of or in connection with it), each party irrevocably submits to the jurisdiction of the Irish courts.

### 1.2 Central Bank Authorisation

The Company is an investment company with variable capital incorporated on 13 November 2003 and authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the Regulations. **This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus.**

### 1.3 Segregated Liability

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

#### 1.4 **Responsibility**

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

#### 1.5 **Prospectus/Supplements**

This Prospectus describes the Company. The Company issues Supplements to this Prospectus relating to each Fund. A separate Supplement will be issued at the time of establishment of each Fund. Each Supplement forms part of and should be read in the context of and in conjunction with this Prospectus.

This Prospectus may only be issued with one or more Supplements, each containing information in relation to a particular Fund. Details relating to Share Classes may be dealt with in the relevant Supplement for the particular Fund. Shareholders and potential investors should refer to the most recent Supplement for details of the existing classes which will also be included in the Company's semi-annual and annual reports.

#### 1.6 **Restrictions on Offerings**

**Potential subscribers and purchasers of Shares should consult a stockbroker, bank manager, solicitor, accountant or other independent financial adviser and inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.**

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised. It is the responsibility of any person wishing to apply for Shares to inform himself/herself of and to observe all applicable laws and regulations of the countries of his/her nationality, residence or domicile.

The publishing of the Net Asset Value per Share for each Share Class in each Fund is for information purposes only, and is not an invitation to subscribe, convert or redeem Shares at the published Net Asset Value per Share.

In the context of SRD II, it is not intended that investment in the Company by an institutional investor, as defined in SRD II, should infer a level of direct engagement between such an investor and the Manager or create a bilateral contractual relationship between the two. Should the Company receive a request for SRD II information from such an investor, this shall make the Company aware that it has an institutional investor in scope of SRD II requirements and it will respond reactively to same. The Directors may in their sole discretion reject any application in whole or in part without giving any reason for such rejection in which event, subject to applicable law, the subscription monies or any balance thereof will be returned without interest, expenses or compensation to the applicant by transfer to the applicant's designated account or by post at the applicant's risk. For further details, please refer to the section of this Prospectus entitled "Application for Shares".

Shares are offered only on the basis of the information contained in this Prospectus and, as appropriate, the latest audited annual accounts and any subsequent semi-annual report.

Any further information or representation given or made by any dealer, salesman or other person should be disregarded and accordingly should not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall, under any circumstances, constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date of this Prospectus. Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, the English language Prospectus will prevail, except to the extent (but only to the extent) required by the laws of any jurisdiction including the regulations or requirements of the financial regulator of such jurisdiction where the Shares are sold. All disputes as to the terms thereof, regardless of the language version, shall be governed by, and construed in accordance with, the laws of Ireland.

#### 1.7 **Notice to residents of the United States**

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the Shares in any jurisdiction where such offer, solicitation, purchase or sale would be prohibited by law, or to any firm or individual to whom it would be unlawful to make such an offer, solicitation, purchase or sale (or to any "Benefit Plan Investor" as such term is defined in Section 3(42) of the U.S. Employee Retirement Income Security Act of 1974, regardless of whether such Benefit Plan Investor is a U.S. Person or whether the offer or sale occurs within the United States).

In particular the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the laws of any state or political subdivision of the United States and may not be directly or indirectly offered or sold in the United States or to any U.S. Person. The Shares will be offered and sold outside the United States to persons who are not U.S. Persons, pursuant to Regulation S under the Securities Act and otherwise in accordance with an available exemption from registration under the Securities Act. Additionally, the Company will not be registered or seek to register, nor will any Fund be registered or seek to register, as an investment company under the United States Investment Company Act of 1940, as amended.

#### 1.8 **Suitability of Investment**

**As the price of Shares in each Fund may fall as well as rise, the Company shall not be a suitable investment for an investor who cannot sustain a loss on his investment.** A typical investor will be seeking to achieve a return on his investment in the medium to long term.

The decision to invest in any Fund, and if so how much, should be based on a realistic analysis of the investor's own financial circumstances and tolerance for investment risk.

As with any investment, future performance may differ from past performance, and Shareholders could lose money. There is no guarantee that any Fund will meet its objectives or achieve any particular level of future performance. Shares of the Company are not bank deposits or obligations of, or guaranteed or endorsed or otherwise supported by, The Northern Trust Company, any related or associated company of The Northern Trust Company, or any other bank, and are not insured or guaranteed by the U.S. Government, Federal Deposit Insurance Corporation, Federal Reserve Board, or any other government, government agency or other guarantee scheme which may protect the holders of a bank deposit.

No Fund in this Prospectus is intended as a complete investment plan, nor are all Funds appropriate for all investors. Before investing in a Fund, each prospective investor should read the Prospectus and should understand the risks, costs and terms of investment in that Fund. In

particular, investors should read and consider the section within this Prospectus entitled "Risk Factors" set out at Appendix IV, before investing in the Fund.

#### **1.9 MiFID II Product Governance Rules – UCITS as non-complex financial instruments**

Article 25 of MiFID II sets out requirements in relation to the assessment of suitability and appropriateness of financial instruments for clients. Article 25(4) contains rules relating to the selling of financial instruments by a MiFID-authorized firm to clients in an execution only manner. Provided the financial instruments are comprised from the list contained in Article 25(4)(a) (referred to broadly as non-complex financial instruments for these purposes), a MiFID-authorized firm selling the instruments will not be required to also conduct what is referred to as an "appropriateness test" on its clients. An appropriateness test would involve requesting information on the client's knowledge and experience on the type of investment offered and, on this basis, assessing whether the investment is appropriate for the client. If the financial instruments fall outside the list contained in Article 25(4)(a) (i.e. are categorised as complex financial instruments), the MiFID-authorized firm selling the instruments will be required to also conduct an appropriateness test on its clients.

UCITS (other than structured UCITS) are specifically referenced in the list in Article 25(4)(a). Accordingly, each Fund is deemed to be a non-complex financial instrument for these purposes.

#### **1.10 Potential for Capital Reduction**

Where provided for in the relevant Supplement, (i) dividends may be declared out of the capital of the relevant Fund; and/or (ii) fees and expenses may be paid out of the capital of the relevant Fund, in each case in order to preserve cash flow to Shareholders. In any such cases, there is a greater risk that capital may be eroded (and also that the value of future returns may be diminished) and distribution will be achieved/fees will be paid in a manner that foregoes the potential for future capital growth of your investment. This cycle may continue until all capital is depleted. Distributions out of capital may have different tax consequences to distributions of income and it is recommended that you seek appropriate advice in this regard. The likelihood is that the value of future returns would also be diminished.

#### **1.11 Redemption Charge**

A Redemption Charge of up to 2% of the redemption price may be charged by the Directors in their discretion on the redemption of Shares where specified in the relevant Supplement. The difference at any one time between the sale and redemption price of Shares means that the investment should be viewed as medium to long-term.

## 2 DEFINITIONS

### 2.1 In this Prospectus the following words and phrases shall have the meanings indicated below;-

**"Account Opening Form"** means any account opening form to be completed by subscribers for Shares as prescribed by the Company from time to time;

**"Accounting Period"** means a period ending on 31 March of each year or such other date as the Directors may from time to time decide with the prior approval of the Central Bank;

**"Accumulating Share"** means a Share Class designated as being "Accumulating" in the list of Share Classes disclosed in the relevant Supplement and in respect of which the income and other profits will be accumulated and reinvested;

**"Administration Agreement"** means the amended and restated administration agreement dated 14 March 2023 between the Manager, the Company and Northern Trust International Fund Administration Services (Ireland) Limited as may be amended or supplemented from time to time;

**"Administrator"** means Northern Trust International Fund Administration Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank;

**"AIF"** means an alternative investment fund as defined in regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013) as amended and as may be further amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(e) of the Regulations including, where relevant and in the event of the United Kingdom becoming a third country, UCITS authorised by the Financial Conduct Authority in the United Kingdom in accordance with Directive 2009/65/EC of the European Parliament and of the Council, as amended, supplemented, consolidated or otherwise modified from time to time;

**"Annex(es)"** means an annex to a Supplement to this Prospectus, issued from time to time, prepared for the purpose of meeting the specific financial product level disclosures contained in SFDR and specifically, the disclosure requirements applicable to Article 8 Funds and Article 9 Funds;

**"Anti-Dilution Levy"** means in respect of each Fund, a charge applied for the benefit of the Fund (including, in circumstances of net subscriptions or net redemptions on a given Dealing Day) in the form of an adjustment applied to a transaction to subscribe for or redeem Shares in order to cover any transaction dealing costs and to preserve the value of the underlying assets of the relevant Fund;

**"Application Form"** means such application form for Shares as the Directors may prescribe to be completed by a Shareholder in relation to a Fund;

**"Article 6 Fund"** means a Fund of the Company which does not meet the criteria outlined in SFDR to qualify as either an Article 8 Fund or an Article 9 Fund;

**"Article 8 Fund"** means a Fund of the Company that meets the criteria outlined in Article 8 of SFDR to qualify as a financial product which promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics and provided that the companies that the Fund invests in follow good governance practices;

**"Article 9 Fund"** means a Fund of the Company that in accordance with the criteria outlined in Article 9 of SFDR has Sustainable Investment as its objective;

**"Articles"** means the memorandum and articles of association of the Company as amended from time to time in accordance with the requirements of the Central Bank;

**"Associated Person"** means a person who is connected with a Director if, and only if, he or she is;

- (a) that Director's spouse, parent or child;
- (b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls; or
- (c) a partner of that Director.

A company will be deemed to be connected with a Director if it is controlled by that Director;

**"Base Currency"** means in relation to any Fund such currency as is specified in the Supplement for the relevant Fund;

**"Benchmark Regulation"** means 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;

**"Benchmark Regulation Register"** means the register of administrators and benchmarks maintained by ESMA under the Benchmarks Regulation;

**"Business Day"** means in relation to any Fund such day or days as is or are specified in the Supplement for the relevant Fund;

**"CBDF Directive"** means Directive (EU) 2019/1160 of the European Parliament and of the Council of 20 June 2019 amending Directives 2009/65/EC and 2011/61/EU with regard to cross-border distribution of collective investment undertakings as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"CBDF Regulations"** means Regulation (EU) 2019/1156 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Central Bank"** means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the Company;

**"Central Bank Regulations"** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Central Bank Rules"** means the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the Regulations;

**"CIS"** means a UCITS or other alternative investment fund within the meaning of Regulation 68(1)(e) of the Regulations and which is prohibited from investing more than 10% of its assets in other such collective investment schemes;

**"Companies Act"** means the Irish Companies Act 2014 as amended, supplemented, consolidated or otherwise modified from time to time;

**"Company"** means Northern Trust Investment Funds plc;

**"Country Supplement"** means a supplement to this Prospectus, issued from time to time, specifying certain information pertaining to the offer of Shares of the Company or a Fund or Share Class in a particular jurisdiction or jurisdictions



"**CRS**" means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard;

"**Currency Hedged Share Class**" means a Share Class of a Fund which allows the use of hedging transactions to reduce the effect of exchange rate fluctuations as described under the section entitled "Currency Hedged Share Classes" in this Prospectus;

"**Data Protection Legislation**" means from 25 May 2018 onwards, the EU data protection regime introduced by the General Data Protection Regulation (Regulation 2016/679);

"**Dealing Day**" means, in respect of each Fund, each Business Day on which subscriptions for, redemptions of and exchanges of relevant Shares can be made by the Company as specified in the Supplement for the relevant Fund and/or such other Dealing Days as the Directors shall determine and notify to Shareholders in advance, provided that there shall be at least two Dealing Days in each Month occurring at regular intervals.

"**Dealing Deadline**" means in relation to applications for subscription, redemption or exchange of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund as the deadline by which such application must be received by the Administrator on behalf of the Company in order for the subscription, redemption or conversion of Shares of the Fund to be made by the Company on the relevant Dealing Day;

"**Debt and Debt Related Securities**" includes but is not limited to convertible and non-convertible corporate debt securities, preferred securities, fixed and floating rate bonds, zero-coupon and discount bonds, debentures, certificates of deposit, bankers acceptances, bills of exchange, commercial paper and treasury bills;

"**Depository Agreement**" means the agreement dated 12 October 2016 between the Company, the Manager and Northern Trust Custodial Services (Ireland) Limited as may be modified from time to time in accordance with the requirements of the Central Bank;

"**Depository**" means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank in accordance with the UCITS Requirements;

"**Directive**" means Directive 2009/65/EC of the European Parliament and the Council of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to UCITS as amended, supplemented, consolidated or otherwise modified from time to time;

"**Directors**" means the directors of the Company, each a "**Director**";

"**Distributing Shares**" means a Share Class designated as being "Distributing" in the list of Share Classes listed in the relevant Supplement and in respect of which distributions of income will be declared;

"**Distributor**" means, unless specifically stated otherwise in the Supplement for the relevant Fund, Northern Trust Global Investments Limited or any successor thereto as may be appointed by the Manager in accordance with the Central Bank Rules as a distributor to the Company;

"**Eligible Counterparty**" means a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which at the date of this Prospectus -comprise the following:

- (i) a Relevant Institution;
- (iii) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State; or

- (iii) a group company of an entity approved as a bank holding company by the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by the Federal Reserve;

**"EEA Member States"** means the member states of the European Economic Area, the current members at the date of this Prospectus being the EU Member States, Iceland, Liechtenstein and Norway;

**"EMIR"** means Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories as amended and as may be further amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Equity and Equity Related Securities"** includes but is not limited to equities, depositary receipts, convertible securities, preferred shares, equity linked notes (debt securities linked to the performance of equities) warrants (not more than 5% of a Fund's Net Asset Value), rights, and bonds convertible into common or preferred shares;

**"ESMA"** means the European Securities Markets Authority or any successor regulatory authority thereto;

**"ESG"** means environmental, social and governance;

**"EU"** means the European Union;

**"EU Member States"** means the member states of the EU;

**"Euro", "EUR" or "€"** means the lawful currency of the participating EU Member States which have adopted the single currency in accordance with the EC Treaty of Rome dated 25th March 1957 as amended;

**"Exchange Charge"** means the charge, if any, payable on the exchange of Shares as is specified herein;

**"Exempt Irish Shareholder"** means

- (a) a qualifying management company within the meaning of section 739B(1) TCA;
- (b) an investment undertaking within the meaning of section 739B(1) TCA;
- (c) an investment limited partnership within the meaning of section 739J TCA;
- (d) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;
- (e) a company carrying on life business within the meaning of section 706 TCA;
- (f) a special investment scheme within the meaning of section 737 TCA;
- (g) a unit trust to which section 731(5)(a) TCA applies;
- (h) a charity being a person referred to in section 739D(6)(f)(i) TCA;
- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- (j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;

- (k) the National Asset Management Agency;
- (l) the Courts Service;
- (m) a credit union within the meaning of section 2 of the Credit Union Act 1997;
- (n) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the Company is a money market fund;
- (o) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company;
- (p) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A TCA; and
- (q) the National Treasury Management Agency of Ireland, or a fund investment vehicle within the meaning of Section 739D(6)(kb) TCA;

and where necessary the Company is in possession of a Relevant Declaration in respect of that Shareholder;

**"FATCA"** means

- (a) sections 1471 to 1474 of the U.S. Internal Revenue Code or any associated regulations or other official guidance;
- (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and
- (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;

**"FDI"** means a financial derivative instrument (including an OTC derivative);

**"Fund"** means a sub-fund of the Company the proceeds of issue of which are pooled separately in a segregated portfolio of assets and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the Company from time to time with the prior approval of the Central Bank;

**"Index"** means the index of securities whose performance a Fund will aim to match, pursuant to its investment objective and in accordance with its investment policies, as specified in the relevant Supplement;

**"Index Provider"** means, in relation to a Fund, the entity or person acting by itself or through a designated agent which compiles, calculates and publishes information on the Index corresponding to a Fund and who has licensed the Index to the Company, as specified in the relevant Supplement;

**"Initial Issue Price"** means the price (excluding any Preliminary Charge) per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund;

**"Initial Offer Period"** means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in the Supplement for the relevant Fund;

**"Intermediary"** means a person who:-

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons.

**"Investment Management Agreement"** means the agreement made between the Manager and the Investment Manager dated 27 November 2003 as amended and restated by the investment management agreement 30 November 2018 as may be amended or supplemented from time to time in accordance with the Central Bank Rules;

**"Investment Manager"** means Northern Trust Global Investments Limited or any successor thereto, or any person or persons from time to time appointed by the Manager to act as investment manager to any of the Funds of the Company, in accordance with the requirements of the Central Bank and as disclosed in the Supplement for the relevant Fund;

**"Investor Money Regulations"** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2017, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Investment Grade"** means rating awarded to high quality corporate and government securities that are judged likely to meet their payment obligations by Standard & Poor's (i.e. rated at least BBB-) or Moody's (i.e. rated at least Baa3); or if unrated determined by the Investment Manager to be of comparable quality;

**"Irish Resident"** means any person resident in Ireland or ordinarily resident in Ireland (as described in the Taxation section of this Prospectus) other than an Exempt Irish Shareholder;

**"Irish Stock Exchange"** means Euronext Dublin;

**"KID"** means key information document as required by the PRIIPs Regulation;

**"KIID"** means the key investor information document;

**"Management Agreement"** the agreement made between the Company and the Manager dated 27 November 2003 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed manager of the Company;

**"Manager"** means Northern Trust Fund Managers (Ireland) Limited or any successor thereto duly appointed with the prior approval of the Central Bank;

**"Markets"** means the stock exchanges and regulated markets set out in Appendix II;

**"Member State"** means a member state of the EU;

**"MiFID II Delegated Directive"** means Commission Delegated Directive (EU) of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits;

**"Minimum Fund Size"** means €30 million or such other amount (if any) as the Directors may determine for each Fund and as set out in the Supplement for the relevant Fund;

**"Minimum Shareholding"** means such minimum number of Shares of any Share Class (if any) as specified in the Supplement for the relevant Share Class within a Fund;

**"Minimum Subscription Amount"** means such minimum number or minimum value of Shares of any Share Class (if any) as the Directors may from time to time prescribe as the minimum initial subscription required by each Shareholder for Shares of each Share Class in a Fund

either during the Initial Offer Period or on any subsequent Dealing Day as may be specified in the Supplement for the relevant Fund;

**"Money Market Instruments"** means instruments normally dealt in on the money markets which are liquid, and have a value which can be accurately determined at any time and which comply with the descriptions and requirements of such instruments as set out in the Central Bank Rules which may be amended from time to time;

**"Month"** means a calendar month;

**"Net Asset Value"** means, in respect of the assets and liabilities of a Fund, a Share Class or the Shares representing interests in a Fund, the amount determined in accordance with the principles set out in the "Determination of Net Asset Value" section below as the Net Asset Value of the Fund, or the Net Asset Value per Share (as appropriate);

**"Net Asset Value per Share"** means in respect of any Share Class the Net Asset Value attributable to such Share Class divided by the number of Shares in issue in such Share Class, calculated as described herein;

**"non-Dealing Day"** means, in respect of each Fund, any Business Days which have been designated by the Directors as not constituting a Dealing Day and as notified to Shareholders in advance (provided always that there shall be at least two Dealing Days in each Month occurring at regular intervals). The Investment Manager maintains a list of all non-Dealing Days on the Website;

**"OECD"** means the Organisation for Economic Co-operation and Development;

**"OTC"** means over-the-counter and refers to derivatives negotiated between two counterparties;

**"Paying Agent"** means one or more paying agents including but not limited to representatives, distributors, correspondent banks, or centralising agents appointed by the Company and/or the Manager in certain jurisdictions;

**"Preliminary Charge"** means in respect of a Fund, the charge payable (if any) on the subscription for Shares as is specified in the Supplement for the relevant Fund;

**"Prospectus"** means this prospectus issued on behalf of the Company as amended, supplemented or consolidated from time to time together with the Supplements for the Funds;

**"PRIIPs Regulation"** means Regulation (EU) No. 1286/2014 of the European Parliament and of the Council on key information documents for packaged retail and insurance-based investment products ("PRIIPs"), as amended and as may be further amended, consolidated or substituted from time to time;

**"Related Company"** has the meaning assigned thereto in Section 2(10) of the Companies Act. In general this states that companies are related where 50% of the paid up share capital of, or 50% of the voting rights in, one company are owned directly or indirectly by another company;

**"Relevant Declaration"** means the declaration relevant to the Shareholder as set out in Schedule 2B TCA;

**"Redemption Price"** means the price at which Shares are redeemed, as described under "Share Dealings - Redemption of Shares" and as may be specified in the relevant Supplement;

**"Relevant Institution"** means credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (which includes the United Kingdom), or credit institutions authorised in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending EMIR;

**"Redemption Charge"** means in respect of a Fund, the charge (which is inclusive of fiscal and sales charges, if any) payable (if any) on the redemption of Shares as specified in the relevant Supplement;

**"Revenue Commissioners"** means the Irish Revenue Commissioners;

**"Securities Financing Transactions"** means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in;

**"SFDR"** or **"Disclosure Regulation"** means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Shareholders Rights Directive" or "SRD II"** means European Union (Shareholders' Rights) Regulations 2020 as may be amended, supplemented or replaced from time to time;

**"Securitisation Position"** means an instrument held by a Fund that meets the criteria of a "Securitisation" contained in Article 2 of the Securitisation Regulation so as to bring such instruments into the scope of the Securitisation Regulation and trigger obligations which must be met by the Fund (as an "institutional investor" under the Securitisation Regulation). Without prejudice to the precise definition in Article 2 of the Securitisation Regulation, this generally covers transactions or schemes, whereby (i) the credit risk associated with an exposure or a pool of exposures is divided into classes or tranches; (ii) payments are dependent upon the performance of the exposure or of the pool of exposures; and (iii) the subordination of classes or tranches determines the distribution of losses during the ongoing life of the transaction or scheme;

**"Securitisation Regulation"** means the Securitisation Regulation (EU) 2017/2402, as may be amended from time to time;

**"Settlement Date"** means in respect of receipt of monies for subscription for Shares or dispatch of monies for the redemption of Shares, the date specified in the Supplement for the relevant Fund. For the avoidance of doubt, in accordance with the requirements of the Central Bank, settlement of redemptions shall be no more than ten Business Days after the relevant Dealing Deadline, or if later, the receipt of completed redemption documentation;

**"SFTR"** means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**"Shares"** means participating shares in the Company representing interests in a Fund and where the context so permits or requires any class of participating shares representing interests in a Fund;

**"Share Class(-es)"** means the class or classes of Shares (if any) relating to a Fund. The details applicable to each available Share Class will be pre-determined and as described in the relevant Supplement;

**"Shareholders"** means persons registered as the holders of Shares in the register of shareholders for the time being kept by or on behalf of the Company, and each a Shareholder;

**"£", "GBP", "Sterling" and "Pound"** means the lawful currency of the United Kingdom;

**"SRD II"** means European Union (Shareholders' Rights) Regulations 2020 as may be amended, supplemented or replaced from time to time;

**"Sub-Distributor"** means any sub-distributor appointed by the Distributor in accordance with the Central Bank Rules as a sub-distributor to the Company;

**"Subscriber Shares"** means the shares which the subscribers to the Articles subscribed to and which do not participate in the dividends or assets of any Fund;

**"Subscription Price"** means the Initial Issue Price or, following the end of the Initial Offer Period, the Net Asset Value per Share calculated as at the Valuation Point on the relevant Dealing Day;

**"Supplement"** means any supplement to the Prospectus issued on behalf of the Company specifying certain information in relation to a Fund and/or one or more Share Classes from time to time, noting that any such supplement may be issued with an Annex or addendum containing supplemental information on the relevant Fund or Share Class;

**"Sustainable Investment"** means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance;

**"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 an investment, including but not limited to, risks stemming from climate change, natural resource depletion, environmental degradation, human rights abuses, bribery, corruption and social and employee matters;

**"Taxonomy Regulation"** means the Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time

**"TCA"** means the Irish Taxes Consolidation Act, 1997, as amended;

**"Total Return Swap"** means a derivative (and a transaction within the scope of SFTR) whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty;

**"Transferable Securities"** means

- (a) shares in companies and other securities equivalent to shares in companies which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the Regulations;
- (b) bonds and other forms of securitised debt which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the Regulations;
- (c) other negotiable securities which carry the right to acquire any securities within (i) or (ii) above by subscription or exchange which fulfil the criteria specified in Part 1 of Schedule 2 of the Regulations; and
- (d) securities specified for this purpose in Part 2 of Schedule 2 of the Regulations;

**"UCITS"** means an undertaking for collective investment in transferable securities which is authorised under the Regulations or authorised by a competent authority in another member state of the European Union in accordance with Directive 2009/65/EC of the European Parliament and of the Council, as amended, supplemented, consolidated or otherwise modified from time to time;

**"UCITS Regulations" or "Regulations"** means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, (S.I. No. 352 of 2011) as amended and as may be further amended, supplemented, consolidated or otherwise modified from time to time including any conditions that may arise from time to time;

**"UCITS Requirements"** means the legislative and regulatory framework for the authorisation and supervision of UCITS, pursuant to the Regulations, in place in Ireland from time to time;

**"UCITS V"** means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time;

**"Umbrella Cash Account"** means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the application form;

**"United Kingdom" and "UK"** means the United Kingdom of Great Britain and Northern Ireland;

**"United States" and "U.S."** means the United States of America, (including each of the states, the District of Columbia and the Commonwealth of Puerto Rico) its territories, possessions and all other areas subject to its jurisdiction;

**"US Dollars", "Dollars" and "\$"** means the lawful currency of the United States or any successor currency;

**"U.S. Person"** means any person falling within the definition of the term "U.S. Person" under Regulation S promulgated under the US Securities Act 1933, as amended;

**"Valuation Point"** the point in time on or with respect to the relevant Dealing Day by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund provided that there shall be at least two Valuation Points in every month; and

**"Website"** means [www.northerntrust.com/Pooledfunds](http://www.northerntrust.com/Pooledfunds), the website, on which the Net Asset Value per Share will be published and on which this Prospectus, the Supplements, the KID, KIID, including any relevant translation thereof, the Articles, the latest financial reports and any other information in respect of the Company or any of the Funds, including various shareholder communications may be published.

## 2.2 **Headings and Numbering**

The headings and numbering of sections of this Prospectus are for convenience of reference only and shall not affect the meaning or interpretation of this Prospectus in any way.



## DIRECTORY

### DIRECTORS

Mr. Ton Daniels  
Ms. Claire Cawley  
Ms. Marie Dzanis  
Ms. Martha Fee  
Mr. Bimal Shah  
Mr. Alan Keating  
Mr. Feargal Dempsey  
Mr. Cian Farrell

### REGISTERED OFFICE

George's Court  
54-62 Townsend Street  
Dublin 2  
Ireland

### COMPANY SECRETARY

Northern Trust International Fund Administration  
Services (Ireland) Limited  
George's Court,  
54-62 Townsend Street  
Dublin 2  
Ireland

### ADMINISTRATOR

Northern Trust International Fund Administration  
Services (Ireland) Limited  
George's Court,  
54-62 Townsend Street  
Dublin 2  
Ireland

### DEPOSITARY

Northern Trust Fiduciary Services (Ireland) Limited  
George's Court,  
54-62 Townsend Street  
Dublin 2  
Ireland

### AUDITORS

KPMG  
Chartered Accountants  
1 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

### LEGAL ADVISERS IN IRELAND

Maples and Calder (Ireland) LLP  
75 St. Stephen's Green  
Dublin 2  
Ireland

### MANAGER

Northern Trust Fund Managers (Ireland)  
Limited  
George's Court,  
54-62 Townsend Street  
Dublin 2  
Ireland

### INVESTMENT MANAGER AND DISTRIBUTOR

Northern Trust Global Investments Limited  
50 Bank Street  
Canary Wharf  
London, E14 5NT  
England

### 3 INTRODUCTION

The Company is an open-ended investment company with variable capital organised under the laws of Ireland as a public limited company pursuant to the Companies Act. The Company was incorporated on the 13 day of November 2003 under registration number 378116. Its sole object, as set out in Clause 2 of the Company's Memorandum of Association, is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk spreading in accordance with the Regulations. The Company is organised in the form of an umbrella fund with segregated liability between funds.

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

### 4 FUNDS

#### 4.1 Structure

The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. The investment objective and policies and other details in relation to each Fund are set out in the relevant Supplement. At the date of this Prospectus, the Company has established the Funds listed in the global supplement to the Prospectus, which may be amended or supplemented from time to time (the "**Global Supplement**").

Additional Funds (in respect of which a Supplement or Supplements will be issued) may be established by the Directors from time to time with the prior approval of the Central Bank.

Shares may be issued in classes within each Fund. Share Classes in each Fund may differ as to certain matters including currency of denomination, currency hedging strategies if any applied to the particular Share Class, dividend policy and fees and expenses charged. The Shares Classes available for subscription shall be set out in the relevant Supplement.

A separate pool of assets shall not be maintained in respect of each Share Class. Additional Share Classes in respect of which a Supplement or Supplements will be issued may be created by the Directors and notified to and cleared in advance with the Central Bank or otherwise the creation of the further Share Classes must be effected in accordance with requirements of the Central Bank. Separate books and records will be maintained for each Fund but not for each Share Class.

#### 4.2 Investment Objective and Policies

The Articles provide that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the Company appear in the Supplement for the relevant Fund. Unless otherwise set out in the relevant Supplement, the investment objective of each Fund will be to (i) replicate an Index ("**Replicating Funds**"); or (ii) provide Shareholders with a return (either at the relevant scheduled maturity date or on each Dealing Day) linked to an Index ("**Non-Replicating Funds**").

Any change in the investment objectives and any material change in the investment policies will be subject to Shareholders' approval and the approval of the Central Bank. In the event of a change in investment objectives and/or a material change in investment policies a reasonable notification period will be provided by the Company to enable Shareholders to redeem their Shares prior to the implementation of this change.

##### Replicating Funds

Replicating Funds seek to replicate as closely as possible the constituents of the e Index by holding all the securities comprising the Index in similar proportion to their weightings in the Index and, in doing so, are permitted to avail of the higher investment limits set out in Appendix I for replicating index funds. It may not, however, always be possible or practicable to purchase

each and every constituent of the Index in accordance with the weightings of the Index, or doing so may be detrimental to holders of Shares in the relevant Fund (for example, where there are considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the Index, or in circumstances where a security in the Index becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions that apply to the Fund but not to the Index). In these circumstances, the Investment Manager may use a number of techniques, including purchasing securities which are not constituents of the Index, whose returns, individually or collectively, are considered by the Investment Manager to be well-correlated to the constituents of the Index.

Replicating Funds as per the Regulations will state the intent to avail of the investment limits set out in Appendix I in their investment policy. For the avoidance of doubt, where a Fund does not adopt an exact replication strategy of its Index in accordance with Regulation 71 of the UCITS Regulations, it will not be permitted to avail of the increased limits of 20%/35% of its Net Asset Value in a single issuer.

#### Non-Replicating Funds

Investors should note that it may not be possible or practicable for an index tracking Fund to purchase or gain exposure to all of the constituent securities of its Index in their proportionate weightings or to purchase them at all due to various factors, including the costs and expenses involved and the concentration limits described in Appendix I to the Prospectus.

In these circumstances, the Investment Manager of such a Non-Replicating Fund may, in tracking the Index, decide to hold a representative sample of the securities contained in the Index but will aim to track its Index as closely as possible.

In such circumstances, the Investment Manager may employ a range of techniques designed to select those securities which will create the representative sample that tracks the performance of the Index as closely as possible. To create the sample either optimisation and/or stratified sampling techniques are used. Optimisation is a sampling technique that seeks to minimize tracking error through proprietary quantitative portfolio analysis. This analysis may include consideration of matters such as: how a security's price changes in relation to another over time, scenario analysis (which involves estimating the change in a portfolio's value given a change in key risk factors) and stress testing. Stratified sampling is a technique that divides the constituents of the relevant Index into distinct, non-overlapping risk groups called strata and selects those securities in the Index which match the risk characteristic of these groups. Some of the strata could include, but are not limited to, the market capitalisation of the companies, currency, country, industry sectors, and credit quality. In the case of fixed income securities, strata may also include key rate duration, convexity (which is measure of how a change in interest rates affects the duration of a bond), capital structure, and bond specific covenants.

The level of sampling used by any index tracking Fund will be determined by the nature of the Index components – some such Funds may use sampling extensively whilst others may only use it infrequently.

Investors in such Non-Replicating Funds will be exposed to the performance of the underlying securities comprised in the relevant Fund's Index.

There may also be instances where an index tracking Fund holds securities which are not component securities in the Index, if the Investment Manager believes this to be appropriate.

Replicating Funds availing of the increased concentration limits of Regulation 71 of the UCITS Regulations (as disclosed in their investment strategies) will not avail of these techniques, see Replicating Funds above.

Changes to the composition and/or weighting of the securities constituting the Index which is tracked or replicated by a Fund will ordinarily require that Fund to make corresponding adjustments or re-balancing to its holdings in order to seek to track or replicate the Index. The Investment Manager will in a timely manner and as efficiently as possible, but subject to its

overall discretion in accordance with the investment strategies of the relevant Fund, seek to rebalance the composition and/or weighting of the investments held by a Fund from time to time and, to the extent practicable and possible, to conform its exposure to the changes in the composition and/or weighting of securities constituting the relevant Index. Other rebalancing measures may be taken from time to time to seek to maintain the correspondence between the performance of a Fund and the performance of the Index. Unless otherwise discussed in the relevant Supplement, the rebalancing frequency of the Index is not expected to have a material impact on the transaction costs associated with a Fund.

The Investment Manager may seek to gain exposure to the component securities of the Index through the use of FDI which will enable the relevant Fund to receive, from a counterparty, the return of the particular Index in exchange for periodic cash payments.

The extent to which a Non-Replicating Fund uses the optimisation techniques or stratified sampling will depend on the nature of the constituents of its Index, the practicalities and cost of tracking the relevant Index, and such use is at the discretion of the Investment Manager. For example, a Fund may use optimisation techniques or stratified sampling extensively and may be able to provide a return similar to that of its Index by investing only in a relatively small number of the constituents of its Index. The Fund may also hold some securities which provide similar performance (with matching risk profile) to certain securities that make up the relevant Index even if such securities are not themselves constituents of the Index and the Fund's holdings may exceed the number of constituents of the Index.

#### Sanctions

In the event that any constituents of an Index are issued by countries that subsequently become subject to sanctions imposed by the United Nations, the Investment Manager shall sell such constituent as soon as practicable and shall refrain from purchasing such constituent until such time as the relevant sanction is lifted. Sanctions may lead to a deviation in performance of a Fund relative to the Index.

#### All Funds

The Funds invest in transferable securities in accordance with the Regulations and/or other liquid financial assets referred to in Regulation 68 of the Regulations with the aim of spreading investment risk. Each Fund's investments will be limited to investments permitted by the Regulations which are described in more detail in Appendix I. Each Fund's investments, other than its investments in open-ended collective investment schemes, will normally be listed or traded on Regulated Markets set out in Appendix II.

Where consistent with its investment policy, each Fund may from time to time invest in government bonds, liquidity instruments such as floating rate instruments and commercial paper (rated at least A3 by Moody's or an equivalent rating from another agency), other transferable securities (for example, medium term notes) and open-ended collective investment schemes. Subject to the provisions of the Regulations and the conditions imposed by the Central Bank, each Fund may invest in other Funds of the Company and/or in other collective investment schemes managed by the Manager. Funds which avail themselves of the investment limits set out in Appendix I (i.e. Replicating Funds per the Regulations), may only invest in these instruments to assist in gaining exposure to the component securities of the Index.

The Funds may hold small amounts of ancillary liquid assets (which will normally have dividend/income receivables) and the Investment Manager, to produce a return similar to the return on the Index or as disclosed in the Supplement, may purchase FDI. The Funds may also hold small amounts of cash. The Funds may, to preserve the value of such cash holdings, invest in one or more daily dealing money market collective investment schemes authorised as UCITS. Such collective investment schemes may be managed by the Manager and / or an Affiliate and are subject to the limits set out in Appendix I. It is not anticipated that the Fund's

cash holdings will result in additional market exposure or capital erosion, however, to the extent that additional market exposure or capital erosion occurs it is expected to be minimal.

In addition, a Fund may also engage in transactions in FDI including but not limited to options and futures transactions, swaps, forward contracts and/or spot foreign exchange transactions, where appropriate, to assist in achieving its objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Index or to the Index itself, to produce a return similar to the return of the Index, to reduce transaction costs or taxes, to allow exposure in the case of securities which are unavailable for market reasons, to minimise tracking errors or for such other reasons as the Directors deem of benefit to a Fund.

Potential investors in a Fund may obtain a breakdown of the constituents held by the Fund from the Website or from the Investment Manager, subject to any applicable restrictions under the licence which the Investment Manager has in place with the relevant Index providers.

There is no assurance that a Fund's Index will continue to be calculated and published on the basis described in this Prospectus or that it will not be amended significantly. In such a situation details of any known changes will be communicated to Shareholders and made available on the Website.

The past performance of each Index is not a guide to future performance.

The Directors may decide, if they consider it to be in accordance with the investment restrictions and the Regulations and in the interest of the Company or any relevant Fund, to change or substitute the existing Index of a Fund with another Index.

The Directors may, for instance decide to substitute such an Index in the following circumstances, as applicable:

- (a) the accuracy and availability of data of a particular Index has deteriorated;
- (b) the components of the Index would cause the Fund (if it were to follow the Index closely) to be in breach of the limits set out under "**Investment Restrictions**" in Appendix I and/or materially affect the taxation or fiscal treatment of the Company or any of its Shareholders;
- (c) the particular Index ceases to exist or, in the determination of the Directors, there is a material change in the formula for, or the method of, calculating a component of the Index or there is a material modification of a component of the Index;
- (d) the swap and other techniques or instruments described under use of FDI which may be necessary for the implementation of the relevant Fund's investment objective cease to be available in a manner which is regarded as acceptable by the Directors;
- (e) the counterparty of swap agreements or other derivative instruments notifies the Company that there is limited liquidity in a portion of the component securities of the Index or it becomes impractical to invest in the components of the Index;
- (f) the Index Provider increases its licence fees to a level which the Directors consider excessive;
- (g) any successor Index Provider is not considered acceptable by the Directors;
- (h) a change of ownership of the relevant Index Provider and/or a change of name of the Relevant Index;
- (i) a new index becomes available which supersedes the existing Index;
- (j) a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to the Shareholders than the existing Index;
- (k) a liquid futures market in which a particular Fund is investing ceases to be available; or

- (l) an Index Provider or Index ceases to be compliant with applicable provisions of the Benchmark Regulation.

The above list is indicative only and cannot be understood as being exhaustive or limiting the ability of the Directors to change the Index in any other circumstances as they consider appropriate. Where such a change would result in a material difference between the constituent securities of the Index and the proposed Index, Shareholder approval will be sought in advance. Where the change of Index would result in a non-material difference between the constituent securities of the Index and the proposed Index, Shareholder notification will be provided in accordance with the requirements of the Central Bank.

The Investment Manager will rely solely on each Index Provider for information as to the composition and/or weighting of the securities that constitute each Index. If the Investment Manager is unable to obtain or process such information in relation to any Index on any Business Day, the most recently published composition and/or weighting of that Index will be used for the purpose of all adjustments.

Where provided for in the relevant Supplement(s), a Fund may gain exposure to financial indices through the use of financial derivative instruments where considered appropriate to the investment objective and investment policies of the relevant Fund.

Further details of the investment objective and policies for each Fund are set out in the relevant Supplement.

#### **4.3 Share Classes**

The Articles provide that the Company may offer separate Share Classes. Details of Share Classes in each Fund appear in the Supplement for the relevant Fund. Each Share Class represents an interest in the relevant Fund. Each Fund (but not each Share Class) comprises a distinct portfolio of investments. The Company's share capital is divided into a number of classes each representing interests in a Fund, save for the Subscriber

No Shares will be issued on terms that entitle Shareholders of any Fund to participate in the assets of the Company other than the assets (if any) of the Fund relating to such Shares. The Directors may issue one or more Share Classes having different levels of expenses and distribution policies in respect of any Fund in accordance with the requirements of the Central Bank.

#### **4.4 Investment Restrictions**

The investment restrictions applying to each Fund of the Company under the Regulations, as at the date of this Prospectus, are set in Appendix I. These are, however, subject to the qualifications and exemptions contained in the Regulations and in the Central Bank Rules. Any additional investment restrictions for the individual Funds will be formulated by the Directors, following consultation with the Manager, at the time of the creation of such Fund and detailed in the relevant Supplement.

#### **4.5 Tracking Difference**

Tracking difference is simply the difference between a Fund's actual return and its Index return over a specific period of time. While each index-tracking Fund is expected to track its Index as closely as possible, it typically will not match the performance of the Index exactly. Tracking difference can be positive or negative. An index's performance is theoretical – meaning that it simply reflects the increase or decrease in the value of the securities within that index. As such, an index's performance does not take into account the costs of buying and selling securities such as brokerage fees, commissions, stamp duty, custody fees, regulatory fees, exchange fees and spreads. Each index-tracking Fund incurs all of these expenses in tracking an index. These expenses will have a negative impact on a Fund's performance, relative to its Index.

Additionally potential taxation of market returns in some markets and the liquidity impact of the Fund's index tracking/replication strategy will impact return. Furthermore, exposure to the Index may be affected by rebalancing costs, in particular where the Index undergoes significant rebalancing or where constituents are not very liquid or have restrictions in terms of accessibility. Rebalancing costs are a factor of the rebalancing frequency of the underlying Index, the constituents' weighting adjustments and/or the number of constituents being replaced on each rebalancing day, and the transaction costs incurred to implement such changes. High rebalancing costs will generally deteriorate the relative performance between the Fund and the Index. The rebalancing frequency and any rebalancing costs are detailed for each Fund in the relevant Supplement.

#### 4.6 **Tracking Error**

The measure of variability of a Fund's tracking difference is called the tracking error, i.e. the volatility of the difference in returns between a Fund and its Index (the "**Tracking Error**"). The Tracking Error of each Fund will be set out in the Supplement for the relevant Fund.

The annual and half-yearly reports will state the size of the Tracking Error at the end of the period under review. The annual report will provide an explanation of any divergence between the anticipated and realised Tracking Error for the relevant period.

#### 4.7 **Borrowing and Lending Powers**

The Company may not borrow money except insofar as is permitted under the Regulations.

The Company may borrow, for the account of a Fund, up to 10% of the net assets of a Fund and the assets of such Fund may be charged as security for any such borrowings provided that such borrowing is only for temporary purposes. The Company may acquire foreign currency by means of a back-to-back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit (a) is denominated in the Base Currency of the Fund and (b) equals or exceeds the value of the foreign currency loan outstanding.

#### 4.8 **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions**

##### *Efficient Portfolio Management and Financial Derivative Instruments*

The Company may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments (including financial derivative instruments) in which it invests for efficient portfolio management and/or hedging purposes. Such techniques and instruments include futures, options, swaps, forwards and repurchase and reverse repurchase agreements and securities lending agreements (details of which are outlined below).

Use of such techniques and instruments should be in line with the best interests of Shareholders and will generally be made for one or more of the following reasons:

- (i) the reduction of risk;
- (ii) the reduction of cost; or
- (iii) the generation of additional capital or income for the relevant Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the risk diversification rules set out in the Regulations.

In addition, the use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add substantial

supplementary risks not covered in this Prospectus. It is therefore the intention of the Company, in employing such efficient portfolio management techniques and instruments for these reasons, that their impact on the performance of the relevant Fund will be positive.

Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of assets held by the relevant Fund.

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Company may (but is not obliged) to seek to mitigate this exchange rate risk by using FDI. Please refer to Appendix IV of this Prospectus (sections entitled "Risk Factors; Efficient Portfolio Management Risk", "Currency Risk", and "Currency Hedging at Share Class Level Risk" for more details. The risks arising from the use of such techniques and instruments shall be adequately captured in the Company's risk management process.

Details of any additional techniques and instruments used for a Fund may be set out in the relevant Supplement.

#### *Securities Financing Transactions*

A Fund may use Securities Financing Transactions in accordance with normal market practice and subject to the conditions and limits of the SFTR and the Central Bank Rules where provided for in the relevant Supplement. Such Securities Financing Transactions may only be entered into for the purposes of efficient portfolio management.

Any type of assets that may be held by each Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. Where provided for in the relevant Supplement, the Fund may also use Total Return Swaps. Subject to each Fund's investment objective and policies, there is no limit on the proportion of assets that may be subject to Securities Financing Transactions and Total Return Swaps and therefore the maximum and expected proportion of a Fund's assets that can be subject to Securities Financing Transactions or Total Return Swaps can be as much as 100%, i.e. all of the assets of the relevant Fund. In any case the most recent semi-annual and annual reports of each Fund will express the amount of the Fund's assets subject to Securities Financing Transactions and Total Return Swaps.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities. Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

The Funds may engage in securities lending. Any Fund that seeks to engage in securities lending should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

The Manager shall ensure that all the revenues arising from Securities Financing Transactions and any other efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company from time to time. Such fees and expenses of any repurchase/reverse repurchase agreements



counterparties and/or securities lending agents engaged by the Company, which will be at normal commercial rates together with value added tax or similar if applicable thereon, will be borne by the Company or the Fund in respect of which the relevant party has been engaged. Details of Fund revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any specific repurchase/reverse repurchase agreements counterparties and/ or securities lending agents engaged by the Company from time to time (including whether they are related to the Manager or the Depositary) shall be included in the Company's semi-annual and annual reports.

While the Company will ensure that appropriate due diligence in the selection of counterparties is conducted, including consideration of the legal status, country of origin, credit rating and minimum credit rating (where relevant), it is noted that the Central Bank Rules do not prescribe any pre trade eligibility criteria for counterparties to a Fund's Securities Financing Transactions. Counterparties to such transactions shall: (1) be entities regulated, approved, registered or supervised in their home jurisdiction; and (2) be located in an OECD Member State, which together will constitute the Company's criteria to select counterparties. Counterparties need not have a minimum credit rating. In accordance with the Credit Ratings Agencies Directive (2013/14/EU), the Investment Manager shall not solely or mechanically rely on credit ratings in determining the credit quality of an issuer or counterparty. However, where a counterparty is downgraded to A-2 or below (or comparable rating) this shall result in a new credit assessment being conducted of the counterparty without delay.

From time to time, a Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to the section of this Prospectus entitled "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Any Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Fund.

A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the Regulations respectively.

Please refer to the section of this Prospectus entitled "Risk Factors" set out at Appendix IV in respect of the risks related to Securities Financing Transactions. The risks arising from the use of Securities Financing Transactions shall be adequately captured in the Company's risk management process.

#### **4.9 Use of FDI**

##### **(a) Details of FDI used with a Summary of their Commercial Purpose**

As detailed above, where provided for in the relevant Supplement, a Fund may also engage in transactions in FDI including futures transactions, swaps, forward settled transactions, convertible securities, warrants, share purchase rights and/or spot foreign

exchange transactions for direct investment, where appropriate, to assist in achieving its objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Index or to the Index itself, to produce a return similar to the return of the Index, to reduce transaction costs or taxes or allow exposure in the case of securities which are unavailable for market reasons or to minimise tracking errors or for such other reasons as the Directors deem of benefit to a Fund.

The below list may be supplemented by additional FDI for a specific Fund as may be provided for in the relevant Supplement:

**Futures contracts.** Traded on a regulated exchange, a future is a standardised agreement between two parties to transact in an instrument at a specific price or rate at a future date. A purchased futures contract commits the buyer to purchase the underlying instrument at the specified price on the specified date. A sold futures contract commits the seller to sell the underlying instrument at the specified price on the specified date. In practice, most futures positions are closed prior to contract maturity by dealing an opposite trade which cancels out the commitment. Exchange-traded futures may be used to "equitise" or hedge cash contributions and redemptions into the Fund so as to gain exposure to the underlying assets in which the Fund may invest pending direct investment. They may also be used to hedge index or other exposures such as interest rate or duration risk on fixed income portfolios. Exchange-traded futures positions are typically unwound simultaneously with the purchase or sale of the underlying cash position. A Fund may use an optimised basket of index futures to equitise accrued dividends and other unsettled transactions.

**Forwards.** A forward is an OTC contract to purchase or sell one or more specific underlying assets at a future date at a price set at the time of the contract. A forward typically involves the exchange of the underlying asset for the proceeds, but may for example, as in the case of a forward rate agreement ("**FRA**"), be cash settled.

A forward currency contract may be used to hedge against currency risk that has resulted from assets held by a Fund that are not in the base currency of the Fund. The Fund may, for example, use forward currency contracts by selling forward a foreign currency against the base currency of the Fund to protect the Fund from foreign exchange rate risk that has risen from holding assets in that currency.

**TBAs.** TBAs or "To Be Announced" securities are forward settling contracts on mortgage pass-through securities issued by government agencies. A Fund may use TBAs to gain or reduce exposure to mortgage backed securities through the TBAs securities market. At the time of purchase, the exact securities are not known, but their main characteristics are specified. Although the price has been established at the time of purchase, the principal value and net money settlement have not been finalised. Purchasing TBAs involves a risk of loss if the value of the securities to be purchased declines prior to the settlement date.

**Options.** An option is an agreement between two parties where the option buyer has the right but not the obligation to buy (call option) or sell (put option) an instrument at a specified date and price. An option buyer pays a premium representing the value of the option and if, at the option expiry, it is economically advantageous may exercise a call option to buy the underlying instrument, or in the case of a put option, sell the underlying instrument. The option writer receives and keeps the option premium and at the choice of the option buyer has to buy or sell the underlying instrument at the time and price specified. The reference instrument for an option may be a security, another derivative such as a swap, future, CDS or may specify an interest or inflation rate, index, basket of instruments, currency or any instrument which the Fund is authorised to own. Standard options are exchange traded and other options are traded OTC.

**Swaps.** A swap is an OTC agreement between two parties to exchange a series of cash flows or returns on an underlying financial instrument for a set period of time.

Typical cash flow and return series exchanged in a swap include: fixed interest rate, inflation rate, total return of an instrument or index and floating interest rates. Swap legs can be denominated in the same or a different currency.

Specifically the use of Total Return Swaps by a Fund shall be subject to the requirements of the SFTR.

**Forward Settled Transactions.** A forward settled transaction delays settlement of a transaction to a forward date. Delaying settlement allows the Fund to change the economic exposure without changing the physical asset exposure until the transaction settles. A forward foreign exchange transaction is an obligation to purchase or sell a specified currency pair at a future date, at a price set at the time the contract is made. Funds use these forward foreign exchange transactions to change the currency profile of a Fund without changing the profile of the invested assets.

**Convertible securities.** The convertible securities in which a Fund may invest consist of bonds, notes, debentures and preferred stocks which may be converted or exchanged at a stated or determinable exchange ratio into underlying shares. Convertible securities may offer higher income than the shares into which they are convertible. A Fund may be required to permit the issuer of a convertible security to redeem the security, convert it into the underlying shares or sell it to a third party. To the extent that any convertible securities in which a Fund may invest are leveraged or contain embedded derivatives, they will be managed by the Fund as FDI.

**Warrants.** The Fund may acquire warrants either as a result of corporate actions or by purchasing warrants, subject to the above conditions. A warrant is a similar instrument to an option in that the holder of the warrant has the option but not the obligation to either purchase or sell the underlying for a specified price or before a specified date. The underlying of the warrant can be an equity, bond or an index.

**Share Purchase Rights.** Share purchase rights, which give the Fund the ability but not the obligation to purchase more shares, may be issued to the Fund pursuant to its investment in a particular security and, in such cases, may be retained for the purposes of efficient portfolio management and exercised when considered appropriate.

(b) **Investment in Financial Indices through the use of Financial Derivative Instruments**

Where provided for in the relevant Supplement(s), a Fund may gain exposure to financial indices through the use of financial derivative instruments where considered appropriate to the investment objective and investment policies of the relevant Fund.

Where the composition of financial index does not meet with the UCITS criteria for financial indices but the index is composed of UCITS eligible assets, investment by a Fund in a financial derivative instrument giving exposure to such a financial index may be permitted and shall in such cases be regarded as a financial derivative instrument on a combination of UCITS eligible assets.

It may not be possible to comprehensively list the actual financial indices to which exposure may be taken as they have not, as of the date of this Prospectus, been selected and they may change from time to time. A list of the indices which a Fund takes exposure to will be included in the annual financial statements of the Fund. Details of any financial indices used by any Fund will also be provided to Shareholders of that Fund by the Investment Manager on request.

Where the weighting of a particular constituent in the financial index exceeds the investment restrictions set down in the Regulations the Investment Manager will as a

priority objective look to remedy the situation taking into account the interests of Shareholders and the relevant Fund.

(c) **Risk Management Process**

The Manager on behalf of each Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI and Securities Financing Transactions where appropriate.

Any FDI not included in the risk management process will not be utilised until such time as the risk management process has been updated, in accordance with the Central Bank requirements. The Manager will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

(d) **Eligible Counterparties**

A Fund may invest in OTC derivatives in accordance with the Central Bank Rules and provided that the counterparties to the OTC derivatives are Eligible Counterparties.

#### 4.10 **Collateral Policy**

In the context of efficient portfolio management techniques, Securities Financing Transactions and/or the use of FDI for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the Company's collateral policy outlined below.

(a) *Collateral – received by the Company*

Collateral posted by a counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Each Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

The Investment Manager will liaise with the Depositary in order to manage all aspects of the counterparty collateral process.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Company's risk management process. A Fund receiving collateral for at least 30% of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the components set out in Regulation 24 paragraph (8) of the Central Bank Regulations.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice and the requirements outlined in the Central Bank Rules.

All assets received by a Fund in the context of Securities Financing Transactions shall be considered as collateral and must comply with the terms of the Company's collateral policy.

Any non-cash assets received by the Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depositary or a duly appointed sub-custodian. Assets provided by the Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

#### Non-Cash Collateral

Collateral received from a counterparty for the benefit of a Fund may be in the form of cash or non-cash assets and must, at all times, meet with the specific criteria outlined in the Central Bank Regulations, as summarised below, in relation to (i) liquidity; (ii) valuation; (iii) issuer credit quality; (iv) correlation; (v) diversification (asset concentration); and (vi) immediate availability:

- (a) Liquidity: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.
- (b) Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts (as referred to below) are in place. Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the Company. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value. The rationale for the valuation methodology as described above is to ensure compliance with the requirements in the Central Bank Regulations.
- (c) Issuer credit quality: Collateral received should be of high quality.
- (d) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (e) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
- (f) Immediate availability: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (g) Haircuts: The Manager or the Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests in accordance with the requirements of EMIR. EMIR does not require the application of a haircut for cash variation margin. Accordingly any haircut applied to cover currency risk will be as agreed with the relevant counterparty. The Investment Manager has determined that generally if issuer

or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Manager or Investment Manager on an on-going basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of the Investment Restrictions. The Manager shall justify and document each decision to apply a specific haircut or to refrain from applying any haircut, to any specific class of assets.

- (h) **Safe-keeping:** Any non-cash assets received by a Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depositary or a duly appointed sub-depositary. Assets provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

There are no restrictions on maturity provided the collateral is sufficiently liquid.

Non-cash collateral cannot be sold, pledged or re-invested.

#### Cash collateral

Cash collateral may not be invested other than in the following:

- (i) deposits with Relevant Institutions;
- (ii) high-quality government bonds;
- (iii) repurchase and reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis; and
- (iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above in point (v). Cash collateral may not be placed on deposit with the relevant counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of this Prospectus entitled "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.

- (b) *Collateral – posted by the Company*

Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.

Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

Assets provided by the Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

#### 4.11 **References to Benchmarks**

Certain Funds may refer to indices within the Supplement of the relevant Funds. These indices may be referenced for various purposes including, but not limited to (i) operating as a reference benchmark which the Fund seeks to outperform; (ii) relative VaR measurement; and (iii) calculating performance fees. The particular purpose of the relevant index shall be clearly disclosed in the relevant Supplement. Where an index is used for the purposes of (i) above this will not constitute use of an index within the meaning of Article 3(1)(7)(e) of the Benchmark Regulation unless the relevant Supplement (in particular as part of its investment policy or strategy) defines constraints on the asset allocation of the portfolio in relation to the index (e.g. an investment restriction that the Fund must invest only in components of the index or must be partially invested in line with index composition). Other references to indices, including for example for the purposes of relative VaR measurement as outlined at (ii) above, may not constitute use of an index within the meaning of Article 3 (1)(7)(e) of the Benchmark Regulation. Shareholders should note that the Company, the Distributor and/or its Sub-Distributor and/or the Investment Manager may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Supplement of the Fund they are not formal benchmarks against which the Fund is managed.

The Benchmark Regulation requires the Manager to produce and maintain a robust contingency plan detailing the actions it will take in the event that a benchmark (as defined by the Benchmark Regulation) it uses for any Fund materially changes or ceases to be provided.

The Indices used by the Funds are each provided by an administrator (as defined in the Benchmark Regulation) which is either included on the ESMA register that is maintained in accordance with Article 36 of the Benchmark Regulation, or is in the process applying for inclusion on the ESMA register.

#### 4.12 **References to Ratings**

The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "**Amending Regulations**") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("**CRAD**") into Irish law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD (which amended the Regulations), notwithstanding anything else in this Prospectus, the Manager or the Investment Manager shall not solely or mechanically rely on credit ratings in determining the credit quality of an issuer or counterparty

#### 4.13 **Currency Hedged Share Classes**

A Fund may (but is not obliged to) enter into certain currency-related transactions in order to seek to hedge out currency risk. The presence of any Currency Hedged Share Classes, as well as details of any particular features, shall be clearly disclosed in the Supplement for the relevant Fund.

Unless otherwise disclosed in the relevant Supplement, this will involve a Share Class being hedged against (i) exchange rate fluctuation risks between the designated currency of the

Share Class and the Base Currency of the relevant Fund; and/or (ii) exchange rate fluctuation risks between the designated currency of the Share Class and some or all of the other denominated currencies of the Fund's assets.

To the extent that hedging is successful for a particular Share Class, the performance of the Share Class is likely to move in line with the performance of the underlying assets.

Any financial instruments used to implement such currency hedging strategies with respect to one or more Share Classes shall be assets/liabilities of the Fund but will be attributable to the relevant Share Class(es) and the gains and losses (realised and unrealised) on, and the costs of the currency hedging transactions (including any administrative costs arising from additional risk management) will accrue solely to the relevant Share Class. However, investors should note that there is no segregation of liability between Share Classes. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Share Class, Shareholders are nonetheless exposed to the risk that hedging transactions undertaken in one Share Class may impact negatively on the Net Asset Value of another Class. Please refer to Appendix IV to this Prospectus (section entitled "Risk Factors; "Currency Hedging at Share Class Level Risk") for more details.

Any additional risk introduced to the Fund through the use of currency hedging for a given Share Class should be mitigated and monitored appropriately. Accordingly, in accordance with the Central Bank Rules, the following operational provisions will apply to any currency hedging transactions:

- (i) Counterparty exposure should be managed in accordance with the limits in the Central Bank Regulations and the Central Bank Rules.
- (ii) Over-hedged positions should not exceed 105 per cent. of the Net Asset Value of the relevant Share Class which is to be hedged against the currency risk.
- (iii) Under-hedged positions should not fall short of 95 per cent. of the portion of the Net Asset Value of the relevant Share Class which is to be hedged against currency risk.
- (iv) Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above.
- (v) Such review (referred to above) will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that positions materially in excess of 100 per cent or under-hedged positions will not be carried forward from month to month.
- (vi) The currency exposures of different currency Share Classes may not be combined or offset and currency exposures of assets of the Fund may not be allocated to separate Share Classes.
- (vii) Notwithstanding the above, there can be no guarantee that the hedging techniques will be successful and, while not intended, this activity could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. Further, these hedging techniques are designed to reduce a Shareholder's exposure to currency risk. The use of such class hedging techniques may therefore substantially limit holders of Shares in the relevant Share Classes from benefiting if the currency of that Share Class falls against that of the Base Currency of the relevant Fund and/or the currency in which the assets of the relevant Fund are denominated. Please refer to Appendix IV to this Prospectus (section entitled "Risk Factors; Currency Risk; "Currency Hedging at Share Class Level Risk") for more details.

#### **4.14 Foreign Exchange Agreements**

Where provided for in the Supplement, a Fund may enter into forward foreign exchange contracts in the context of its investment activity and/or for efficient portfolio management



purposes and this may give rise to variation margin requirements under EMIR. However, it should be noted that the EMIR variation margin rules will not apply to foreign exchange contracts characterised as spot trades in accordance with Commission Delegated Regulation (EU) 2017/565. This includes foreign exchange contracts with up to T+5 settlement terms where the main purpose of the contract is in connection with the sale or purchase of investments by the Fund and this corresponds with the standard settlement period for such investments.

#### 4.15 Dividend Policy

Shares may be issued as Accumulating Shares (in respect of which the net income and net capital gains attributable to the Accumulating Shares shall be retained within the Fund and will be reflected in the value of the Accumulating Shares) or Distributing Shares (in respect of which the net income and capital gains arising shall be distributed). Accordingly, the price of an Accumulating Share shall rise or fall as income and capital gains accrue in respect of the Accumulating Shares.

Under the Articles, the Directors at such times as they think fit may declare such dividends on any Share Class as appear to the Directors to be justified by the profits of the relevant Fund being: (i) the net income (being the accumulated revenue (consisting of all revenue accrued including interest and dividends)) less expenses; and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund; and/or (iii) as disclosed in the supplement for the relevant Fund.

Notwithstanding the above, the Directors at such times as they think fit and in accordance with the requirements of the Central Bank may also declare such dividends on any Share Class out of the capital of the relevant Fund.

The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets in specie to him or her, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be an Irish Resident and pay such sum to the Revenue Commissioners.

Save where otherwise provided in the relevant Supplement, any dividend shall be declared on 31 March (or where that is not a Business Day, the following Business Day) (the "**Declaration Date**") with the dividend being paid to Shareholders in the form of cash within four months of the Declaration Date. The Shareholders shall reinvest all dividends unless the Shareholder elects in writing to receive the dividends in the form of cash payable annually. In the case of a reinvestment of dividends, any dividends on each relevant class of Distributing Shares shall be paid by the Company into an account in the name of the Depositary for the account of the relevant Shareholders. The amount standing to the credit of this account shall not be an asset of the Fund and will be immediately transferred, pursuant to a standing instruction, from the aforementioned account to the Subscriptions/Redemptions Account.

Any dividends paid which are not claimed within six years from their due date will lapse and revert to and form part of the assets of the relevant Fund.

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in which case the dividend will be paid at the expense of the payee.

Investors should note that any dividend income being paid out by a Fund and held in the Umbrella Cash Account shall remain an asset of the relevant Fund until such time as the income

is released to the investor and that during this time the investor will rank as a general unsecured creditor of the Company. See "Use of an Umbrella Cash Account" below for further information.

#### 4.16 **ESG Considerations**

Save as otherwise set out in the relevant Supplement or Annex, the Funds will generally act in accordance with rules regarding cluster munitions laid down in the relevant national legislation adopting the Convention on Cluster Munitions.

Consequently, the Funds will take adequate measures to restrict them from:

- (i) acquiring financial instruments issued by a company involved in the production, sale or distribution of cluster munition ("**Cluster Munition Companies**"); or
- (ii) acquiring transferable shares in Cluster Munition Companies.

In addition, the Funds are restricted from:

- (i) acquiring financial instruments issued by a company which holds more than fifty (50) per cent of the share capital of Cluster Munition Companies; or
- (ii) acquiring transferable shares in such parent companies.

However, the Funds are not restricted from:

- (i) entering into transactions based on an index that consists of less than five per cent of Cluster Munitions Companies;
- (ii) investing in AIFs provided that the relevant AIF consists of less than five (5) per cent of Cluster Munition Companies; and
- (iii) investing in specifically described projects of Cluster Munition Companies, provided that the invested funds will not be used for the production, sale or distribution of cluster munition.

For the definition of "cluster munition", please refer to article 2(2) of the Convention on Cluster Munitions which was adopted on 30 May 2008 in Dublin, Ireland and entered into force on 1 August 2010.

#### 4.17 **Impact of EU Securitisation Rules**

It is anticipated that, subject to certain exemptions and transitional provisions, the instruments held by a Fund may constitute Securitisation Positions within the scope of the Securitisation Regulation. In such cases, the Fund will be characterised as an "institutional investor" for the purposes of the Securitisation Regulation and as such shall be directly subject to obligations outlined in the Securitisation Regulation with respect to the relevant Securitisation Positions it holds/proposes to hold. This includes a range of specific due diligence measures that must be considered by the Fund in advance of holding a Securitisation Position. In particular, the Fund will be required to verify that the originator, sponsor or original lender of the Securitisation Position that it proposes to hold is complying with the requirement to retain on an ongoing basis a material net economic interest in the relevant securitisation (the "**Risk Retention Requirement**"). Additionally, where the Fund is exposed to a Securitisation Position that no longer meets the requirements provided for in the Securitisation Regulation, the Manager or Investment Manager shall, in the best interests of the investors in the Fund, act and take corrective action, if appropriate.

It is noted that the Securitisation Regulation also imposes obligations directly on originators/sponsors/original lenders of Securitisation Positions established in the EU, including the applying the Risk Retention Requirement to those parties as a direct obligation – thereby aligning with the pre-investment verification obligation that will apply to the Fund as an

institutional investor in such instruments. It should therefore be quite efficient in practice for the Fund to verify that the Risk Retention Requirement is being met. Conversely, in practice it may be more difficult for the Fund to verify that the Risk Retention Requirement is being met for originators/sponsors/original lenders of Securitisation Positions established outside the EU. Indeed, there may be instances where instruments the Fund would seek to invest in, that are structured by parties established outside the EU, are not compliant with the Risk Retention Requirement (or other requirements of the Securitisation Regulation). This presents the risk that the universe of instruments the Fund may consider investing in may be narrower than would otherwise be the case.

#### 4.18 **Use of an Umbrella Cash Account**

The Company operates a single, omnibus umbrella cash account designated as a subscription/redemption/dividend account (the "**Umbrella Cash Account**") for all of the Funds, in accordance with the Central Bank's requirements relating to umbrella fund cash accounts. Accordingly, monies in the Umbrella Cash Account is deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. It should be noted however that the Depositary will monitor the Umbrella Cash Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Company's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the Company in the Umbrella Cash Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Umbrella Cash Account, the investor shall rank as an unsecured creditor of the Company.

The Company in conjunction with Depositary shall establish a policy to govern the operation of the Umbrella Cash Account, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the Company and the Depositary at least annually.

#### 4.19 **Sustainable Finance Disclosures**

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

This section of the Prospectus and the Annexes have been prepared for the purpose of meeting the specific financial product level disclosure requirements contained in SFDR.

Please refer to the relevant Annex for SFDR product level disclosures applicable to an Article 8 Fund or an Article 9 Fund.

It is noted that the regulatory technical standards to specify the details of the content and presentation of the information to be disclosed pursuant to SFDR were delayed and were not issued when the relevant disclosure obligations in SFDR became effective. It is further noted that some matters of interpretation of SFDR remain open (subject to ongoing exchanges between the European Supervisory Authorities and the European Commission). It is likely that the Annexes will need to be reviewed and updated once further clarification is provided on the open matters of interpretation of SFDR. Such clarifications could require a revised approach to how the relevant Article 8 or Article 9 Fund seeks to meet the SFDR disclosure obligations.

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

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

#### *Fund Classification*

For SFDR purposes each Fund is classified as either (i) an Article 6 Fund; (ii) an Article 8 Fund; or (iii) an Article 9 Fund.

If a Fund is classified as either an Article 8 Fund or an Article 9 Fund, a clear indication of this classification (along with additional SFDR-related disclosure) will be made in the Supplement or the Annex for the relevant Fund.

As a default, and in the absence of such clear indication, each Fund will be classified as an Article 6 Fund.

### **Integration of Sustainability Risk and Consideration of Principal Adverse Impacts into the investment decision-making process**

#### *Article 6 Funds*

Article 6 Funds do not promote environmental or social characteristics in a way that meets the specific criteria contained in Article 8 of SFDR or have sustainable investment as their objective as per the requirements of Article 9 of SFDR. Accordingly, and for reasons further explained in the following paragraph, principal adverse impacts ("PAI") of investment decisions are not typically considered by the Investment Manager as part of the investment decision-making process in respect of Article 6 Funds. However, the Investment Manager may consider PAI in the ongoing management of Article 6 Funds via its stewardship, corporate engagement and voting practices with relevant companies held within the Funds aimed at reducing adverse impacts and seeking to influence more sustainable business models over the long-term.

Notwithstanding the Article 6 classification, consistent with the requirements applicable to it under the UCITS Regulations, the Manager is required to take Sustainability Risks into account in the process of selection and ongoing monitoring of investments and the Investment Manager will evaluate and integrate Sustainability Risks where relevant throughout the investment process. However, due to the fact that the Article 6 Funds are often passive in nature and designed to replicate a designated index that may not have any material ESG characteristics, Sustainability Risk considerations may not be a primary consideration for an investment decision and the Investment Manager does not expect that the assessment of likely impacts of Sustainability Risks will materially impact the expected risk or return characteristics of the Article 6 Funds.

#### *Article 8 and 9 Funds*

Article 8 Funds and Article 9 Funds will include specific and binding environmental or social criteria that is monitored and assessed so that Sustainability Risks are considered throughout the life cycle of the relevant Fund. The Investment Manager integrates a Sustainability Risk assessment into its investment decision-making and portfolio construction both initially and on an ongoing basis for the duration of the period the relevant Fund holds an investment or pursues a particular investment strategy. Relevant Sustainability Risks which are financially material and industry specific are identified by the Investment Manager using a range of ESG datasets, scores and frameworks and integrated into the overall assessment in a number of ways across the relevant Fund dependent upon asset class, approach and level of ESG integration. The Investment Manager considers that factoring an assessment of the likely impact of Sustainability Risk into the investment design and decision-making process has the potential to impact the returns of the Fund. Accordingly, an Article 8 or 9 Fund may perform differently relative to other comparable funds that do not promote environmental and/or social

characteristics. Please refer to the relevant Annex for details on whether and how the relevant Article 8 or 9 Fund considers PAI.

#### *Integration of Sustainability Risk*

The Investment Manager may use a number of different tools and data sets to embed sustainability considerations into the asset selection and portfolio construction of the Fund which may include:

- using third-party data providers to screen the relevant investment against Sustainability Risk by applying an exclusion policy (whereby potential investments do not meet certain sustainability criteria);
- leveraging proprietary frameworks of measurable ESG targets;
- integrating ESG approaches such as tilting Funds towards ESG factors and selecting companies that are likely to be less exposed to Sustainability Risks;
- selecting investments with the intention to generate a measurable, positive social or environmental impact along with financial return, with a view to mitigating the impact of Sustainability Risks within the portfolio construction.

During the life of the investment, Sustainability Risk is monitored through the review of ESG data published by the issuer or selected data provider to determine whether the level of Sustainability Risk has changed since the initial assessment has been conducted and has increased beyond the ESG risk appetite for the relevant Fund.

For more details on how Sustainability Risks are integrated into the investment process please refer to <https://cdn.northerntrust.com/pws/nt/documents/funds/intl/sfdr/sfdr-article-3-information-statement.pdf>.

#### *Risk Factors*

Please refer to the section, entitled "Risk Factors" and the section entitled "Sustainable Finance Disclosures Risks" in respect of the risks related to sustainable finance disclosures.

#### **Taxonomy Regulation**

The Taxonomy Regulation is a piece of directly effective EU legislation that is applicable to the Company. Its purpose is to establish a framework to facilitate sustainable investment. It sets out harmonised criteria for determining whether an economic activity qualifies as environmentally sustainable and outlines a range of disclosure obligations to enhance transparency and to provide for objective comparison of financial products regarding the proportion of their investments that contribute to environmentally sustainable economic activities. It is notable that the scope of environmentally sustainable economic activities, as prescribed in the Taxonomy Regulation, is narrower than the scope of sustainable investments under SFDR. Therefore although there are disclosure requirements for both, these two concepts should be considered and assessed separately. This below section addresses only the specific disclosure requirements of the Taxonomy Regulation.

#### *Article 6 Funds*

The Investment Manager does not integrate a consideration of environmentally sustainable economic activities into the investment process for the Article 6 Funds. Therefore, for the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Article 6 Funds do not take into account the EU criteria for environmentally sustainable economic activities.

### *Article 8 and Article 9 Funds*

Please see the relevant Annex for details on how and to what extent each Article 8 and Article 9 Fund's investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation.

## **5 FEES AND EXPENSES OF THE FUNDS**

Particulars of the specific fees and expenses (including performance fees, if any) payable to the Manager, the Investment Manager, the Administrator and the Depositary are set out in the relevant Supplement.

The Company and/or each Fund and, where expenses or liabilities are attributable specifically to a Share Class, such Share Class shall bear the following expenses and liabilities or, where appropriate, its pro rata share thereof subject to adjustment to take account of expenses and/or liabilities attributable to one or more Share Classes:

- (i) the fees and expenses payable to or incurred by the Manager, the Investment Manager, the Depositary and the Administrator;
- (ii) the fees and expenses of sub-custodians (which will be at normal commercial rates);
- (iii) the fees and expenses of the Directors (if any, as referred to below);
- (iv) any fees in respect of circulating details of the Net Asset Value;
- (v) all duties, taxes or government charges which may be payable on the assets, income or expenses of the Company (including any interest and/or penalties);
- (vi) all brokerage fees, bank fees, charges and commissions incurred by or on behalf of the Company in the course of its business;
- (vii) regulatory reporting;
- (viii) company secretarial fees;
- (ix) index provider fees;
- (x) any licensing fees as may be applicable;
- (xi) any costs incurred in respect of meetings of Shareholders;
- (xii) all fees and expenses connected with the preparation, publication and supply of information to Shareholders and the public including, without limitation, the cost of preparing, translating, printing, distributing the Prospectus and any addenda or supplements, KIID/KID and any periodic updates thereof, marketing literature, any report to the Central Bank or any other regulatory authority, the annual audited report and any other periodic reports and the calculation, publication and circulation of the Net Asset Value per Share, certificates, confirmations of ownership and of any notices given to Shareholders in whatever manner;
- (xiii) marketing and distribution fees and costs;
- (xiv) investment transaction charges;
- (xv) if applicable for any Fund or Class, all fees and expenses incurred or payable in listing and in maintaining or complying with the requirements for the listing of the Shares on the Irish Stock Exchange trading as Euronext Dublin (or other exchange to which Shares may be admitted);
- (xvi) costs incurred in respect of the distribution of income to Shareholders, the fees and expenses of any paying agent or representative appointed in compliance with the requirements of another jurisdiction;

- (xvii) any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company;
- (xviii) all sums payable in respect of directors' and officers' liability insurance cover;
- (xix) brokerage or other expenses of acquiring and disposing of investments;
- (xx) all transfer fees, registration fees and other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale, purchase or transfer of Shares or the purchase or sale or proposed purchase or sale of assets, monitoring/transmittal of assets or otherwise which may have become or will become payable in respect of or prior to or upon the occasion of any transaction, dealing or valuation, but not including commission payable on the issue and/or repurchase of Shares;
- (xxi) any fees incurred relating to collateral management for derivative transactions;
- (xxii) any fees incurred with respect to valuation services;
- (xxiii) the fees incurred with respect to portfolio monitoring or risk analysis;
- (xxiv) the fees and expenses of the auditors, tax and other consulting services;
- (xxv) regulatory, compliance, fiduciary and legal advisers;
- (xxvi) all fees and expenses incurred or payable in registering and maintaining a Fund or Share Class registered with any and all government agencies and/or regulatory authority and/or rating agencies, clearance and/or settlement systems and/ or any exchanges in any various countries and jurisdictions including, but not limited to, filing and translation expenses;
- (xxvii) the costs of liquidation or winding up of the Company or terminating any Fund;
- (xxviii) the costs of any amalgamation or restructuring of the Company or any Fund;
- (xxix) all legal and other professional fees and expenses incurred by the Company or by or on behalf of its delegates in any actions taken or proceedings instituted or defended to enforce, protect, safeguard, defend or recover the rights or property of the Company;
- (xxx) the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) may also be paid out of the assets of the Company; and
- (xxxi) all other fees and expenses incurred in connection with the Company's operation and management,

in each case together with any applicable value added tax.

Such fees, duties and charges will be charged to the Fund in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund, the expense will be allocated by the Directors with the approval of the Depositary, in such manner and on such basis as the Directors in their discretion deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

Where provided for in the relevant Supplement, the Manager may, as an alternative and at its discretion, charge a Fund a single fee for all of the fees and expenses payable in respect of such Fund as detailed in the preceding paragraphs above, reasonably incurred and attributable to such Fund. From this single accrual, the Manager shall pay all Fund expenses thus fixing a single total expense that the Fund and investors would bear.

The Directors are each entitled to receive fees in any year of up to €50,000 (or such other sum as the Directors may from time to time determine and disclose to the Shareholders). Directors who are employees of the Northern Trust Corporation will not receive a fee. In addition, all of the Directors will be entitled to be reimbursed out of the assets of each Fund for their reasonable out of pocket expenses incurred in discharging their duties as Directors.

The cost of establishing the Company, obtaining authorisation from any authority, listing the Shares on the Irish Stock Exchange, filing fees, the preparation and printing of this Prospectus, marketing costs and the fees of all professionals relating to it did not exceed €100,000 and were borne by the Company and have been fully amortised over the first five years of the Company's operation and charged to the first Funds (including at the discretion of the Directors subsequent Funds established by the Company within such period). The fees and expenses relating to the cost of establishing subsequent Funds will be charged to the relevant Fund and will be set out in the relevant Supplement.

If a Fund invests a substantial proportion of its net assets in other UCITS or collective investment undertakings or both the maximum level of the management fees that may be charged in respect of that Fund and to the other UCITS or collective investment undertakings or both, as the case may be, in which it intends to invest will be set out in the relevant Supplement. Details of such fees will also be contained in the Company's annual report.

The Investment Manager may from time to time, at its sole discretion and out of its own resources, decide to rebate to Shareholders part or all of its investment management fee. Any such rebates may be applied by issuing additional Shares to Shareholders or (at the discretion of the Investment Manager) in cash.

## **6 ADMINISTRATION OF THE COMPANY**

### **6.1 Determination of Net Asset Value**

The Net Asset Value of each Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Fund and deducting therefrom the liabilities of the Fund. Where there is more than one Share Class in a Fund, the Net Asset Value per Share of any Share Class is calculated by the Administrator by ascertaining the Net Asset Value of the relevant Fund as at the Valuation Point for that Fund on the relevant Dealing Day and determining the amount of the Net Asset Value which is attributable to the relevant Share Class. The Net Asset Value per Share of the relevant class is calculated by determining that proportion of the Net Asset Value of the Fund which is attributable to the relevant class at the Valuation Point and adding thereto such sum (if any) as the Administrator may consider represents the appropriate provision for fiscal and purchase charges and by dividing this sum by the total number of Shares of the relevant class in issue at the relevant Valuation Point. The Valuation Point for each Fund is set out in the Supplement for the relevant Fund. The transfer agent uses four decimal places to determine the number of Shares allotted. The fund accountant uses four decimal places to calculate the Net Asset Value per Share.

The price at which Shares will be redeemed on a Dealing Day is based on the Net Asset Value per Share of the relevant class.

In addition, the Directors may, in calculating the redemption price, deduct such sum as they consider fair and equitable, in respect of redemption or exchange requests which will necessitate a Fund breaking deposits at a penalty or realising investments at a discount in order to realise assets to provide monies to meet such redemption or exchange requests or, in the event that the Fund borrows funds to meet any such redemption or exchange request, a sum to meet the cost of such borrowing as the Directors may consider fair and equitable.



## 6.2 Valuation of Assets

The Articles provide for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund.

In general, the Articles provide that the value of any investments quoted, listed or dealt in on a Market, the value thereof shall be the last traded price as at the relevant Valuation Point. In the case of fixed income products, either the mid-price or bid price would generally be used for such valuations. Where such investment is quoted, listed or traded on or under the rules of more than one Market, the Manager shall, in its absolute discretion, select the Market, which in its opinion, constitutes the main Market for such investment for the foregoing purposes.

The value of any investment which is not quoted listed or traded in on a Market, or of any investment which is normally quoted, listed or traded in on a Market but in respect of which no price is currently available or the current price of which does not in the opinion of the Manager, represent fair market value, the value thereof shall be the probable realisation value estimated with care and in good faith by the Manager or another competent person appointed by the Manager provided that the Manager or such other competent person has been approved for the purpose by the Depositary. In determining the probable realisation value of any such investment, the Manager may accept a certified valuation thereof provided by a competent independent person or in the absence of any independent person, the Investment Manager (notwithstanding that a conflict of interests arises because the Investment Manager has an interest in the valuation), who in each case shall have been approved by the Depositary to value the relevant securities.

The Articles further provide that cash and other liquid assets will be valued at their face value with interest accrued, where applicable unless in any case the Manager is of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager may consider appropriate in such case to reflect the true value thereof as at the relevant Valuation Point. Certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall each be valued at each Valuation Point at the latest available middle market dealing price on the Market on which these assets are traded or admitted for trading (being the Market which is the sole market or in the opinion of the Manager the principal market on which the assets in question are quoted or dealt in) plus any interest accrued thereon from the date on which the same were acquired.

The value of any exchange traded futures contracts, share price index futures contracts and options and other derivative contracts shall be the settlement price, as determined by the Market in question, as at the relevant Valuation Point, provided that where it is not the practice for the relevant Market to quote a settlement price or such settlement price is not available for any reason as at the relevant Valuation Point, such value shall be the probable realisation value thereof estimated with care and in good faith by the Directors or another competent person appointed by the Directors provided that the Directors or such other competent person have been approved for the purpose by the Depositary.

The value of units or shares or other similar participation in any collective investment scheme, which provides for the units or shares or other similar participations therein to be redeemed at the option of the holder out of the assets of that undertaking, shall be the last available net asset value per unit or share or other similar participation after deduction of any Redemption Charge at the relevant Valuation Point or, if bid and offer prices are published, the latest available bid price.

If in any case a particular value is not ascertainable as provided above, or if the Manager shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Manager in its absolute discretion shall determine, such method of valuation to be approved by the Depositary.

Notwithstanding the generality of the foregoing, the Manager may with the approval of the Depositary adjust the value of any such security if, having regard to currency, applicable rate of interest, anticipated rate of dividend, maturity, marketability, liquidity and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof as at the relevant Valuation Point.

Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of any investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Administrator shall determine to be appropriate in the circumstances.

### 6.3 **Application for Shares**

Under the Articles, the Directors are given authority to effect the issue of Shares and to create new Share Classes (in accordance with the Central Bank Rules) and have absolute discretion to accept or reject in whole or in part any application for Shares.

Issuances of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement.

Applications for the initial issue of Shares should be submitted in writing, by facsimile, by telephone or by electronic means (or by such other means as may be agreed with the Administrator and in accordance with Central Bank requirements) to the Company care of the Administrator provided that the Account Opening Form and all relevant supporting documentation in relation to any anti-money laundering prevention has been received and verification of the Shareholder's identity has been completed by the Administrator.

The Company and Administrator will not process any subscriptions for Shares until receipt of the Account Opening Form, the relevant account opening process has been completed and an account number confirmation has been issued by the Administrator. The account number must be specified on all subscription instructions.

Any Application Form and subscription monies received before the Account Opening Form or the account opening process issuing of the account number has completed will be rejected and the Administrator will, at the cost and risk of the applicant, return such monies or the balance thereof by electronic transfer to the account from which it was paid normally within five Business Days of receipt of such monies. Subsequent subscriptions (i.e., subsequent to an initial purchase of Shares in a Fund) may be made by contacting the Administrator in writing, by telephone, by facsimile or by electronic means (or by such other means as may be agreed with the Administrator) provided that such means are in accordance with the Central Bank Rules. A Shareholder who places an order by telephone is deemed to have consented to the recording of such telephone order and must provide the following information:

- (i) the Shareholder name and account number and the address and/or fax number to which the contract note is to be sent;
- (ii) the Fund name and Share Class being subscribed for;
- (iii) the amount of cash or Shares to be invested;
- (iv) a statement as to how settlement will be made; and
- (v) confirmation that the application has been made in compliance with the terms and conditions of the latest Prospectus.

This information will be confirmed to the Shareholder over a recorded telephone line.

Subsequent subscriptions will only be processed provided that the Shareholder name and account number, and the name, address and/or fax number to which the contract note is to be sent corresponds to the details listed for the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Directors in consultation with the Administrator shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Dealing Deadline. Applications will be irrevocable unless the Directors in consultation with the Administrator, otherwise agree.

If requested, the Directors may, in their absolute discretion and with the prior approval of the Depository, agree to designate additional Dealing Days for the purchase of Shares relating to any Fund which will be open to all Shareholders. The Minimum Initial Investment Amount for Shares of each Fund that may be subscribed for by each investor on initial application and the Minimum Shareholding of Shares of each Fund is set out in the Supplement for the relevant Fund. The Directors reserve the right to vary the Minimum Initial Investment Amount in the future and may choose to waive these minima if considered appropriate.

Fractions of Shares up to four decimal places may be issued. Subscription monies representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund.

The Account Opening Form and Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities provided by the Shareholder in favour of the Company, the relevant Fund, the Manager, the Administrator, the Depository, the Investment Manager, the sub-investment manager and the Distributor (together with their respective directors, officers and employees) and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

In no event shall any application for initial issuance of shares be processed or redemption payment take place until the Account Opening Form and all necessary supporting documentation have been received and all relevant anti-money laundering and know-your-customer checks have been carried out and completed by the Administrator.

Before subscribing for Shares an investor will be required to complete a declaration as to the investor's tax residency or status in the form prescribed by the Revenue Commissioners.

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "Temporary Suspension of Calculation of Net Asset Value" below. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for any U.S. Person.

#### **6.4 Subscription Price**

During the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

The issue price at which Shares of any Fund will be issued on a Dealing Day after the Initial Offer Period is calculated by ascertaining the Net Asset Value per Share of the relevant Share Class on the relevant Dealing Day.

A Preliminary Charge of up to 5% of the issue price may be charged by the Company for payment to the Manager on the issue of Shares, out of which the Manager may, for example, pay commission to financial intermediaries, or which the Company may itself pay directly to such intermediaries. Further details of this Preliminary Charge will be set out in the relevant Supplement.

Where there are net subscriptions for the relevant Fund on a given Dealing Day, an Anti-Dilution Levy may be applied (using one of two mechanisms) which would result in either: (i) a *swing pricing adjustment* to the Net Asset Value per Share at which Shares shall be issued; or (ii) an application of an *anti-dilution adjustment* which would result in a charge being added to the subscription monies calculated as payable by the investor at the Valuation Point on the Dealing Day upon which such Shares are to be issued.

For further details on the Anti-Dilution Levy, see Section 6.5 and also refer to the relevant Supplement.

## 6.5 Anti-Dilution Levy

The purpose of the Anti-Dilution Levy is to reduce the impact of transaction dealing costs and maintain the value of the relevant Fund for existing shareholders. The application of an Anti-Dilution Levy negates the effect of transaction dealing costs on the relevant Fund by apportioning those costs to the subscription/redemption transactions that triggered the portfolio changes.

The Company operates the following Anti-Dilution Levy mechanisms described below, only one of which will be applied to a relevant transaction.

The Directors or the Manager (or their duly appointed delegate) may:

- (i) impose a *swing pricing adjustment* which may result in the Net Asset Value per Share being adjusted upwards or downwards to account for the market dealing costs which would be payable on the acquisition or disposal of assets directly arising from the net subscriptions and redemptions on that Dealing Day; and/or
- (ii) impose an *anti-dilution adjustment* on a transaction basis as an additional charge to the subscription amount payable by an investor or a charge that would be deducted from the redemption amount payable to the investor;

In each case, the level of adjustment made would typically be a proxy amount, calculated on the basis of an assessment of transaction costs based on historical reference data, but in relevant cases (for example, in cases of more volatile markets where transaction dealing costs and duties and charges are more variable and therefore less predictable), this may be calculated with reference to the specific transaction costs for the actual subscriptions/redemptions for the relevant Dealing Day.

In addition to circumstances where there are net subscriptions/redemptions for the relevant Fund on a given Dealing Day, the Directors or the Manager (or their duly appointed delegate) reserve the right to apply the *swing pricing adjustment* or the *anti-dilution adjustment* to subscriptions and/or redemptions in a Fund where, in the opinion of the Directors or the Manager, it is in the interests of the existing/remaining Shareholders and potential Shareholders that either (i) the Net Asset Value per Share be adjusted; or (ii) an additional charge be applied to the subscription amount payable by a Shareholder or a charge be deducted from the redemption amount payable to a Shareholder.

Any adjustment is subject to a maximum of 1% of the Net Asset Value per Share (except where the Directors believe that it is necessary to protect the interests of Shareholders, the Directors may increase the adjustment above the 1% maximum level only to the extent necessary to

offset the actual dealing costs incurred by the relevant Fund). Depending on the dealing and duties and charges on a Dealing Day, the application of the swing pricing adjustment and/or the anti-dilution adjustment may have a material impact on the price an investor pays for Shares and/or the repurchase proceeds received by a Shareholder.

The Directors or the Manager (or their duly appointed delegate) may consider it appropriate not to apply the Anti-Dilution Levy mechanisms, including, but not limited to, where the Investment Manager is seeking to raise assets in order for a Fund to reach a certain size. If the Fund is seeking to raise assets in order to reach a certain size, the Directors or the Manager (or their duly appointed delegate) may, at their discretion, (i) bear the market dealing and other costs relating to the trades to avoid the Fund suffering the dilution of the Net Asset Value such that the investor shall subscribe at the unswung Net Asset Value; or (ii) bear the charge that would have either been applied on a transaction basis to the subscription amount or deducted from the redemption amount payable to the investor.

Further details on the application of either method of Anti-Dilution Levy by a Fund will be set out in the relevant Supplement.

#### **6.6 Written Confirmation of Ownership**

Shares will be in non-certificated form. Contract notes providing details of the trade will normally be issued within four Business Days of the relevant Dealing Day. Confirmation of ownership evidencing entry in the register will normally be issued within four Business Days of the relevant Dealing Day upon receipt of all original documentation required by the Administrator. Share certificates will not be issued.

#### **6.7 Payment for Shares**

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of denomination of the relevant Share Class. Cheques will only be accepted in exceptional circumstances at the discretion of the Administrator and by advance agreement. The Administrator may, at its discretion, accept payment in other currencies, but such payments will be converted into the currency of denomination of the relevant Share Class at the then prevailing exchange rate available to the Administrator and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription moneys. This may result in a delay in processing the application.

If payment in full has not been received into the Umbrella Cash Account by the Settlement Date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Directors in consultation with the Administrator, be cancelled, or, alternatively, the Directors in consultation with the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund including but not limited to transaction costs and/or losses incurred by the Company making investments in relation to the Shares from the relevant Dealing Day that may then need to be sold in order to give effect to the cancellation of the Shares. Upon receipt into the Umbrella Cash Account, subscription monies will become the property of the relevant Fund and accordingly an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Umbrella Cash Account and the issue of Shares.

#### **6.8 In Specie Issues**

The Directors may in their absolute discretion, provided the Depositary is satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to any existing Shareholder and subject to the provisions of the Companies Act, accept payment for Shares in

a Fund by a transfer in specie of assets, the nature of which would qualify as suitable investments of the relevant Fund in accordance with the investment objectives, policies and restrictions of the Fund. The number of Shares to be issued in this way shall be the number which would, on the day the investments are vested in the Depositary on behalf of the relevant Fund, have been issued for cash (together with the relevant Preliminary Charge) against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described above under the heading "Determination of Net Asset Value and Valuation of Assets".

## 6.9 Anti-Money Laundering Provisions

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons ("**PEPs**"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family members, or persons known to close associates of such persons, must also be identified. By way of example an individual may be required to produce a certified copy of a passport or identification card together with evidence of his/her address such as one copy of evidence of his/her address, i.e. utility bill or bank statement. Date of birth and tax residence details may also need to be provided and verified. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a recognised Intermediary. This exception will only apply if the Intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations or satisfies other applicable conditions and the investor produces a letter of undertaking from the recognised Intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the ongoing business relationship with an investor which remains their ultimate responsibility.

The Company is regulated by the Central Bank and must comply with the measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021, as amended, (the "**CJA**") which are aimed towards the prevention of money laundering and terrorist financing. In order to comply with these anti-money laundering and counter-terrorism financing regulations, the Administrator, on the Company's behalf, will require from any subscriber or Shareholder a detailed verification of the identity of such subscriber or Shareholder, the identity of the beneficial owners of such subscriber or Shareholder, proof of address, the source of funds used to subscribe for Shares, the source of wealth or other additional information which may be requested from any subscriber or Shareholder for such purposes from time to time.

PEPs must be identified and will be subject to enhanced due diligence measures in accordance with the CJA. The level of customer due diligence/verification documentation required will depend on the circumstances of each application following a risk-based assessment of the applicant. For example, a detailed verification might not be required where the application is deemed low risk after consideration of a number of risk variables including jurisdiction, customer type and distribution channels. The Company will have regard to the relevant business risk assessment when determining the level of customer due diligence required under Sections 33 and 35 of the CJA.

Pursuant to Section 35 of the CJA, prior to establishing a business relationship with an applicant to which the Beneficial Ownership Regulations 2019 (SI 110 of 2019)(as amended) apply, the Company is required to confirm that information concerning the beneficial ownership of the

applicant has been entered in the relevant central beneficial ownership register that applies to the applicant. The Company, the Administrator, the Distributor and the Manager each reserve the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner.

Verification of the investor's identity is required to take place before the establishment of the business relationship. In any event, evidence of identity is required for all investors as soon as is reasonably practicable after the initial contact. For the avoidance of doubt, no payments will be made on non-verified accounts. In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the Company or the Manager may refuse to accept the application and subscription monies and return all subscription monies or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid if the Shareholder fails to produce such information). The Administrator may refuse to accept further subscription monies where the requisite information for verification purposes has not been produced by a Shareholder. In addition, where dividends are due to be paid to a Shareholder and the Shareholder has not produced sufficient information required for verification purposes, these payments will be automatically re-invested in further Shares for the Shareholder pending receipt of such outstanding information. None of the Company, the Directors, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased or payment of repurchase proceeds is delayed in such circumstances. Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of repurchase proceeds. In such circumstances, the Administrator will process any repurchase request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the Fund and the Shareholder will rank as a general creditor of the Company until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which repurchase proceeds will be released.

Similarly, any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which such dividend will be paid. The Administrator may refuse to pay or delay payment of repurchase proceeds where the requisite information for verification purposes has not been produced by a Shareholder or has been provided in incomplete form.

#### **6.10 Data Protection**

Prospective investors should note that, by virtue of making an investment in the Company and the associated interactions with the Company and its affiliates and delegates (including completing the Application Form, and including the recording of electronic communications or phone calls where applicable), or by virtue of providing the Company with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Company and its affiliates and delegates with certain personal information which constitutes personal data within the meaning of the Data Protection Legislation. The Company shall act as a data controller in respect of this personal data and its affiliates and delegates, such as the Administrator, the Investment Manager and the Distributor, may act as data processors.

The Company has prepared a document outlining the Company's data protection obligations and the data protection rights of individuals under the Data Protection Legislation (the "**Privacy Notice**").

All new investors shall receive a copy of the Privacy Notice as part of the process to subscribe for Shares in the Company. The Privacy Notice contains information on the following matters in relation to data protection:

- (i) that investors will provide the Company with certain personal information which constitutes personal data within the meaning of the Data Protection Legislation;
- (ii) a description of the purposes and legal bases for which the personal data may be used;
- (iii) details on the transmission of personal data, including (if applicable) to entities located outside the EEA;
- (iv) details of data protection measures taken by the Company;
- (v) an outline of the various data protection rights of individuals as data subjects under the Data Protection Legislation;
- (vi) information on the Company's policy for retention of personal data; and
- (vii) contact details for further information on data protection matters.

Given the specific purposes for which the Company and its affiliates and delegates envisage using personal data, under the provisions of the Data Protection Legislation, it is not anticipated that individual consent will be required for such use. However, as outlined in the Privacy Notice, individuals have the right to object to the processing of their data where the Company has considered this to be necessary for the purposes of its or a third party's legitimate interests.

#### 6.11 **Abusive Trading Practices**

The Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices which could disrupt the Company's investment strategies or impact expenses for the Company. The Directors reserve the right to restrict or refuse any subscription or switching transaction if it considers the transaction may adversely affect the interests of a Fund or the other Shareholders. If an application is rejected, the Administrator, at the risk of the applicant, will return the application monies or the balance thereof, at the cost and risk of the applicant and without interest, by bank transfer to the account from which it was paid.

#### 6.12 **Redemption Requests**

Requests for the redemption of Shares should be made to the Company care of the Administrator in writing, by facsimile, by electronic means or by telephone and must in the case of requests, in writing, by facsimile or electronic means, quote the relevant account number, the relevant Fund(s) and Share Class and any other information which the Administrator reasonably requires. A request by telephone or electronic means may only be made if such method of dealing is designated by the Shareholder on the initial application for Shares or in a subsequent request. When making a redemption request by telephone, the Shareholder must also provide the following information:

- (i) the Shareholder name and the account number and the address and/or fax number to which the contract note is to be sent;
- (ii) the Share Class being redeemed; and



- (iii) confirmation that the redemption request has been made in compliance with the terms and conditions of the latest Prospectus.

This information will be confirmed to the Shareholder over a recorded telephone line.

Redemption requests received by facsimile, electronic means or telephone will only be processed if the Shareholder name and account number, and the address and/or fax number and/or the electronic mail address to which the contract note is to be sent corresponds to the details listed for the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Requests received on or prior to the relevant Dealing Deadline will, except as provided for in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline.

In no event shall redemption proceeds be paid until the Account Opening Form and all relevant completed documents has been received from the Shareholder and all of the necessary anti-money laundering checks have been carried out and completed by the Administrator.

A redemption request will not be capable of withdrawal after acceptance by the Administrator. If requested, the Directors may, in their absolute discretion and with the prior approval of the Depositary, agree to designate additional Dealing Days for the redemption of Shares relating to any Fund, which will be open to all Shareholders.

The Directors in consultation with the Administrator may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Share Class of that Fund. Any redemption request having such an effect may be treated by the Company as a request to redeem the Shareholder's entire holding of that Share Class.

The Administrator will not accept redemption requests, which are incomplete, until all the necessary information is obtained.

### 6.13 **Redemption Price**

The price at which Shares will be redeemed on a Dealing Day is calculated by ascertaining the Net Asset Value per Share of the relevant Share Class on the relevant Dealing Day and deducting therefrom an allowance for fiscal and sales charges. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Share Class in a Fund is set out in the Articles as described under the heading "Determination of Net Asset Value".

A Redemption Charge of up to 2% of the redemption price may be charged by the Company for payment to the Manager on the redemption of Shares. Further details of this Redemption Charge will be set out in the relevant Supplement.

When a redemption request has been submitted by an investor who is or is deemed to be an Irish Resident or is acting on behalf of an Irish Resident, the Company shall deduct from the redemption proceeds an amount which is equal to the tax payable by the Company to the Revenue Commissioners in respect of the relevant transaction.

Where there are net redemptions for the relevant Fund on a given Dealing Day, an Anti-Dilution Levy may be applied (using one of two mechanisms) which would result in either: (i) a *swing pricing adjustment* to the Net Asset Value per Share at which Shares shall be redeemed; or (ii)

an *anti-dilution adjustment* which would result in an amount being deducted from the redemption monies payable to the investor and retained by the Fund. For further details on the Anti-Dilution Levy, see Section 6.5 and also refer to the relevant Supplement.

#### 6.14 **Payment of Redemption Proceeds**

The amount due on redemption of Shares will be paid by electronic transfer to an account nominated by the Shareholder in the currency of denomination of the relevant Share Class of the relevant Fund (or in such other currency as the Directors shall determine) by the Settlement Date following a currency conversion at the prevailing exchange rate. Payment of redemption proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate. The proceeds of the redemption of the Shares will only be paid on receipt by the Administrator of a redemption request together with such other documentation that the Administrator may reasonably require.

#### 6.15 **Limitations on Redemptions**

The Company may not redeem Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "Temporary Suspension of Calculation of Net Asset Value" below. Applicants for redemptions of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered at the next Dealing Day following the ending of such suspension.

The Directors are entitled to limit the number of Shares of any Fund redeemed on any Dealing Day to Shares representing not more than 10% of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply pro rata so that all Shareholders wishing to redeem their Shares of that Fund on the relevant Dealing Day will realise the same proportion of their redemption request. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with on a pro rata basis together with redemption requests received subsequently. If requests for redemptions are so carried forward, the Administrator will inform the Shareholders affected.

The Articles contain special provisions where a redemption request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being redeemed by the Company on any Dealing Day. In such a case, the Company, at the discretion of the Directors (or delegates), may satisfy the redemption request in whole or in part by a distribution of investments of the relevant Fund in specie, provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The assets to be transferred shall be selected at the discretion of the Investment Manager, subject to the approval of the Depositary, and taken at their value used in determining the redemption price of the Shares being redeemed. Where the Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the net proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

Investors should note that any redemption proceeds being paid out by a Fund and held for any time in the Umbrella Cash Account shall remain an asset of the relevant Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the Company or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It should also be noted that the investor shall have ceased being considered a Shareholder and instead will rank as a general unsecured creditor of the Company.

#### 6.16 **Mandatory Redemption of Shares**

The Company may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any).

The Company reserves the right to redeem any Shares which are or become owned, directly or indirectly, by a U.S. Person, by any individual under the age of 18 (or such other age as the Directors think fit) or if the holding of the Shares by any person is in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the Company incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages which the Company might not otherwise have incurred, suffered or breached.

Where Irish Residents acquire and hold Shares, the Company shall, where necessary for the collection of Irish tax, redeem and cancel Shares held by a person who is or is deemed to be a Irish Resident or is acting on behalf of a Irish Resident on the occurrence of a chargeable event for taxation purposes and to pay the proceeds thereof to the Revenue Commissioners.

#### 6.17 **Transfer of Shares**

Shares in each Fund will be transferable by instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor. Transferees will be required to complete an Application Form and provide any other documentation reasonably required by the Manager or the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to (i) a U.S. Person; or (ii) any person who appears to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares; or (iii) any person which in the opinion of the Directors might result in the Company: (a) incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages; or (b) being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (c) becoming subject to the registration requirements under the Securities Act, or the U.S. Investment Company Act of 1940, as amended, or the requirements of the U.S. Employee Retirement Security Act of 1974, as amended; or (iv) a minor or person of unsound mind; or (v) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vi) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (vii) any person where in respect of such transfer any payment of taxation remains outstanding; or (viii) is any other circumstances prohibited by the Articles as described herein. Registration of any transfer may be refused by the Directors if, following the transfer, either transferor or transferee would hold Shares having a value less than the Minimum Shareholding for that Share Class specified in the Supplement for the relevant Fund.

If the transferor is, or is deemed to be, or is acting on behalf of a Irish Resident, the Company is entitled to redeem and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Revenue Commissioners in Ireland.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate for the Shares to which it relates (if issued), is in respect of one Share Class only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint.

## 6.18 Conversion of Shares

Subject always to the approval of the Directors, Shareholders may apply to exchange on any Dealing Day all or part of their holding of Shares of any Share Class in any Fund (the "**Original Class**") for Shares of another Share Class which are being offered at that time (the "**New Class**") (such Share Class being in the same Fund or in a separate Fund) provided that all the criteria for applying for Shares in the New Share Class have been met and by giving notice to the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Directors in consultation with the Administrator may however at their discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures relating to the issue and redemption of Shares will apply equally to exchanges, save in relation to charges payable, details of which are set out below.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to, or exceeds, the Minimum Initial Investment Amount for the relevant New Class specified in the Supplement for the relevant Fund. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the Original Class.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula:

$$S = \frac{[R \times (RP \times ER)] - F}{SP}$$

SP

### where:

R = the number of Shares of the Original Class to be exchanged;

S = the number of Shares of the New Class to be issued;

RP = the redemption price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;

ER = in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Directors at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;

SP = the subscription price per Share of the New Class as at the Valuation Point for the applicable Dealing Day; and

F = the Exchange Charge (if any) payable on the exchange of Shares.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R. In such cases, the settlement of the transaction shall be effected on a timely basis (not to exceed five Business Days); subject to receipt of the relevant duly signed exchange request documentation.

An Exchange Charge of up to 2% of the redemption price of the Shares being exchanged may be charged by the Company for payment to the Manager on the exchange of Shares.

### Restrictions on Exchange

Shares may not be exchanged for Shares of a different Share Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under "Temporary Suspension of Calculation of Net Asset Value" below. Applicants for exchange of Shares will be notified of such postponement and, unless withdrawn, their

applications will be considered as at the next Dealing Day following the ending of such suspension.

The Directors may, at their discretion following consultation with the Manager, refuse to effect an exchange request without giving any reason for such refusal. In addition, restrictions may apply on making exchanges between certain Share Classes as may be set out in the relevant Supplement(s).

#### **6.19 Publication of Net Asset Value Per Share and Disclosure of Supplemental Fund Data**

Except where the determination of the Net Asset Value per Share has been suspended in the circumstances described below, the Subscription and Redemption Price of each Share Class in each Fund will be available from the Administrator will be published on each Dealing Day on [www.ntrs.com](http://www.ntrs.com) or such other website as may be notified to Shareholders in advance from time to time and updated following each calculation of the Net Asset Value. Such prices will usually be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day.

In addition to the information disclosed in the periodic reports of the Company, the Company may, from time to time, make available to investors supplemental Fund related data such as portfolio holdings and portfolio-related information in respect of one or more of the Funds or information in respect of one or more of the Funds regarding liquidity stress testing reports or results. Any such information will be available to all investors in the relevant Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates. Notwithstanding the fact that this will be historical information, an investor that has received such information may be in a more informed position regarding the relevant Fund than investors that have not received the information.

Notwithstanding any other provision contained in the Prospectus, nothing shall limit, prevent or restrict the Company from disclosing supplemental Fund related data for the purposes of compliance with the laws and regulations of any relevant jurisdiction where shares of the Company are sold or disclosing such information to a court of a competent jurisdiction, upon request.

#### **6.20 Temporary Suspension of Calculation of Net Asset Value**

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the issue, redemption and exchange of Shares and the payment of redemption proceeds during:

- (i) any period when any of the Markets on which a substantial portion of the investments of the relevant Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (iii) any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund, or when, for any other reason the current prices on any Market of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or

- (iv) any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- (v) any period when the Directors are unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Fund; or
- (vi) any period when the Directors consider it to be in the best interest of the relevant Fund; or
- (vii) following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or redemptions of Shares of any Share Class or exchanges of Shares of one Share Class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Central Bank and will be communicated without delay to the competent authorities in the Member States in which it markets its Shares. Details of any such suspension will also be notified to all Shareholders and will be published in a newspaper circulating in the European Union, or such other publications as the Directors may determine if, in the opinion of the Directors, it is likely to exceed 14 days.

## **7 MANAGEMENT AND ADMINISTRATION**

### **7.1 The Board of Directors**

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles. The Directors may delegate certain functions to the Investment Manager and other parties, subject to supervision and direction by the Directors.

The Central Bank Regulations introduce the concept of the responsible person, being the party responsible for compliance with the relevant requirements of the Central Bank Regulations on behalf of a particular Irish authorised UCITS. The Manager assumes the role of the responsible person for the Company. The Directors and their principal occupations are set forth below. The address of the Directors is the registered office of the Company.

#### **Ton Daniels**

Ton Daniels is an independent, non-executive director and a senior policy advisor to the Dutch Banking Association. Mr Daniels has over 20 years' experience in the financial services industry as a senior consultant and university professor. Mr Daniels was a Partner at Ernst Young Netherlands, country leader Tax for Financial Services. Mr Daniels has lectured as a professor of Tax of Law in a number of Dutch Universities, was the Chairman of the Dutch Association of Depositories and is currently a Board member for the Institute for Financial Crime. Mr Daniels has extensive academic credentials including a Masters in Business Administration and Tax Law and a Ph.D in International Law.

#### **Feargal Dempsey**

Feargal Dempsey is a provider of independent directorship services with over 25 years' experience in legal and financial services. He serves on the boards of several investment funds and management companies. Mr Dempsey has held senior positions at Barclays Global Investors/BlackRock including Head of Product Governance, Head of Product Strategy iShares

EMEA and Head of Product Structuring EMEA. Previously he has also served as Group Legal Counsel, Eagle Star Life Ireland (now Zurich Financial Services), Head of Legal to ETF Securities and as a senior lawyer in Pioneer Amundi.

Mr. Dempsey holds a BA(Hons) and an LLB(Hons) from University College Galway and a Diploma in Financial Services Law from University College Dublin. He was admitted to the Roll of Solicitors in Ireland in 1996 and to the England and Wales Law Society in 2005. He has served on the Legal and Regulatory committee of Irish Funds and the ETF Working Group at the European Fund Asset Management Association.

### **Marie Dzanis**

Marie Dzanis, CIMA® is the Head of EMEA for Northern Trust Asset Management (NTAM). She has responsibility for overseeing the governance, operations, business development and talent for the business.

Ms. Dzanis is on the boards of Northern Trust Global Funds PLC and Northern Trust Investment Funds PLC and Northern Trust Funds Managers (Ireland) Limited. She is Chief Executive Officer of Northern Trust Global Investments Limited. She serves on the Northern Trust Asset Management Executive Committee and the Northern Trust EMEA Executive Committee.

Prior to joining Northern Trust in 2011, she held executive and leadership positions at iShares/Blackrock, JPMorgan Asset Management and Smith Barney. Ms. Dzanis' comprehensive business acumen is demonstrated by having successfully managed multiple channels and the profitable growth of several lines of business in the institutional, intermediary and wealth channels. Her multifaceted career began as a financial advisor and subsequently includes experience in securities lending and trading, product development, product sales, sales management and branch management.

As a recognized industry leader with more than 25 years of investment management experience, Marie has been awarded a top "Women To Watch" award from Investment News in 2017 and "Top Women in Asset Management" award by Money Management Executive in May 2015. In addition, she is on the women's board of the University of Chicago Cancer Foundation, involved in Women in ETFs, is on the Advisory Board for BlinkNow Foundation and is a producer for the Maggie Doyne documentary called "Love Letters to my Children."

### **Bimal Shah**

Bimal Shah is Head of Relationship Management for Northern Trust Asset Management EMEA. Mr Shah is a Director of Northern Trust Global Investments Limited and a member of the leadership team for Northern Trust Asset Management's business outside of North America. Mr Shah has more than 20 years' experience across a wide spectrum of financial services primarily in investment management. Mr Shah holds a degree in Economics from Sheffield University in England.

### **Martha Fee**

Martha Fee is the Chief Operating Officer for EMEA and APAC. Based in London, Ms. Fee is responsible for managing international operations and infrastructure teams for Northern Trust Asset Management across EMEA and APAC. She joined Northern Trust in 2015 and held a senior relationship management role in Northern Trust's Global Fund Services business in London. Prior to joining Northern Trust, Ms. Fee spent 10 years at Janus Capital International holding the post of Global Institutional Operations Director where she was responsible for the day to day running of their multibillion offshore fund operation and service delivery offering along with the development and management of operating models supporting fund distribution across Europe and Asia. Ms. Fee holds a Bachelor of Arts in French and Sociology from Trinity College Dublin in Ireland.

### **Claire Cawley (Chairperson)**

Ms. Cawley, FCA, is an independent investment fund director with over 15 years' experience in the asset management and investment funds industry, having held senior executive and board positions in UBS, Mercer and KB Associates. Her previous executive roles entailed coverage of a wide range of investment management, structuring, governance, business development and regulatory responsibilities. Her most recent executive role included divisional responsibility for the development and management of the global UBS Asset Management Alternative product shelf including representation of UBS on investment fund boards.

Prior to her position at UBS, Ms. Cawley held positions at Mercer Global Investments where she worked on the Products team with responsibility for product management, solutions and the implementation of key compliance initiatives and at KB Associates, a consulting firm which specialised in providing services to the investment management sector with a particular focus on fund support. Ms. Cawley trained as a Chartered Accountant in the financial services assurance division of KPMG in Dublin.

Ms. Cawley has a Bachelor of Arts (Economics & Finance) from University of Dublin, Trinity College and she is a fellow of the Institute of Chartered Accountants in Ireland

### **Alan Keating**

Alan Keating is CEO and executive director of Northern Trust Fund Managers (Ireland) Limited with responsibility for the day to day management of the management company.

Prior to joining Northern Trust in 2021, he was Managing Director of the Compliance and Regulatory Consulting Practice for Duff & Phelps in Ireland. In 2020 he established an Irish AIFM and UCITS management company for Duff & Phelps and held the role of CEO.

Before Duff & Phelps, Alan was CEO of MUFG's Irish MiFID entity. Prior to the purchase of UBS Fund Services by MUFG in 2015, he was head of Fund Accounting and Transfer Agency for UBS in Ireland since 2004.

Alan has over 23 years' experience in the financial services industry and has served on the board of several Irish AIF and UCITS funds since 2005. He has experience in a number of new license applications with the CBI and has fulfilled a range of PCF roles.

Alan is a Fellow of the Association of Chartered Certified Accountants and an AITI Chartered Tax Adviser.

### **Cian Farrell**

Cian Farrell has over 20 years' experience in the investment funds industry in Ireland. He currently leads the Pooled Product function for EMEA within Northern Trust Asset Management and has responsibility for all aspects of the funds implementation, production, passporting, regulatory and tax reporting. Mr. Farrell has held a number of senior positions within Northern Trust, including Designated Person for investment management (PCF 39D). Prior to working in Northern Trust, Mr. Farrell also held a number of senior roles within UBS Investment Bank and RBC Investor & Treasury Services. Mr Farrell holds a degree in English & Philosophy and is a Fellow of the Association of Chartered Certified Accountants

## **7.2 General**

The Company shall be responsible for the day to day investment management, distribution and administration of the Company whilst it has delegated the custody of the assets of each Fund to the Depositary. Consequently, all Directors of the Company in relation to the Company are non-executive.

The Company Secretary of the Manager is Northern Trust International Fund Administration Services (Ireland) Limited.



The Articles provide that the Directors shall be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors, unless and until otherwise determined by the Company in a general meeting.

The Articles do not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The Articles provide that a Director may be a party to any transaction or arrangement with the Company or in which the Company is interested provided that he has disclosed to the Directors the nature and extent of any material interest which he may have. A Director may not vote in respect of any contract in which he has a material interest. However, a Director may vote in respect of any proposal concerning any other company in which he is interested, directly or indirectly, whether as an officer or shareholder or otherwise. A Director may also vote in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in part.

The Articles provide that the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property or any part thereof and may delegate these powers to the Investment Manager.

### **The Manager**

The Company has appointed Northern Trust Fund Managers (Ireland) Limited as Manager of the Company and each Fund. The Manager will be responsible for the investment management of the assets of each Fund, the general administration of the Company and each Fund and the distribution of the Shares of each Fund of the Company. The Manager, a limited liability company incorporated in Ireland on 9 February 1996 is ultimately a wholly-owned subsidiary of the Northern Trust Corporation, a multi-bank holding company based in Chicago, Illinois. The authorised share capital of the Manager is USD1,000,000, USD200,000 of which is issued and fully paid up.

The Manager of the Company currently acts as manager to four other collective investment schemes namely:

Northern Trust UCITS Common Contractual Fund; Northern Trust Global Funds plc; Northern Trust UCITS FGR Fund and FlexShares ICAV.

The Directors of the Manager are the same persons as the Directors of the Company and who details are as described above under above under the heading "The Board of Directors".

### **The Investment Manager and Distributor**

Unless otherwise disclosed in the relevant Supplement, the Manager has appointed Northern Trust Global Investments Limited as investment manager and distributor for all of the Funds. Where the Manager appoints an entity other than Northern Trust Global Investments Limited to act as investment manager, this will be disclosed in the Supplement for the relevant Fund.

The Investment Manager is a private limited company organised under the laws of England and Wales having its registered office at 50 Bank Street, Canary Wharf, London E14 5NT, United Kingdom. The principal activity of the Investment Manager is in providing international and European investment management services. The Investment Manager does not act as a broker fund advisor. The Investment Manager is authorised to carry on regulated activities in the UK and is authorised and regulated by the Financial Conduct Authority in the conduct of its investment business.

The Investment Manager may delegate the discretionary investment management functions in respect of the assets of each or any Fund to a sub-investment manager in accordance with the Central Bank Rules. Where a sub-investment manager is appointed but not paid directly out of

the assets of the relevant Fund, disclosure of such entity will be provided to the Shareholders on request and details thereof will be disclosed in the Company's periodic reports. Where a sub-investment manager is appointed and paid directly out of the assets of a Fund, this will be set out in the Supplement for the relevant Fund.

### **The Sub-Investment Manager**

Where disclosed in the relevant Supplement, the Investment Manager has appointed Northern Trust Investments, Inc. as the sub-investment manager of the Fund (the "**Sub-Investment Manager**") pursuant to the sub-investment management agreement dated 28 April, 2014 (the "**Sub-Investment Management Agreement**").

The Sub-Investment Manager is an Illinois State Banking Corporation and an investment manager registered under the Investment Advisers Act of 1940, as amended. It primarily manages assets for institutional and individual separately managed accounts, investment companies and bank common and collective funds.

The Sub-Investment Manager is an indirect subsidiary of Northern Trust Corporation. Northern Trust Corporation is regulated by the Board of Governors of the Federal Reserve System as a financial holding company under the U.S. Bank Holding Company Act of 1956, as amended.

The Sub-Investment Management Agreement provides that the appointment of the Sub-Investment Manager will continue unless and until terminated by the Sub-Investment Manager giving not less than 180 days' written notice to the Investment Manager or by the Investment Manager giving not less than 30 days' written notice to the Sub-Investment Manager although in certain circumstances the Sub-Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other; the Sub-Investment Management Agreement contains certain indemnities in favour of the Sub-Investment Manager which are restricted to exclude matters resulting from the wilful misfeasance, bad faith, fraud, wilful default or negligence of the Sub-Investment Manager in the performance or non-performance of its obligations and duties.

### **The Depositary**

The Depositary is Northern Trust Fiduciary Services (Ireland) Limited, a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depositary is an indirect wholly owned subsidiary of the Northern Trust Corporation. The Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. The registered office of Northern Trust Fiduciary Services (Ireland) Limited is Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

The principal activity of the Depositary is to act as depositary and trustee to collective investment schemes.

The Depositary shall carry out functions in respect of the Company including but not limited to the following:

- (i) the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary;
- (ii) the Depositary shall ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Commission Directive 2006/73/EC, opened in the name of the Company, so that they can be clearly identified as belonging to the Company in accordance with the applicable law at all times;

- (iii) the Depositary shall verify the Company's ownership of all any assets (other than those referred to in (i) and (ii) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- (iv) the Depositary shall ensure effective and proper monitoring of the Company's cash flows;
- (v) the Depositary shall be responsible for certain oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

Duties and functions in relation to (iv) and (v) above may not be delegated by the Depositary.

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) Northern Trust has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Company's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates. As at the date of this Prospectus, the Depositary has appointed the delegates and sub-delegates listed in Appendix III.

#### **Summary of Oversight Obligations:**

The Depositary is obliged to ensure, among other things, to:

- (a) ensure that the sale, issue, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the Regulations and the Articles;
- (b) ensure that the value of Shares is calculated in accordance with the Regulations and the Articles;
- (c) carry out the instructions of the Company unless they conflict with the Regulations or the Articles;
- (d) ensure that in each transaction involving the Company's assets, any consideration is remitted to it within the usual time limits;
- (e) ensure that the Company's income is applied in accordance with the Regulations and the Articles;
- (f) enquire into the conduct of the Company in each Accounting Period and report thereon to the Shareholders. The Depositary's report will be delivered to the Directors in good time to enable the Directors to include a copy of the report in the annual report of the Company. The Depositary's report will state whether, in the Depositary's opinion, the Company has been managed in that period:
  - (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Central Bank, the Articles and by the Regulations; and

- (ii) otherwise in accordance with the provisions of the Articles and the Regulations.

If the Company has not been managed in accordance with (a) or (b) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation;

- (g) notify the Central Bank promptly of any material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates; and
- (h) notify the Central Bank promptly of any non-material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates where such breach is not resolved within 4 weeks of the Depositary becoming aware of such non-material breach.

The duties provided for above may not be delegated by the Depositary to a third party. If the Company has not complied with (i) or (ii) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation. The duties provided for above may not be delegated by the Depositary to a third party.

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

#### **The Administrator**

The Manager has delegated responsibility for the administration (including acting as registrar and transfer agent) of the Company and each Fund to the Administrator, Northern Trust International Fund Administration Services (Ireland) Limited. The Administrator is a private limited liability company incorporated in Ireland on 15 June 1990 and is an indirect wholly owned subsidiary of the Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. The principal business activity of the Administrator is the administration of collective investment schemes. The registered office of the Administrator is Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

The Administrator's main business activity is the provision of administrative services to collective investment schemes and other portfolios.

The Administrator is responsible for providing administrative services to the Company including, inter-alia the calculation of the Net Asset Value and the Net Asset Value per Share, serving as the Company's agent for the issue and redemption of Shares and acting as registrar of the Company.

#### **The Northern Trust Company**

The Northern Trust Company is the entity that primarily promotes the Company.

#### **Corporate Engagement Agent**

Hermes Equity Ownership Services Limited ("**Hermes EOS**") has been appointed by the Investment Manager to act on behalf of the certain of the Funds in carrying out corporate engagement with carefully selected companies held within such Funds (for the purposes of this section of the Prospectus, each a "**Portfolio Company**").

Hermes EOS, with its registered office at Lloyds Chambers, 1 Portsoken Street, London E1 8HZ, United Kingdom, is authorised and regulated by the Financial Conduct Authority, provides non-discretionary responsible investment advisory services to the Investment Manager in respect of various funds managed by the Investment Manager, including the Company and several of its Funds.

The corporate engagement agreement provides that the appointment of Hermes EOS will continue unless and until terminated by either party giving to the other not less than 9 months' written notice, although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. The agreement provides that Hermes EOS will accept responsibility for loss to the Investment Manager and/or the relevant Fund to the extent that such loss is due to the negligence, wilful default, fraud or any breach of the agreement by Hermes EOS.

Portfolio Companies will be selected for engagement, and engagement will be carried out in accordance with an engagement policy, a copy of which is available from the Investment Manager on request. Corporate engagement complements the ESG considerations underpinning the construction of indices where relevant. The engagement process neither informs investment nor divestment decisions, nor the construction of indices, and Hermes EOS will exercise no discretion over Fund Assets.

An engagement by Hermes EOS with a Portfolio Company will involve a process of dialogue with that Portfolio Company with the long-term objective of that Portfolio Company improving on its social, ethical and environmental practices in the belief that such factors can have an impact on financial performance.

Hermes EOS typically conducts engagement with Portfolio Companies in confidence and will not disclose the Manager's involvement in such engagements, unless specifically agreed in advance.

In addition to engaging with individual Companies, Hermes EOS has a broad international public policy engagement program through which it engages with governments and regulators on behalf of its client base (including the Manager) to promote the interests of long-term institutional investors.

The Funds will follow the Northern Trust Proxy voting policy, a copy of which is available via the following website:

<https://www.northerntrust.com/asset-management/europe/uk-stewardship-proxy-voting>.

### **Auditor**

KPMG has been appointed to act as the auditor for the Company. The responsibility of the Auditor is to audit and express an opinion on the financial statements of the Company / its Funds in accordance with Irish law and International Financial Reporting Standards.

### **Paying Agents/Representatives/ Distributors**

Local laws or regulations in certain EEA and other jurisdictions may require that the Manager appoints a local Paying Agent and/or other local representatives. The appointment of a Paying Agent (including a summary of the agreement appointing such Paying Agent) and or local representative may be detailed in a Country Supplement. Fees and expenses of Paying Agents and/or other local representatives, which will be at normal commercial rates, will be borne by the relevant Fund(s). Fees payable to the Paying Agents and/or other local representatives which are based on Net Asset Value will be payable only from the Net Asset Value of the relevant Fund(s) attributable to the relevant Share Class(es), all Shareholders of which Share Class(es) are entitled to avail of the services of the Paying Agents and/or other local representatives.

### **Company Secretary**

The Company Secretary is Northern Trust International Fund Administration Services (Ireland) Limited.

## 8 TAXATION

### 8.1 General

The following statements on taxation are with regard to the law and practice in force in Ireland at the date of this document and do not constitute legal or tax advice to Shareholders or prospective Shareholders. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely, as the basis for and rates of taxation can fluctuate.

Prospective Shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and redemption of, Shares in the places of their citizenship, residence and domicile.

The Directors recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.

### 8.2 Ireland

#### (a) Taxation of the Company

The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the Directors of the Company will conduct the affairs of the Company in a manner that will allow for this.

Notwithstanding the above, a charge to tax may arise for the Company in respect of the Shareholders on the happening of a "Chargeable Event" in the Company.

A Chargeable Event includes:

- (i) any payment to a Shareholder by the Company in respect of their Shares;
- (ii) any transfer, cancellation, redemption or repurchase of Shares; and
- (iii) any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "**Deemed Disposal**").

A "relevant period" is a period of 8 years beginning with the acquisition of Shares by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arm's length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or

- (v) the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

On the happening of a Chargeable Event, the Company shall be entitled to deduct the appropriate amount of tax on any payment made to a Shareholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Company to the Shareholder, the Company may appropriate or cancel the required number of Shares to meet the tax liability.

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Shareholder, the Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

(b) **Taxation of Shareholders**

*Non-Irish Resident Shareholders*

Non-Irish Resident Shareholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:

- (i) the Company is in possession of a completed Relevant Declaration to the effect that the Shareholder is not an Irish Resident, or
- (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

If the Company is not in possession of a Relevant Declaration or the Company is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Company must deduct tax on the happening of a Chargeable Event in relation to such Shareholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can claim the same exemption on behalf of the Shareholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Shareholder.

A non-Irish Resident corporate Shareholder which holds Shares directly or indirectly by or for a trading branch or agency of the Shareholder in Ireland, will be liable for Irish corporation tax on income from the Shares or gains made on the disposal of the Shares.

(c) **Exempt Irish Shareholders**

The Company is not required to deduct tax in respect of an Exempt Irish Shareholder so long as the Company is in possession of a completed Relevant Declaration from those persons and the Company has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Shareholder must notify the Company if it ceases to be an Exempt Irish Shareholder. Exempt Irish Shareholders in respect of

whom the Company is not in possession of a Relevant Declaration will be treated by the Company as if they are not Exempt Irish Shareholders.

While the Company is not required to deduct tax in respect of Exempt Irish Shareholders, those Shareholders may themselves be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares depending on their circumstances. It is the obligation of the Exempt Irish Shareholder to account for such tax to the Revenue Commissioners.

(d) **Irish-Resident Shareholders**

Irish Resident Shareholders (who are not Exempt Irish Shareholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Company on payments made to the Shareholder in relation to the Shares or on the sale, transfer, Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase of Shares or the making of any other payment in respect of the Shares.

In general, an Irish Resident Shareholder who is not a company and is not an Exempt Irish Shareholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Shares or the making of any other payment in respect of their Shares.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted. The rate of tax applicable to a Chargeable Event in respect of any Irish tax resident corporate investor in this instance is 25% provided the corporate investor has made a declaration to the Company including its Irish tax reference number.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and
- (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

### 8.3 **Personal Portfolio Investment Undertaking**

An investment undertaking will be considered to be a personal portfolio investment undertaking (PPIU) in relation to a specific Irish Resident Shareholder where that Irish Resident Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those Irish Resident Shareholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of



60%. An undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA. Individual holders of Shares should seek independent legal advice to ascertain whether the investment undertaking, as a result of their personal circumstances, could be regarded as a PPIU.

#### 8.4 **Currency Gains**

Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, that Shareholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

#### 8.5 **Stamp Duty**

On the basis that the Company qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares. The stamp duty implications for subscriptions for Shares or transfer or repurchase of Shares in specie should be considered on a case by case basis.

#### 8.6 **Capital Acquisitions Tax**

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

- (a) at the date of the disposition the transferor of the Shares is neither domiciled nor ordinarily resident in Ireland, and, at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- (b) the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date.

#### 8.7 **Other Tax Matters**

The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

##### *Automatic Exchange of Information*

The Company is obliged, pursuant to the IGA, Council Directive 2011/16/EU, section 891E, section 891F and section 891G of the TCA and regulations made pursuant to those sections, to collect certain information about its investors.

The Company will be required to provide certain information to the Revenue Commissioners in relation to the investors (including information in respect of the investor's tax residence status) and also in relation to accounts held by investors. For further information on FATCA or CRS please refer to the website of the Revenue Commissioners at [www.revenue.ie/en/business/aeoi/index.html](http://www.revenue.ie/en/business/aeoi/index.html).

Further detail in respect of FATCA and CRS is set out below.

## 8.8 Certain Irish Tax Definitions

### *Residence – Company (which includes any body corporate, including an ICAV)*

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country. In certain limited circumstances, companies incorporated in Ireland but managed and controlled outside of a double taxation treaty territory may not be regarded as resident in Ireland. Specific rules may apply to companies incorporated prior to 1 January 2015.

### *Residence – Individual*

The Irish tax year operates on a calendar year basis.

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

- (i) spends 183 days or more in Ireland in that tax year; or
- (ii) has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year.

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

### *Ordinary Residence – Individual*

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2014 and departs from Ireland in that tax year will remain ordinarily resident in Ireland until the end of the tax year 2017.

### *FATCA Implementation in Ireland*

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA.

The IGA provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. Persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish Residents. The Company is subject to these rules. Complying with such requirements will require the Company to request and obtain certain information and documentation from its Shareholders, other account holders and (where applicable) the beneficial owners of its Shareholders and to provide any information and documentation indicating direct or indirect ownership by U.S. Persons to the competent authorities in Ireland. Shareholders and other account holders will be required to comply with these requirements, and non-complying Shareholders may be subject to compulsory redemption and/ or U.S withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and/or any of its duly appointed agents) shall be entitled to require Shareholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the IGA or any legislation promulgated in connection with the IGA and Shareholders will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the Company or any other person to the relevant tax authorities.

#### *OECD Common Reporting Standard*

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the CRS Regulations.

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The Company is required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Company, or a person appointed by the Company, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

#### *DAC6 – Disclosure requirements for reportable cross-border tax arrangements*

On 25 June 2018, Council Directive (EU) 2018/822 ("**DAC6**") introduced rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

DAC6 imposes mandatory reporting requirements on EU-based intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report may pass to the taxpayer.

DAC6 was required to be transposed by each EU member state by the end of 2019 with the measures taking effect from 1 July 2020. In addition, arrangements implemented between 25 June 2018 and 30 June 2020 are also subject to the reporting requirements. Intermediaries and/or taxpayers will be required to report any reportable cross-border arrangements within 30 days from the earliest of:

- (a) The day after the arrangement is made available for implementation;
- (b) The day after the arrangement is ready for implementation; or
- (c) When the first step in the implementation of the arrangement was taken.

Under the provisions of DAC 6, the first reports were required by 31 August 2020. However, as a result of the COVID-19 pandemic, the EU Council approved a deferral of the reporting requirements. It was up to individual EU member states to determine whether to avail of the option to defer. Ireland chose to defer reporting. Further to the deferral, in Ireland the reporting deadline for reportable cross-border arrangements implemented between 25 June 2018 and 30

June 2020 was 28 February 2021 and the 30 day period for arrangements implemented after 1 July 2020 commenced from 1 January 2021.

The transactions contemplated under the Prospectus may fall within the scope of mandatory disclosure rules under DAC6 or equivalent local law provisions and thus may qualify as reportable cross-border arrangements within the meaning of such provisions. If that were the case, any person that falls within the definition of an "intermediary" with respect to the Company may have to report certain transactions entered into by the Company to the relevant EU tax authority.

## 8.9 United Kingdom

The following summary of certain United Kingdom tax matters is based on current tax laws and practice applicable in the United Kingdom and is subject to changes therein. This summary is not a complete analysis of all potential United Kingdom tax consequences of an investment in the Shares and does not constitute legal or tax advice. The information below applies only to UK resident Shareholders who are the absolute beneficial owners of the Shares and who hold such Shares as an investment and may not apply to certain classes of persons such as securities dealers or insurance companies. Unless otherwise indicated, the analysis assumes that such a Shareholder is resident and domiciled in the UK for tax purposes during the period of the investment in the Shares and is not an employee of the Company or any affiliated entity.

Prospective investors should consult their own professional advisers on the implications of making an investment in, and holding or disposing of, Shares under the laws of the countries in which they are liable to taxation.

### (a) Taxation of the Company

The Company intends to conduct its affairs so that it will neither be resident in nor conducting a trade in the United Kingdom through a permanent establishment in the United Kingdom and, provided it is neither so resident nor conducting such a trade, the Company should not be subject to UK corporation tax in the United Kingdom on the profits of its business.

However, the Company may be subject to UK income tax on income (and, in certain limited circumstances, gains) derived from the UK. Interest and other income received by the Company which has a United Kingdom source may be subject to withholding tax in the United Kingdom.

### (b) Offshore Funds

Each Share Class issued by the Company is likely to constitute an "offshore fund" for the purposes of section 355 Taxation (International and Other Provisions) Act 2010 and the Offshore Funds (Tax) Regulations 2009 (the "**Regulations**"). On this basis, the United Kingdom taxation of United Kingdom resident Shareholders will depend on whether the relevant Share Class issued by the Company is a "reporting fund" under the Regulations.

The Company may seek to apply to HMRC for "reporting fund" status in respect of some or all classes of Shares.

A "reporting fund" is required to report 100% of its reportable income to HMRC and to investors on an annual basis. Shareholders are taxed on the income reported whether or not that income is distributed to them. Where income reported is not distributed to Shareholders, this will give rise to "deemed" distributions, which will be assessed to United Kingdom tax on the Shareholders in the same way as actual distributions paid by a Fund. Shareholder reports (in respect of a Fund which is not a constant NAV fund) are made available within six months of the end of the reporting period at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

The Company may operate equalisation arrangements in relation to each Share Class which is a "reporting fund" with a view to enabling income that existing investors receive or have allocated to them to be unaffected by transactions in the Shares.

Where a Fund is a "reporting fund" Shareholders who are resident in the United Kingdom for tax purposes (other than persons who are dealing in the Shares who are subject to different rules) should be liable to capital gains tax (or corporation tax on chargeable gains) in respect of any gain realised on disposal or redemption of Shares or on conversion from one Share Class to another (subject to any available exemption or relief).

Even if "reporting fund" status is obtained with respect to a Fund or Share Class, it cannot be guaranteed that "reporting fund" status will be maintained in respect of any relevant period of account.

If a Fund is not treated as a "reporting fund" throughout the period during which the investor holds the Shares, any such gain realised will be taxable as an income and not a capital gain.

(c) Individual Shareholders

Subject to any available exemption or relief, Shareholders who are resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax on any dividend or other distribution made by a Fund.

Where a Fund does not meet the "qualifying investments" test, distributions to Shareholders will be treated as interest income (as opposed to dividends) of those Shareholders for United Kingdom tax purposes.

A Fund will not meet the "qualifying investments" test if the market value of its "qualifying investments" exceeds 60% of the market value of its aggregate investments (excluding cash awaiting investment). "Qualifying investments" for these purposes broadly means investments which yield a return directly or indirectly in the form of interest (or equivalent to interest).

Shareholders who are domiciled outside the United Kingdom (and not deemed to be domiciled in the United Kingdom) should note that the remittance basis of taxation may (depending upon the personal circumstances of that Shareholder) apply to dividend or other distributions received from a Fund and amounts taxed as offshore income gains. The operation of the remittance basis system is particularly complex and can have implications which vary according to the specific circumstances of the Shareholder. As such, Shareholders in this category in particular should consult their own tax advisers on the consequences for them of these rules.

A Shareholder who has ceased to be resident in the United Kingdom for a period of less than five years and who disposes of Shares during that period may be liable on his return to the United Kingdom to United Kingdom taxation on any capital gain realised (subject to any available reliefs and exemptions).

*Transfer of Assets Abroad*

The attention of individuals resident in the United Kingdom is drawn to the provisions of Section 714 to 726 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

(d) Corporate Shareholders

Corporate Shareholders resident in the United Kingdom for tax purposes may be liable to corporation tax on dividends or other distributions (although they may fall within one of a number of exemptions).

Where a Fund does not meet the "qualifying investments" test (as set out above), corporate Shareholders resident or with a permanent establishment in the United Kingdom for tax purposes will normally be assessed to tax in respect of their Shares pursuant to the loan relationships provisions of Chapter 3 of Part 6 of the Corporation Tax Act 2009. This means that dividends and distributions will be treated as giving rise to loan relationship credits for the corporate Shareholders and credits and debits from the relationship will be determined in accordance with fair value accounting. Accordingly, a corporate investor in the Company may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

*Controlled Foreign Company*

If the Company or a Fund were controlled by persons resident in the United Kingdom, the controlled foreign company (**CFC**) legislation may apply to corporate investors who are resident in the United Kingdom, and who, alone, or with connected persons hold an interest of at least 25 per cent in the Company or a Fund. Under the CFC rules, part of any profit accruing to the Company may be attributable to such a Shareholder and may in certain circumstances be chargeable to United Kingdom corporation tax in the hands of the Shareholder.

(e) Close Companies

If the Company would be a close company if resident in the United Kingdom, gains accruing to it which would be chargeable gains for the purpose of United Kingdom taxation may be apportioned to certain United Kingdom resident Shareholders who may thereby become liable to capital gains tax (or corporation tax on chargeable gains) on the gains apportioned to them.

(f) Stamp Duty and Stamp Duty Reserve Tax

No United Kingdom stamp duty should be chargeable on an instrument transferring the Shares provided that the instrument of transfer or document evidencing a transfer is executed and kept outside the United Kingdom and that the transfer does not relate to any property situated, or any matter or thing done or to be done, in the UK.

On the basis that the Company is not incorporated in the UK and there will not be a UK share register in respect of the Shares they will not be "chargeable securities" for the purposes of United Kingdom stamp duty reserve tax, and accordingly, no stamp duty reserve tax will be chargeable in respect of agreements for their transfer.

The Company may be liable to transfer taxes in the United Kingdom on acquisitions of investments. The rate of UK stamp duty and stamp duty reserve tax is 0.5% of the value of the consideration for a chargeable transfer, rounded up to the nearest £5.

(g) Anti-avoidance - transactions in securities

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1 of Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions relating to transactions in securities.

## 8.10 German Taxation

Where specified in the Supplement for the respective Fund, certain Funds may qualify as so-called equity funds (*Aktienfonds*, "**Equity Funds**") or mixed funds (*Mischfonds*, "**Mixed Funds**") within the meaning of the German Investment Tax Act (*Investmentsteuergesetz*, "GITA").

Equity Funds are investment funds that, in accordance with their investment guidelines, invest, on a continuous basis, more than 50 percent of their assets (*Aktivvermögen*) in equity interests (*Kapitalbeteiligungen*) within the meaning of section 2 para. 8 GITA ("**Equity Fund Ratio**"). Mixed Funds are investment funds that, in accordance with their investment guidelines, invest, on a continuous basis, more than 25 percent of their assets (*Aktivvermögen*) in equity interests (*Kapitalbeteiligungen*) within the meaning of section 2 para. 8 GITA ("**Mixed Fund Ratio**"). If and when the investment fund materially violates the investment guidelines and thereby falls below the Equity Fund Ratio or Mixed Fund Ratio, respectively, such investment fund loses its status as an Equity Fund or Mixed Fund, respectively.

Equity interests (*Kapitalbeteiligungen*) within the meaning of section 2 para. 8 GITA ("**Qualifying Equity Interests**") are

- (a) shares in a corporation admitted to official trading on a stock exchange or listed on an organized market;
- (b) shares in a corporation, other than a real estate company, which
  - (i) is resident in a member state of the European Union or the European Economic Area and is subject to corporate income tax in such state and is not exempt therefrom, or
  - (ii) is resident in any other state and is subject to corporate income tax in such state at a rate of at least 15 percent and is not exempt therefrom;
- (c) fund interests in Equity Funds in the amount of 51 percent of the value of such fund interest; or
- (d) fund interests in Mixed Funds in the amount of 25 percent of the value of such fund interest.

If the investment guidelines of an Equity Fund provide for a higher percentage than 51 percent of its assets to be invested, on a continuous basis, in Qualifying Equity Interests, the fund interests in such Equity Fund shall, notwithstanding paragraph (c) above, be deemed to be a Qualifying Equity Interest to the extent of such higher percentage.

If the investment guidelines of a Mixed Fund provide for a higher percentage than 25 percent of its assets to be invested, on a continuous basis, in Qualifying Equity Interests, the fund interests in such Mixed Fund shall, notwithstanding paragraph (d) above, be deemed to be a Qualifying Equity Interest to the extent of such higher percentage.

Other than in the circumstances mentioned above, fund interests are not considered to be Qualifying Equity Interests.

The following shall not be deemed to be Qualifying Equity Investments:

- (A) Interests in partnerships (even if the partnerships hold shares in corporations);
- (B) shares in corporations that qualify as real estate pursuant to section 2 para. 9 sentence 6 GITA, i.e. corporations:
  - at least 75 percent of the gross assets of which, pursuant to the statutory requirements or the investment guidelines, consist of immovable property; and

- which are subject to income tax at a rate of at least 15 percent and are not exempt therefrom or the distributions of which are subject to tax at a rate of at least 15 percent and the Equity Fund/ Mixed Fund is not exempt therefrom.
- (C) shares in corporations that are exempt from income tax to the extent they make distributions, unless the distributions are subject to taxation of at least 15 percent and the Equity Fund/ Mixed Fund is not exempt therefrom; and
- (D) shares in corporations
- more than 10 percent of the income of which is derived directly or indirectly from investments in corporations which do not meet the requirements within paragraph (b) above, or
  - which directly or indirectly hold shares in corporations which do not meet the requirements within paragraph (b) above, if the fair market value of such participations amounts to more than 10 percent of the fair market value of the corporations.

If a Fund qualifies as an Equity Fund (or Mixed Fund), investors in such Fund can benefit from the partial tax-exemption (*Teilfreistellung*) pursuant to section 20 GITA. That means that, as a general rule, 30% (or 15%) of the income derived from such Equity Fund (or Mixed Fund) will be exempt for German income tax and corporate income tax purposes and 15% (or 7.5%) for purposes of German trade tax (if applicable). Higher tax-exemptions may apply for certain individual investors holding their interest in the Equity Fund (or Mixed Fund) as part of their business assets (*Betriebsvermögen*) and for certain investors subject to the German Income Tax Act. To the extent a partial tax-exemption applies, expenses associated with the income derived from the respective Fund may not be deducted (section 21 GITA).

## 9 GENERAL

### 9.1 Conflicts of Interest

The Directors, the Manager, the Investment Manager, the Administrator and the Depositary and their respective Affiliates, officers, directors and shareholders, employees and agents (each a "**Connected Party**" for these purposes, collectively the "**Connected Parties**") are or may be involved in other financial, investment and professional activities (for example provision of Securities Lending agent services) which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These other activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest. Each of the Connected Parties will use reasonable endeavours to ensure that any conflicts which may arise will be resolved fairly. The appointment of the Manager, the Investment Manager, Administrator and Depositary in their primary capacity as service providers to the Company are excluded from the scope of these Connected Party requirements.

The Manager or the Investment Manager may advise or manage other collective investment schemes in which a Fund may invest or which have similar or overlapping investment objectives to or with the Funds. Also, a conflict of interest may arise where the competent person valuing unlisted securities and/or OTC derivatives held by a Fund is the Manager or the Investment Manager or a sub-investment manager or any other Connected Party. For example, because the Manager or the Investment Manager's fees are calculated on the basis of a percentage of a Fund's Net Asset Value, such fees increase as the Net Asset Value of the Fund increases.



When valuing securities owned or purchased by a Fund, the Manager or the Investment Manager (or any other Connected Party) will, at all times, have regard to its obligations to the Company and the Fund and will ensure that such conflicts are resolved fairly.

There is no prohibition on transactions with the Company, the Manager, the Investment Manager, the Administrator, the Depositary or entities related to the Manager, the Investment Manager, the Administrator or the Depositary including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the Company and none of them shall have any obligation to account to the Company for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are in the best interests of Shareholders and dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and

- (i) a certified valuation by a person approved by the Depositary as independent and competent (or in the case of a transaction involving the Depositary, the Manager) has been obtained; or
- (ii) the relevant transaction is executed on best terms on an organised investment exchange in accordance with its rules; or
- (iii) where the conditions set out in (i) and (ii) above are not practical, the relevant transaction is executed on terms which the Depositary is (or in the case of a transaction involving the Depositary, the Manager is) satisfied conform with the principle that such transactions be carried out as if negotiated at arm's length and in the best interests of Shareholders.

The Depositary (or in the case of a transaction involving the Depositary, the Manager) shall document how it complies with paragraphs (i), (ii) and (iii) above and where transactions are conducted in accordance with paragraph (iii), the Depositary (or in the case of a transaction involving the Depositary, the Manager), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its Affiliates of other services to the Company and/or other parties. For example, the Depositary and/or its Affiliates may act as the depositary, trustee, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its Affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its Affiliates) act.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary's functions from its other potentially conflicting tasks and by the Depositary adhering to its "Conflicts of Interest Policy" (a copy of which can be obtained on request from the head of compliance for the Depositary).

Each Connected Party will provide the Company with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the Company discharging its obligation to provide the Central Bank with a statement within the relevant Fund's annual and semi-annual reports in respect of all Connected Party transactions.

The preceding list of potential conflicts of interest does not purport to be a complete enumeration or explanation of all of the conflicts of interest that may be involved in an investment in the Company.

Any potential conflicts may be disclosed in the relevant Supplement.

## 9.2 **Soft Commissions**

It is not currently intended that any soft commission arrangements will be made in respect of the Company. In the event that the Manager and/or the Investment Manager do enter into soft commission arrangements they shall ensure that (i) the broker or counterparty to the arrangement will agree to provide best execution to the Company; (ii) the benefits under the arrangement(s) shall be those which assist in the provision of investment services to the relevant Fund and (iii) brokerage rates will not be in excess of customary institutional full service brokerage rates. A report will be included in the relevant Fund's annual and semi-annual reports describing the Manager and/or the Investment Manager's soft commission practices. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive.

## 9.3 **Cash Commission/ Rebates and Fee Sharing**

Where the Manager and/or an Investment Manager, or any of its delegates, successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities or FDI for a Fund, the rebated commission shall be paid to the relevant Fund. The Manager and/or an Investment Manager or their delegates may be paid / reimbursed out of the assets of the relevant Fund for reasonable properly vouched costs and expenses directly incurred by the Manager and/or an Investment Manager or their delegates in this regard.

## 9.4 **Share Capital**

The authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares; the issued share capital of the Company is €2 represented by 2 shares (the Subscriber Shares) issued for the purposes of the incorporation of the Company and to obtain a certificate to commence trade at an issue price of €1 per Share which are fully paid up and which are beneficially owned by the Manager. The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company. The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof.

The rights attached to any Share Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that Share Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Share Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Share Class in question and the quorum at an adjourned meeting shall be one person holding Shares of the Share Class in question or his proxy.

Subject to any rights or restrictions for the time being attached to any Share Class or Share Classes of Shares, at a meeting of the Company, on a show of hands every holder who is present in person or by proxy shall have one vote and the holder(s) of Subscriber Shares present in person or by proxy shall have one vote in respect of all the Subscriber Shares in issue and on a poll every holder present in person or by proxy shall have one vote for every Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share.

The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe;

The Company may also by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into Shares of larger amount;
- (ii) subdivide its Shares, or any of them, into Shares of smaller amount or value;
- (iii) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
- (iv) redenominate the currency of any Share Class.

#### 9.5 **Remuneration Policy**

The Manager has a remuneration policy in place to ensure compliance with UCITS V. This remuneration policy imposes remuneration rules on staff and senior management within the Manager whose activities have a material impact on the risk profile of the Funds. The directors of the Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Funds and the Articles, and will be consistent with UCITS V. The directors of the Manager will ensure that the remuneration policy is consistent with the business strategy, objectives, values and interests of the Company, the Funds and Shareholders, and includes measures to ensure that relevant conflicts of interest may be managed appropriately. Further details with regard to the remuneration policy are available on the Website. The remuneration policy may be obtained free of charge on request from the Manager.

#### 9.6 **Reports**

The Company's year-end is 31 March in each year. The annual report and audited accounts of the Company will be made available to Shareholders within four months after the conclusion of each accounting year and at least 21 days before the annual general meeting of the Company at which they are to be submitted for approval.

The Company will also prepare unaudited semi-annual reports which will be made available to Shareholders within two months after 30 September in each year. Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year-end or the end of such semi-annual period.

Audited information will be sent on request to any shareholder and any prospective investor.

#### 9.7 **Funds**

The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-

- (i) for each Fund the Company shall keep separate books and records in which all transactions relating to the relevant Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each Share Class in the Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
- (iii) in the event that there are any assets of the Company which the Directors do not consider are attributable to a particular Fund or Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the

Funds in such manner and on such basis as they, in their discretion, deems fair and equitable; and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depositary, vary the basis in relation to assets previously allocated;

- (iv) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund and any such liabilities, expenses, costs, charges, or reserves of the Company not attributable to any particular Fund or Funds shall be allocated and charged by the Directors, with the approval of the Depositary, in such manner and on such basis as the Directors, in their sole and absolute discretion deem fair and equitable, and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depositary, vary such basis including, where circumstances so permit, the re-allocation of such liabilities, expenses, costs, charges and reserves. In the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 1406 of the Companies Act shall apply;
- (v) if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability, expense, cost, charge or reserve would be borne in a different manner from that in which it would have been borne under paragraph (iv) above or in any similar circumstances, the Directors may transfer in the books and records of the Company any asset to and from any of the Funds;

## 9.8 Termination of Funds

The Articles contain provisions to the following effect:

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depositary in any of the following events:-

- (a) if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund; or
- (b) if any Fund shall cease to be authorised or otherwise officially approved; or
- (c) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
- (d) if there is a change in material aspects of the business, or in the economic or political situation relating to a Fund that the Directors consider would have material adverse consequences on the Investments of the Fund; or
- (e) if the Directors or their delegate have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors and the Manager shall be under no liability on account of any failure to terminate the relevant Fund pursuant to points (a) to (e) above or otherwise.

The Directors shall give notice of termination of a Fund to the Shareholders in the relevant Fund and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.

## 9.9 Winding Up

The Articles contain provisions to the following effect:

- (a) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Act, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund.
- (b) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Share Class shall be distributed to the holders of Shares in the relevant Share Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Share Class in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the Company not attributable to any Share Class. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to other Share Classes; and thirdly, any balance then remaining and not attributable to any of the Share Classes shall be apportioned pro-rata as between the Share Classes based on the Net Asset Value attributable to each Share Class as at the date of commencement to wind up and the amount so apportioned to a Share Class shall be distributed to holders pro-rata to the number of Shares in that Share Class held by them.
- (c) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Act, divide among the holders of Shares of any Share Class or Share Classes within a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more Share Class or Share Classes of property, and may determine how such division shall be carried out as between all the holders of Shares of the Company or the holders of different Share Classes of Shares in a Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A holder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.
- (d) A Fund may be wound up pursuant to Section 1406 of the Companies Act and in such event the provisions set out above shall apply mutatis mutandis in respect of that Fund.

## 9.10 Miscellaneous

- (a) Since incorporation the Company has not been involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.
- (b) There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.
- (c) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided in (d) below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.
- (d) At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of

such capital; Although none of the Directors are required to be investors, all of the Directors and any Associated Person may invest in the Company. The level of investment is likely to vary over time.

- (e) Ton Daniels, Claire Cawley, Marie Dzanis, Martha Fee, Bimal Shah and Feargal Dempsey, Alan Keating and Cian Farrell are Directors of the Company and the Manager. Bimal Shah, Marie Dzanis and Martha Fee are Directors of the Company, the Manager and the Investment Manager.
- (f) Save as disclosed under the Share Capital section above, no share or loan capital of the Company has been issued or agreed to be issued, is under option or otherwise. As of the date of this Prospectus, the Company does not have any loan capital (including term loans) outstanding or created but unissued or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptance or acceptance credits, hire purchase or finance lease commitments, guarantee or other contingent liabilities which are material in nature.
- (g) Save as may result from the entry by the Company into the agreements listed under "Material Contracts" above or any other fees, commissions or expenses discharged, no amount or benefit has been paid or given or is intended to be paid or given to any entity that promotes the Company.
- (h) Save as disclosed under the Conflicts of Interest section above, no commissions, discounts, brokerages or other special terms have been paid or granted or are payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the Company.

#### 9.11 **Material Contracts**

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the Company and are or may be material

- (a) The Management Agreement dated 27 November 2003 between the Company and the Manager. The Manager is appointed by the Company under the Management Agreement to provide management services to the Company subject to the UCITS Regulations, the Instrument of Incorporation and the overall policies and directions of the Board. The Management Agreement provides that the appointment of the Manager will continue in force unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other:

The Manager shall perform, on behalf of the Company, the duties of a "responsible person" as set out in the Central Bank Regulations.

The Management Agreement contains certain indemnities in favour of the Manager which are restricted to exclude matters arising by reasons of the fraud, bad faith, negligence or wilful default of the Manager in the performance or non-performance of its duties or obligations and certain provisions regarding its legal responsibilities and limitations thereon.

- (b) The Depositary Agreement dated 12 October 2016 between the Company and the Depositary under which the Depositary has been appointed as depositary of the Company. Under the Depositary Agreement, the Depositary will provide asset verification services, cash-flow monitoring services, custody services and oversight services to the Company. This agreement provides that the appointment of the Depositary will continue unless and until terminated by the Company or the Depositary giving to the other parties not less than 90 days' written notice although in certain circumstances the Agreement may be terminated immediately by the Company or the

Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if within a period of 90 days' from the date on which the Depositary notifies the Company of its desire to retire or from the date on which the Company notifies the Depositary of its intention to remove the Depositary, no replacement Depositary shall have been appointed, the Company shall apply to the High Court for an order to wind up the Company or convene in an extraordinary general meeting of the Shareholders of the Company at which there shall be proposed an ordinary resolution to wind up the Company. The Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and UCITS V. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a duly appointed third party of any financial instruments held in custody (determined in accordance with UCITS V) and shall be responsible for the return of financial instruments or corresponding amount to the Company without undue delay. The Depositary Agreement contains indemnities in favour of the Depositary for certain losses incurred but excluding circumstances where the Depositary is liable for the losses incurred.

The Depositary Agreement shall be governed by the laws of Ireland and the courts of Ireland shall have non-exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depositary Agreement.

- (c) The amended and restated Administration Agreement dated 14 March, 2023 between the Manager, the Company pursuant to which the Administrator has been appointed as administrator to administer the Company subject to the overall supervision of the Directors. The Administration Agreement contains certain indemnities in favour of the Administrator (and its officers and employees) which are restricted to exclude, inter alia, matters arising by reason of the negligence, wilful default or fraud of the Administrator or its permitted delegates in the performance of its obligations and duties.

The Administration Agreement provides that the appointment of the Administrator will continue unless and until terminated by the Company or the Administrator giving to the other of them not less than 90 days' written notice although in certain circumstances the agreement may be terminated immediately by any party in the event that:

- (i) any party is unable to pay its debts as they fall due or go into liquidation or receivership or an examiner is appointed to another Party (except for a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously agreed in writing by the notifying Party);
- (ii) if another shall commit any material breach of the provisions of the Administration Agreement and shall if capable of remedy not have remedied the same within thirty (30) days after the service of notice requiring it to be remedied;
- (iii) if the continued performance of the Administration Agreement for any reason ceases to be lawful;
- (iv) in the event that fraud is proven against another party to the Administration Agreement or the Investment Manager;

Further, the Administration Agreement shall terminate automatically upon the revocation by the Central Bank of the Manager or the Company's authorisation pursuant to the UCITS Regulations.

The Manager may terminate the Administration Agreement with immediate effect if it considers this to be in the best interest of Shareholders in the Company.

- (d) The amended and restated Investment Management Agreement dated 30 November 2018 between the Manager and the Investment Manager (the "Investment Management Agreement"); the Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by the Manager or the Investment Manager giving not less than 30 days' written notice to the other; the Investment Management Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters resulting from the fraud, wilful default or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.
- (e) The Global Distribution Agreement dated 18 May 2007 between the Manager and Northern Trust Global Investments Limited (the "Global Distribution Agreement"); the Agreement provides that the appointment of the Global Distributor will continue unless and until terminated by the Global Distributor giving not less than 90 days' notice in writing to the Manager or by the Manager giving not less than 90 days' notice in writing to the Global Distributor although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other; this Agreement contains certain indemnities in favour of the Global Distributor which are restricted to exclude matters resulting from fraud, negligence or wilful default in the performance of its obligations and duties.
- (f) The Agreement for the Provision of Responsible Investment Services dated 22 June 2015, as amended, between the Investment Manager and Hermes EOS (with its registered office at Sixth Floor, 150 Cheapside, London, England EC2V 6ET, United Kingdom). Hermes EOS is authorised and regulated by the Financial Conduct Authority. This agreement provides that the appointment of Hermes EOS will continue unless and until terminated by either party giving to the other not less than 9 months' written notice (such notice may only be served on or after the first anniversary of the agreement), although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other; the agreement provides that Hermes EOS will accept responsibility for loss to the Investment Manager and/or Funds to the extent that such loss is due to the negligence, wilful default, fraud or any breach of the agreement by Hermes EOS. See the "Fees and Expenses" section of the relevant Supplement for details of the fees of Hermes EOS as paid out of the Assets of the relevant Fund.

Please refer to each Supplement for details of relevant material contracts (if any) in respect of a Fund.

#### 9.12 Supply and Inspection of Documents

Copies of the following documents may be obtained from the Manager and inspected at the registered office of the Manager during usual business hours during a Business Day at the address shown in the Directory section above:

- 1 the Articles;
- 2 the Prospectus and the Supplements;
- 3 the KID/KIID(s), as applicable;
- 4 the annual and semi-annual reports relating to the Company most recently prepared by the Administrator; and
- 5 details of notices sent to Shareholders;



Copies of the Articles (and, after publication thereof, the periodic reports and accounts) may be obtained from the Administrator free of charge.

An up-to-date version of the KID/KIID, as applicable, shall be made available for access in an electronic format on a website designated by the Company for this purpose. In the event that the Company proposes to register one or more Funds for public offering in other EU Member States, it shall make the following additional documentation available on such website:

- this Prospectus
- once published, the latest annual and semi-annual reports of each Fund
- the Articles.

To the extent not captured in this Prospectus or in the event such details have changed and have not been reflected in a revised version of this Prospectus, up-to-date information will be provided to Shareholders on request, free of charge regarding:

- the identity of the Depositary and a description of its duties and of conflicts of interest that may arise; and
- a description of any safe-keeping functions delegated by the Depositary, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

Where the Company is required to make certain information publically available pursuant to the CBDF Directive or CBDF Regulation such information may be made available at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

Unless otherwise disclosed to investors, where a Fund is marketed in another Member State, the Manager shall make available facilities to perform the following tasks directly or through one or more third parties:

- a) process subscription, repurchase and redemption orders and make other payments to Shareholders relating to the Shares of the Fund, in accordance with the conditions set out in the Prospectus required pursuant to Chapter IX of the UCITS Directive;
- b) provide Shareholders with information on how orders referred to in point (a) can be made and how repurchase and redemption proceeds are paid;
- c) facilitate the handling of information and access to procedures and arrangements referred to in Article 15 of the UCITS Directive relating to the Shareholders' exercise of their rights arising from their investment in the Fund in the Member State where the Fund is marketed;
- d) make the information and documents required pursuant to Chapter IX of the UCITS Directive available to Shareholders under the conditions laid down in Article 94 of the UCITS Directive, for the purposes of inspection and obtaining copies thereof;
- e) provide Shareholders with information relevant to the tasks that the facilities perform in a durable medium;
- f) act as a contact point for communicating with the competent authorities.

The facilities to perform the tasks referred to above shall be provided in the official language or one of the official languages of the Member State where the Fund is marketed or in a language approved by the competent authorities of that Member State.

## APPENDIX I – INVESTMENT RESTRICTIONS

### Applicable to Funds

#### 1 Permitted Investments

Investments of a Fund are confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State.
- 1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money market instruments other than those dealt on a regulated market.
- 1.4 Units of UCITS.
- 1.5 Units of AIFs.
- 1.6 Deposits with credit institutions.
- 1.7 FDI.

#### 2 Investment Limits

- 2.1 A Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2 A Fund shall not invest any more than 10% of its Net Asset Value in securities of the type to which Regulation 68(1)(d) of the Regulations 2011. This restriction will not apply in relation to investment by the Fund in certain U.S. securities known as Rule 144A securities provided that:
  - (a) the securities have been issued with an undertaking to register the securities with the U.S. Securities and Exchanges Commission within one year of issue; and
  - (b) the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3 A Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bondholders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a

non-EU Member State or public international body of which one or more EU Member States are members.

- 2.6 The transferable securities or money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 Cash booked in accounts and held as ancillary liquidity shall not exceed (a) 10% of the Net Asset Value of a Fund; or (b) where the cash is booked in an account with the Depositary, 20% of the Net Asset Value of a Fund.
- 2.8 The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value. This limit is raised to 10% in the case of Relevant Institutions.
- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of the Net Asset Value of a Fund:
- (a) investments in transferable securities or money market instruments;
  - (b) deposits; and/or
  - (c) counterparty risk exposures arising from OTC derivative transactions.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of the Net Asset Value of a Fund.
- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of the Net Asset Value of a Fund may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12 A Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international bodies of which one or more Member States are members or any of the following:
- European Investment Bank
  - European Bank for Reconstruction and Development
  - International Finance Corporation
  - International Monetary Fund
  - Euratom
  - The Asian Development Bank
  - European Central Bank
  - Council of Europe
  - Eurofima
  - African Development Bank
  - International Bank for Reconstruction and Development (The World Bank)
  - The Inter-American Development Bank
  - European Union

- Federal National Mortgage Association (Fannie Mae)
- Federal Home Loan Mortgage Corporation (Freddie Mac)
- Government National Mortgage Association (Ginnie Mae)
- Student Loan Marketing Association (Sallie Mae)
- Federal Home Loan Bank
- Federal Farm Credit Bank
- Tennessee Valley Authority
- Straight-A Funding LLC
- OECD Governments (provided the relevant issues are investment grade)
- Government of Brazil (provided the issues are of investment grade)
- Government of the People's Republic of China
- Government of India (provided the issues are of investment grade)
- Government of Singapore

Where a Fund invests in accordance with this provision, the Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

### **3 Investment in Collective Investment Schemes (CIS)**

- 3.1 A Fund may not invest more than 20% of its Net Asset Value in any one CIS.
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of the Net Asset Value of a Fund.
- 3.3 The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
- 3.4 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the management company of the Company or by any other company with which the management company of the Company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Fund manager/investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

### **4 Index Tracking UCITS**

- 4.1 A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank Rules.
- 4.2 The limit in 4.1 may be raised to 35% of the Net Asset Value of the Fund, and applied to a single issuer, where this is justified by exceptional market conditions.

## 5 General Provisions

5.1 An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 A Fund may acquire no more than:

- (a) 10% of the non-voting shares of any single issuing body;
- (b) 10% of the debt securities of any single issuing body;
- (c) 25% of the units of any single CIS;
- (d) 10% of the money market instruments of any single issuing body.

The limits laid down in 5.2(b), 5.2(c) and 5.2(d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 and 5.2 shall not be applicable to:

- (a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
- (b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
- (c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
- (d) shares held by a Fund in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
- (e) Shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at Shareholders' request exclusively on their behalf.

5.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

5.5 The Central Bank may allow a recently authorised Fund to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six Months following the date of its authorisation, provided it observes the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its

sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

- 5.7 A Fund may not carry out uncovered sales of: transferable securities; money market instruments; units of CIS; or FDI.
- 5.8 A Fund may hold ancillary liquid assets.

## **6 FDI**

- 6.1 A Fund's global exposure relating to FDI must not exceed its total Net Asset Value (this provision may not be applied to Funds that calculate their global exposure using the VaR methodology as disclosed in the relevant Supplement).
- 6.2 Position exposure to the underlyings of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Rules. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Rules.)
- 6.3 A Fund may invest in OTC derivatives provided that the counterparties to the OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

## APPENDIX II – MARKETS

The Markets are listed in accordance with the Central Bank Rules and the Central Bank does not issue a list of approved Markets.

With the exception of permitted investment in unlisted securities or in units of open-ended collective investment schemes, investment will be limited to the following stock exchanges and regulated markets:-

(a)

- (i) any stock exchange which is:
- located in any Member State; or
  - located in any of the following countries:-

Australia  
Canada  
Hong Kong  
Iceland  
Japan  
New Zealand  
Norway  
Switzerland  
United Kingdom  
United States of America; or

- (ii) any of the following stock exchanges:

<b>Argentina</b>	Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plaxa Stock Exchange;
<b>Bahrain</b>	Bahrain Stock Exchange;
<b>Bangladesh</b>	Chittagong Stock Exchange and Dhaka Stock Exchange;
<b>Brazil</b>	Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe – Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
<b>Chile</b>	Santiago Stock Exchange and Valparaiso Stock Exchange;
<b>China</b>	Hong Kong Stock Exchange, Shenzhen Stock Exchange, Shenzhen-Hong Kong Stock Connect, Shanghai Stock Exchange, Shanghai-Hong Kong Stock Connect, Fujian Stock Exchange and Hainan Stock Exchange;
<b>Colombia</b>	Bolsa de Bogota and Bolsa de Medellin;
<b>The Czech Republic</b>	Prague Stock Exchange;
<b>Croatia</b>	Zagreb Stock Exchange;
<b>Egypt</b>	Cairo Stock Exchange and Alexandria Stock Exchange;



<b>Ghana</b>	Ghana Stock Exchange;
<b>Hungary</b>	Budapest Stock Exchange;
<b>India</b>	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwa Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
<b>Indonesia</b>	Jakarta Stock Exchange and Surabaya Stock Exchange;
<b>Israel</b>	Tel Aviv Stock Exchange;
<b>Jordan</b>	Amman Stock Exchange;
<b>Kazakstan</b>	Kazakstan Ata Stock Exchange;
<b>Kenya</b>	Nairobi Stock Exchange;
<b>Korea</b>	Korean Stock Exchange;
<b>Kuwait</b>	Kuwait Stock Exchange
<b>Latvia</b>	Riga Stock Exchange;
<b>Lebanon</b>	Beirut Stock Exchange;
<b>Malaysia</b>	Kuala Lumpur Stock Exchange;
<b>Malta</b>	Valetta Stock Exchange;
<b>Mauritius</b>	Stock Exchange of Mauritius;
<b>Mexico</b>	Bolsa Mexicana de Valores;
<b>Morocco</b>	Casablanca Stock Exchange;
<b>Namibia</b>	Namibian Stock Exchange;
<b>Nigeria</b>	Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
<b>Oman</b>	Muscat Stock Exchange;
<b>Pakistan</b>	Lahore Stock Exchange and Karachi Stock Exchange;
<b>Palestine</b>	Palestine Stock Exchange;
<b>Peru</b>	Bolsa de Valores de Lima;
<b>Philippines</b>	Philippines Stock Exchange;

<b>Poland</b>	Warsaw Stock Exchange;
<b>Qatar</b>	Doha Stock Exchange;
<b>Russia</b>	Moscow Exchange; The extent of a Fund's investment in Russia will be set out in the investment policy section of the relevant Supplement for that Fund.
<b>Saudi Arabia</b>	Saudi Stock Exchange
<b>Singapore</b>	Stock Exchange of Singapore;
<b>Slovakia</b>	Bratislava Stock Exchange;
<b>Slovenia</b>	Ljubljana Stock Exchange;
<b>Swaziland</b>	Swaziland Stock Exchange;
<b>South Africa</b>	Johannesburg Stock Exchange;
<b>Sri Lanka</b>	Colombo Stock Exchange;
<b>Taiwan</b>	Taipei Stock Exchange Corporation;
<b>Thailand</b>	The Stock Exchange of Thailand;
<b>Turkey</b>	Istanbul Stock Exchange;
<b>UAE</b>	Abu Dhabi Stock Exchange, Nasdaq Dubai Limited (NDL) and Dubai Financial Market;
<b>Ukraine</b>	Ukrainian Stock Exchange;
<b>Uruguay</b>	Montevideo Stock Exchange;
<b>Vietnam</b>	Ho Chi Minh Stock Exchange and or Hanoi Securities Trading Center
<b>Venezuela</b>	Caracas Stock Exchange and Maracaibo Stock Exchange;
<b>Zambia</b>	Lusaka Stock Exchange;

(iii) any of the following:

*The market organised by the International Capital Market Association;*

*The (i) market conducted by banks and other institutions regulated by the Prudential Regulation Authority ("PRA"); and (ii) market in non-investment products which is subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London market, including the PRA and the Bank of England;*

*The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the US Securities and Exchange Commission;*

*The over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National*

*Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);*

*NASDAQ;*

*The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan.*

*The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada.*

*The French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable debt instruments).*

*AIM-the Alternative Investment Market in the UK regulated and operated by the London Stock Exchange.*

*In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, the United Kingdom, United States (iii) the Channel Islands Stock Exchange (iv) listed at (d) above or (v) any of the following:*

*The Chicago Board of Trade;*

*The Chicago Mercantile Exchange (CME)*

*The Mercantile Exchange;*

*The Chicago Board Options Exchange;*

*EDX London;*

*New York Mercantile Exchange;*

*New York Board of Trade;*

*New Zealand Futures and Options Exchange;*

*Hong Kong Futures Exchange;*

*Singapore Commodity Exchange;*

*Singapore Exchange (Old SIMEX)*

*Bolsa De Mercadorias e Futuros*

*SAF – South African Futures Contract*

*Tokyo International Financial Futures Exchange.*

**APPENDIX III – LIST OF SUB-CUSTODIAL AGENTS APPOINTED BY THE NORTHERN TRUST COMPANY**

<b>1. Jurisdiction</b>	<b>2. Sub-custodian</b>	<b>3. Sub-custodian Delegate</b>
<b>Argentina</b>	Citibank N.A., Buenos Aires Branch	
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
<b>Austria</b>	UniCredit Bank Austria AG	
<b>Bahrain</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Bangladesh</b>	Standard Chartered Bank	
<b>Belgium</b>	The Northern Trust Company	
<b>Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Bosnia and Herzegovina (Republic of Srpska)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Botswana</b>	Standard Chartered Bank Botswana Limited	
<b>Brazil</b>	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	
<b>CD's - USD</b>	Deutsche Bank AG, London Branch	

<b>CD's - USD</b>	The Northern Trust Company, Canada	
<b>Canada</b>	Royal Bank of Canada	
<b>Chile</b>	Citibank N.A.	Banco de Chile
<b>China A Share</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
<b>China A Share</b>	Bank of Communications Co., Ltd	
<b>China A Share</b>	China Construction Bank Corporation	
<b>China A Share</b>	Deutsche Bank (China) Co., Ltd., Shanghai Branch	
<b>China A Share</b>	Industrial and Commercial Bank of China Limited	
<b>China A Share</b>	Standard Chartered Bank (China) Limited	
<b>China B Share</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
<b>China B Share</b>	Citibank N.A., Hong Kong Branch	
<b>Clearstream</b>	Clearstream Banking S.A.,	
<b>Colombia</b>	Cititrust Columbia S.A. Sociedad Fiduciaria	
<b>Costa Rica</b>	Banco Nacional de Costa Rica	

<b>Croatia</b>	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
<b>Cyprus</b>	Citibank Europe PLC	
<b>Czech Republic</b>	UniCredit Bank Czech Republic and Slovenia, a.s.	
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>Egypt</b>	Citibank N.A., Cairo Branch	
<b>Egypt</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Egypt SAE
<b>Estonia</b>	Swedbank AS	
<b>Finland</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>France</b>	The Northern Trust Company	
<b>Germany</b>	The Northern Trust Company	
<b>Ghana</b>	Standard Chartered Bank Ghana Limited	
<b>Greece</b>	Citibank Europe PLC	
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Hong Kong (Stock and Bond Connect)</b>	The Hongkong and Shanghai Banking Corporation Limited	

<b>Hungary</b>	UniCredit Bank Hungary Zrt.	
<b>Iceland</b>	Landsbankinn hf.	
<b>India</b>	Citibank N.A.	
<b>India</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Indonesia</b>	Standard Chartered Bank	
<b>Ireland</b>	The Northern Trust Company, London	
<b>Israel</b>	Citibank, N.A., Israel Branch	
<b>Italy</b>	Citibank Europe plc	
<b>Japan</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Jordan</b>	Standard Chartered Bank	
<b>Kazakhstan</b>	Citibank Kazakhstan JSC	
<b>Kenya</b>	Standard Chartered Bank Kenya Limited	
<b>Kuwait</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Latvia</b>	Swedbank AS	

<b>Lithuania</b>	AB SEB bankas	
<b>Luxembourg</b>	Euroclear Bank S.A./N.V.	
<b>Malaysia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Mexico</b>	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
<b>Morocco</b>	Société Générale Marocaine de Banques	
<b>Namibia</b>	Standard Bank Namibia Ltd	
<b>Netherlands</b>	The Northern Trust Company	
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Nigeria</b>	Stanbic IBTC Bank Plc	
<b>Norway</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>Oman</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
<b>Pakistan</b>	Citibank N.A., Karachi Branch	
<b>Panama</b>	Citibank N.A., Panama Branch	



<b>Peru</b>	Citibank del Peru S.A.	
<b>Philippines</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Poland</b>	Bank Handlowy w Warszawie S.A	
<b>Portugal</b>	BNP Paribas SA	
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Romania</b>	Citibank Europe PLC	
<b>Russia</b>	AO Citibank	
<b>Saudi Arabia</b>	The Northern Trust Company of Saudi Arabia	
<b>Saudi Arabia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Saudi Arabia
<b>Serbia</b>	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
<b>Singapore</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Slovakia</b>	Citibank Europe PLC	
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	
<b>South Africa</b>	The Standard Bank of South Africa Limited	

<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Spain</b>	Citibank Europe plc	
<b>Sri Lanka</b>	Standard Chartered Bank	
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd	
<b>Taiwan</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited
<b>Taiwan</b>	Citibank Taiwan Limited	
<b>Taiwan</b>	JPMorgan Chase Bank N.A.	
<b>Tanzania</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
<b>Thailand</b>	Citibank N.A., Bangkok Branch	
<b>Tunisia</b>	Union Internationale de Banques	
<b>Turkey</b>	Citibank A.S.	
<b>United Arab Emirates (ADX)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates (DFM)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch

<b>United Arab Emirates (NASDAQ)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates</b>	First Abu Dhabi Bank PJSC	
<b>Uganda</b>	Standard Chartered Bank Uganda Limited	
<b>Ukraine (Market suspended)</b>	JSC "Citibank"	
<b>United Kingdom</b>	Euroclear UK & International Limited (Northern Trust self-custody)	
<b>United States</b>	The Northern Trust Company	
<b>Uruguay</b>	Banco Itau Uruguay S.A.	
<b>Vietnam</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
<b>Vietnam</b>	Citibank N.A., - Hanoi Branch	
<b>West Africa (UEMOA)</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
<b>Zambia</b>	Standard Chartered Bank Zambia PLC	
<b>Zimbabwe</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Zimbabwe Limited

## APPENDIX IV – RISK FACTORS

### 1 Risk Factors

Investors in the Funds should understand that all investments involve risks. The following are some of the risks of investing in the Funds, but the list does not purport to be exhaustive:-

### 2 General

#### 2.1 Investment Risk

The investments of the Company in securities are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund can go down as well as up and an investor may not get back the amount he invests. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. Due to the Preliminary Charge and the Redemption Charge which may be payable on the issue and redemption of Shares, an investment in Shares should be viewed as medium to long term. An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

There can be no assurance that a Fund will achieve its investment objective. The value of Shares may rise or fall, as the capital value of the securities in which a Fund invests may fluctuate. The investment income of each Fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Fund's investment income may be expected to fluctuate in response to changes in such expenses or income.

#### 2.2 Risk of Loss

In the case of all Funds, an investment in a Fund is neither insured nor guaranteed by any bank, government, government agency or instrumentality, guarantee scheme or any bank guarantee fund which may protect the holders of a bank deposit. Shares of the Company are not bank deposits or obligations of, or guaranteed or endorsed or otherwise supported by the Company, the Investment Manager, the Distributor or any of their affiliates.

#### 2.3 Unquoted Investments

Subject to the investment restrictions applicable to the relevant Fund, the Fund may invest a portion of its assets in unquoted investments. Such investments will be valued at the probable realisation value as determined in accordance with the provisions set out in the Determination of Net Asset Value and Valuation of Assets sections. Estimates of the probable realisation value of such investments are inherently difficult to establish and are the subject of substantial uncertainty. The Company may consult the Investment Manager with respect to the valuation of unquoted investments. There is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of a Fund's investments and the Investment Manager's other responsibilities.

The income and gains of a Fund from its assets may suffer withholding tax which may not be reclaimable in the countries where such income and gains arise. If this position changes in the future and the application of a lower rate results in a repayment to the relevant Fund, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders of the relevant Fund rateably at the time of repayment.

## 2.4 **Currency Risk**

The Net Asset Value per Share will be computed in the Base Currency of the relevant Fund, whereas each Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk. The Investment Manager may enter into cross currency hedging transactions solely for the purpose of efficient portfolio management. Where a Share Class is denominated in a currency other than the Base Currency, the value of those Shares expressed in the currency of the Share Class will be subject to exchange rate risk in relation to the Base Currency.

## 2.5 **Currency Hedging at Share Class Level Risk**

Hedging activity at Share Class level may expose the Fund to cross contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant Share Class. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Share Class, investors are nonetheless exposed to the risk that currency hedging transactions undertaken in one Share Class may impact negatively on another Share Class, particularly where (pursuant to EMIR) such currency hedging transactions require the Fund to post collateral (i.e. initial or variation margin). Any such collateral is posted by a Fund and at the Fund's risk (rather than by the Share Class and at the risk of the Share Class only because the Share Class does not represent a segregated portion of the Fund's assets) thus exposing investors in other Share Classes to a proportion of this risk.

## 2.6 **Market Risk**

Some of the recognised exchanges on which each Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which each Fund may liquidate positions to meet repurchase requests or other funding requirements. Potential investors should also note that the securities of small capitalisation companies are less liquid and this may result in fluctuations in the price of the Shares of the relevant Fund.

## 2.7 **Liquidity Risk**

Liquidity risk exists when particular investments are difficult to purchase or sell.

A Fund's investments in such securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price which could prevent the Fund from taking advantage of other investment opportunities.

## 2.8 **Valuation Risk**

A Fund may invest a limited proportion of its assets in unquoted securities. Such investment will be valued at the probable realisation value as determined in accordance with the valuation provisions set out in the Determination of Net Asset Value and Valuation of Assets sections herein. Estimates of the fair value of such investments are inherently difficult to establish and are the subject of substantial uncertainty. Each Fund may, for the purpose of efficient portfolio management, engage in derivative instruments in which case there can be no assurance that the valuation as determined in accordance with the valuation provisions set out in the Determination of Net Asset Value and Valuation of Assets sections herein reflects the exact amount at which the instrument may be "closed out".

## 2.9 Substantial Redemption

Subject and without prejudice to the Directors authority to suspend redemptions and/or to limit the Net Asset Value of Shares of any Fund which may be redeemed on any Dealing Day, substantial redemption requests by Shareholders in a concentrated period of time could require a Fund to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. This may limit the ability of the Investment Manager to successfully implement the investment program of a Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, a Fund may be required to liquidate assets in advance of the applicable Dealing Day, which may result in a Fund holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Manager to successfully implement the investment program of a Fund may be impaired and the Fund's returns may be adversely affected as a result.

Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the Net Asset Value of a Fund could make it more difficult for the Fund to generate profits or recover losses. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from a Fund and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders.

## 2.10 Depositary Risk

If a Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depositary is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depositary is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

If a Fund invests in assets that are not financial instruments that can be held in custody ("**Non-Custody Assets**"), the Depositary is only required to verify the Fund's ownership of such assets and to maintain a record of those assets which the Depositary is satisfied that the Fund holds ownership of. In the event of any loss of such assets, the Depositary will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations pursuant to the Depositary Agreement.

As it is likely that the Funds may each invest in both Custody Assets and Non-Custody Assets, it should be noted that the safekeeping functions of the Depositary in relation to the respective categories of assets and the corresponding standard of liability of the Depositary applicable to such functions differs significantly.

The Funds enjoy a strong level of protection in terms of Depositary liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that derivatives traded by a Fund over-the-counter will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of Depositary liability under UCITS V, these Non-Custody Assets, from a safekeeping perspective,

expose the Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

#### 2.11 **Capital Erosion Risk**

Certain Funds, where for example they invest more than 20% in fixed income instruments, may have as the priority objective the generation of income rather than capital. Investors should be noted that the focus on income and the charging of investment management fees and any other fees to capital may erode capital and diminish the Fund's ability to sustain future capital growth. In this regard, distributions made during the life of the Fund should be understood as a type of capital reimbursement.

#### 2.12 **Sub-Investment Grade Debt Securities Risk**

A Fund may invest in sub-investment grade debt securities which carry a greater possibility that the issuer may be unable or unwilling to make timely payments of interest and principal and thus default. If this happens, or is perceived as likely to happen, the values of those debt securities will usually be more volatile. A default or expected default could make it difficult for the Fund to sell the sub-investment grade securities at prices approximating the values that the Fund had previously placed on them.

#### 2.13 **Master/Feeder Risks**

Where provided for in the relevant Supplement, a Fund may invest substantially all of its assets in another fund (the "**Master Fund**"), excluding any holding of ancillary liquid assets and, accordingly, will not be diversified. There is no assurance that the Master Fund or the Fund will achieve their objective.

#### 2.14 **Feeder Fund Risks**

Where a Fund operates in a master-feeder structure, the fees and expenses of the Fund, including fees and expenses payable by the Master Fund may, in aggregate be greater than for a Fund that engages in direct trading activities.

### 3 **Derivatives and Securities Financing Transactions Risk**

#### 3.1 **General**

The use of derivatives and Securities Financing Transactions may result in greater returns but may entail greater risk for your investment. Derivatives may be used as a means of gaining indirect exposure to a specific asset, rate or index and/or as part of a strategy designed to reduce exposure to other risks, such as interest rate or currency risk. Use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

Investing in a derivative instrument could cause a Fund to lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in these transactions to reduce exposure to other risks when that would be beneficial.

The prices of derivative instruments are highly volatile. Price movements of derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of

governments, national and international political and economic events, changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged; (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities; and (4) the possible absence of a liquid market for any particular instrument at any particular time.

Securities Financing Transactions create several risks for the Company and its investors, including counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund and liquidity risk if a Fund is unable to liquidate collateral provided to it to cover a counterparty default.

### **3.2 Absence of Regulation; Counterparty Risk**

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges. OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are being introduced under EMIR that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to participants on some recognised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

The counterparty for an OTC derivative will be the specific firm involved in the transaction rather than a recognised exchange and accordingly the bankruptcy or default of a counterparty with which the Fund trades OTC derivatives could result in substantial losses to the Fund. In addition, a counterparty may refrain from settling a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result. Counterparty exposure will be in accordance with the Fund's investment restrictions.

### **3.3 Correlation Risk**

The prices of derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements.

### **3.4 Credit Risk and Counterparty Risk**

Funds will be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in derivative instruments. To the extent



that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

### **3.5 Legal Risk**

The use of OTC derivatives and Securities Financing Transactions will expose the Funds to the risk that the legal documentation of the relevant contract may not accurately reflect the intention of the parties.

### **3.6 OTC Markets Risk**

Where any Fund acquires securities on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

### **3.7 Futures and Options Risk**

The investment policies of a Fund may permit the Investment Manager to make use of futures and options for efficient portfolio management purposes. Due to the nature of futures, cash to meet margin monies will be held by a broker with whom the Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, a Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

### **3.8 Liquidity Risk**

Liquidity risk exists when a particular investment derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

### **3.9 Foreign Exchange Transactions**

Where a Fund utilises derivatives which alter the currency exposure characteristics of securities held by the Fund the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

### **3.10 Efficient Portfolio Management**

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments (including FDI) in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed in the section entitled "Derivatives Risk" above, will be equally relevant when employing such efficient portfolio management techniques. In addition to the sub-section entitled "General", particular attention is drawn to the sub-sections entitled "Credit Risk and Counterparty Risk" and "Collateral Risk". Investors should also be aware that from time to time, a Fund may engage with repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion

cause a conflict of interest with the role of the Depository or other service provider in respect of the Company. Please refer to the section of the Prospectus entitled "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

### 3.11 **Collateral Risk**

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

### 3.12 **Reinvestment of Cash Collateral Risk**

As a Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

### 3.13 **Securities Lending Risk**

The principal risk in securities lending arrangements is the insolvency of the borrower. In this event the lending agent will use the collateral to repurchase the loaned securities within the market. The risk here arises during the intervening period between the borrower default and repurchase, whereby the value of collateral may fall and subsequently be insufficient to repurchase the equivalent value and number of securities and entitlements in the market and therefore could possibly result in capital losses. Where collateral is received in the form of cash, there are additional risks of reinvestment like any other cash pool, which includes market and credit risks associated with the reinvestment pool and activity. Where a Fund enters into securities lending arrangements, the Fund will have the right to terminate such arrangements at any time and demand the return of any or all of the securities loaned.

### 3.14 **Repurchase Agreements**

A Fund may enter into repurchase arrangements. Accordingly, the Fund will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Fund seeks to assert its right to them, the risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

## 4 **Emerging Market Risks**

### 4.1 **General**

In the case of certain Funds there may be limited exposure to emerging markets and investors should be aware of risks attached to investing in such markets which could have a limited impact on the performance of such relevant Funds. In particular, the following risks should be noted.

#### (a) *Settlement and Credit Risks*

The trading and settlement practices of some of the stock exchanges or markets on which a relevant Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made

by a Fund. In addition, a Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the Investment Manager to settle transactions on a delivery free of payment basis where the Investment Manager believes and the Depositary agrees that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a relevant Fund if a transaction fails to settle and the Depositary will not be liable to the relevant Fund or to the Shareholders for such a loss.

(b) *Regulatory Risks and Accounting Standards*

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

(c) *Political Risks*

The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. A Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

(d) *Custody Risks*

Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in "book-entry" form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of a Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in organised securities markets. Additional risk factors (if any) in respect of each Fund are set out in the Supplement for the relevant Fund.

(e) *Currency Risk*

The value of a Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

(f) *Legal*

The legal infrastructure and accounting, custodial, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities

markets. Risks associated with many emerging market legal systems (for example the Russian legal system) include (i) the untested nature of the independence of the judiciary and its immunity from economic, political or nationalistic influences; (ii) inconsistencies among laws, presidential decrees and governmental and ministerial orders and resolutions; (iii) the lack of judicial and administrative guidance on interpreting applicable laws; (iv) a high degree of discretion on the part of government authorities; (v) conflicting local, regional and federal laws and regulations; (vi) the relative inexperience of judges and courts in interpreting new legal norms; and (vii) the unpredictability of enforcement of foreign judgements and foreign arbitration awards. There is no guarantee that further judicial reform aimed at balancing the rights of private and governmental authorities in courts and reducing grounds for re-litigation of decided cases will be implemented and succeed in building a reliable and independent judicial system.

(g) *Market Characteristics/ Liquidity*

In general, emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and many emerging markets are not highly regulated. When seeking to sell emerging market securities, little or no market may exist for the securities. The combination of price volatility and the less liquid nature of securities markets in emerging markets may, in certain cases, affect a Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Fund.

(h) *Economic Factors*

Despite improvement in the long-term prospects of certain emerging market economies, these economies in general differ from the economies of western countries in many respects, including, for example, the general level of economic development, unemployment, wealth distribution, rate of inflation, volatility of the rate of growth and inflation, level of capital reinvestment, resource self-sufficiency, dependency on foreign trade and balance of payments position. In particular, many of these countries have high levels of external debt, and their economies have historically experienced sustained periods of extremely high inflation, and some economies continue to do so. Many emerging market countries are currently experiencing severe economic dislocation, including high real interest rates and unemployment, declining equity values, illiquid capital markets, declining GDP, and capital flight. Although such dislocations may be short-term, there can be no assurance that emerging market economies will improve, or that historical rates of inflation will not return. Moreover, while emerging market countries have made substantial progress in implementing economic reforms, including privatisation, trade liberalisation and lifting restrictions on capital flows, the reform process is not complete. In the past, emerging market governments have imposed wage and price controls, exchange controls, and have nationalized or strictly regulated key industries, and such governments may take similar actions in the future, which could adversely affect the Fund. Emerging market companies are experiencing a more competitive environment, and a process of consolidation, downsizing and modernisation is underway, all of which are contributing to significant increases in unemployment and levels of bankruptcies.

#### 4.2 **Investing through Bond Connect**

Where provided for in the relevant Supplement, a Fund may invest through Bond Connect. Investing in China is subject to the risks of investing in emerging markets (outlined above) and may expose investors to the following risks:

(a) *CIBM Risk*

CIBM is an OTC market separate to the main stock exchanges in China. On the CIBM institutional investors trade sovereign and corporate bonds on a one-to-one quote-driven basis. The CIBM accounts for more than 95% of outstanding bond values of total trading volume in China. The CIBM is regulated and supervised by the PRC. Investors should be aware that China's bond market is still in development and trading on the CIBM may expose the Fund to increased risk.

(b) *Liquidity risk*

The bid and offer spread of fixed income securities trading on the CIBM may be high. The Fund may therefore incur significant trading costs and may even suffer losses when selling such investments. In the absence of a regular and active secondary market, the Fund may not be able to sell its bond holdings at prices the Investment Manager considers advantageous and may need to hold the bonds until their maturity date.

(c) *Settlement risk*

The transaction settlement method in the CIBM is for delivery versus payment of security by the counterparty. Where the counterparty does not perform its obligations under a transaction, the Fund may sustain losses.

(d) *Bond Connect risk*

Bond Connect is a novel trading program in China. Because these laws, regulations and rules governing the Bond Connect program are recent, their interpretation and enforcement involve significant uncertainty. Any changes in laws, regulations and policies of the China bond market or rules in relation to Bond Connect may affect prices and liquidity of the relevant CIBM bonds and there is no assurance that the change will not be made in a way prejudicing the interests of the Fund. Moreover, Bond Connect and its technology and risk management capability have only a short operating history. There is no assurance that the systems and controls of the Bond Connect program will function as intended or whether they will be stable or adequate.

Investment in the CIBM under the Bond Connect programme is subject to different regulatory requirements and procedures from investment in the CIBM via a direct access. For example, unlike the investment via a direct access to the CIBM, the Fund's investment in the CIBM bonds under the Bond Connect will not involve an onshore settlement agent and will be held by the Central Money markets Unit of the Hong Kong Monetary Authority ("CMU") as the nominee holder, opening nominee account(s) with the China Central Depository & Clearing Co., Ltd ("CCDC") and the Shanghai Clearing House ("SHCH") respectively. While the distinct concepts of "nominee holder" and "beneficial owner" are generally recognised under the relevant PRC laws and regulations, the application of such rules is untested, and there is no assurance that PRC courts will recognise such rules, e.g. in liquidation proceedings of PRC companies or other legal proceedings. In addition, CIBM bonds are uncertificated and are held by CMU for its account holders.

#### 4.3 **Stock Connect Risks**

Where provided for in the relevant Supplement, a Fund may invest through Stock Connect. Investing in China is subject to the risks of investing in emerging markets (outlined above) and may expose investors to certain additional risks as detailed further below.

The Shanghai-Hong Kong Stock Connect and Shenzhen- Hong Kong Stock Connect are securities trading and clearing linked programs developed by Hong Kong Securities Clearing Company Limited ("HKSCC"), The Stock Exchange of Hong Kong Limited ("SEHK"), Shanghai

Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between mainland China and Hong Kong. The SSE, SZSE and SEHK will enable investors to trade eligible shares listed on the other's market through local securities firms or brokers ("Stock Connect Securities"), with those programs hereafter referred to as "Stock Connect". Stock Connect comprises a "Northbound Trading Link" (for investment in People's Republic of China ("PRC") shares) and a "Southbound Trading Link" (for investment in Hong Kong shares). Under the Northbound Trading Link, investors, through their Hong Kong brokers and the securities trading service company established by SEHK, may be able to place orders to trade eligible shares listed on SSE and SZSE by routing orders to SSE and SZSE.

Stock Connect is subject to quota limitations. In particular, once the remaining balance of the northbound daily quota drops to zero or the northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict a Fund's ability to invest in China A-Shares through Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies. It is contemplated that SEHK, SSE and SZSE would reserve the right to suspend northbound and/or southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the northbound trading through Stock Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The "connectivity" in the Stock Connect program requires routing of orders across the border. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) could be adversely affected.

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stockbrokers) to ensure there is no over-selling. If the Fund wishes to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling. If it fails to meet this deadline, it will not be able to sell those shares. Because of this requirement, the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

HKSCC is the "nominee holder" of the Stock Connect Securities acquired by Hong Kong and overseas investors through the Stock Connect. Foreign investors like the Fund investing through the Stock Connect holding the Stock Connect Securities through HKSCC are the beneficial owners of the assets and are therefore eligible to exercise their rights through the nominee. Stock Connect Securities are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Securities are not available currently for the Fund. Hong Kong and overseas investors such as the Fund can only hold Stock Connect Securities through their brokers/custodians. Their ownership of such is reflected in their brokers/custodians' own records such as client statements.

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Securities and/or monies in connection with them and the Fund and its investors may suffer losses as a result. Neither the Fund nor the Manager shall be responsible or liable for any such losses.

Because HKSCC is only a nominee holder and not the beneficial owner of Stock Connect Securities, in the unlikely event that HKSCC becomes subject to winding up proceedings in

Hong Kong, investors should note that Stock Connect Securities will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under mainland China law.

Stock Connect is relatively new, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect. It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that Stock Connect will not be abolished. The Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

#### 4.4 **Russian Markets**

There are significant risks inherent in investing in Russia. There is no history of stability in the Russian market and no guarantee of future stability. The economic infrastructure of Russia is relatively underdeveloped and the country maintains a high level of external and internal debt. Tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary and onerous taxes. Banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings. Bankruptcy and insolvency are a commonplace feature of the business environment. Foreign investment is affected by restrictions in terms of repatriation and convertibility of currency. The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner. Equity securities in Russia are issued only in book entry form and the Russian sub-custodian will maintain copies of the extracts. The extract is considered to be proof of an entry appearing on the share register but cannot be considered ultimate proof of a holding at a later date since shares are held in a nominee name and the balance will change, so the reconciliation of the holding will take place on the books of the sub-custodian. Therefore, the extract will not prove that an investor is the owner since they will not be known to the Registrar.

#### 4.5 **Frontier Markets**

The risks associated with investing in the securities of issuers operating in emerging market countries are magnified when investing in frontier emerging market countries. There are also additional risks specific to frontier markets. Investing in the securities of issuers operating in frontier emerging markets carries a high degree of risk and special considerations not typically associated with investing in more traditional developed markets. Frontier market securities could be affected by factors not usually associated with investments in more traditional developed markets, including risks associated with expropriation and/or nationalisation, political or social instability, pervasiveness of corruption and crime, armed conflict, the impact on the economy of civil war, religious or ethnic unrest and the withdrawal or non-renewal of any licence enabling a Fund to trade in securities of a particular country, confiscatory taxation, restrictions on transfers of assets, lack of uniform accounting, auditing and financial reporting standards, less publicly available financial and other information, diplomatic development which could affect investment in those countries and potential difficulties in enforcing contractual obligations. These risks and special considerations make investments in securities in frontier emerging market countries highly speculative in nature and, accordingly, an investment in the Fund's shares must be viewed as highly speculative in nature and may not be suitable for an investor who is not able to afford the loss of their entire investment.

## 5 **Taxation Risks**

### 5.1 **Taxation Risk**

Potential investors' attention is drawn to the taxation risk associated with investing in any Fund of the Company. See section headed "Taxation" below.

### 5.2 **FATCA**

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "IGA"). Under the IGA, an entity classified as a Foreign Financial Institution (an "FFI") that is treated as resident in Ireland is expected to provide the Revenue Commissioners with certain information in respect of its "account" holders (i.e. Shareholders). The IGA further provides for the automatic reporting and exchange of information between the Revenue Commissioners and the IRS in relation to accounts held in Irish FFIs by U.S. Persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. Provided the Fund complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and should not be required to impose FATCA withholding on payments which it makes.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Company will require certain information from investors in respect of their FATCA status. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by all Shareholders may be materially affected.

All prospective investors / shareholders should consult with their own tax advisors regarding the possible FATCA implications of an investment in the Company.

### 5.3 **CRS**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**").

The CRS, which has applied in Ireland since 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

The Company is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the Company will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the beneficial owners of the investor. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

All prospective investors / shareholders should consult with their own tax advisors regarding the possible CRS implications of an investment in the Company.



## 6 **Brexit**

### 6.1 **Risks Associated with a U.K. Exit from EU**

On June 23, 2016, the U.K. held a referendum with respect to its continued membership of the European Union (the "EU") (the "EU Referendum"). The result of the EU Referendum was a vote in favour of leaving the EU, which the UK did on 31 January 2020. The transition period with respect to the UK's departure from the EU ended on 31 December 2020 and the UK is no longer subject to EU law or part of the EU (either as a member or de facto under the transition period arrangements). It is difficult to know what the medium or long term economic, tax, fiscal, legal, regulatory and other implications of the UK's withdrawal from the EU will be for the private investment funds industry and the broader European and global markets generally and for the investments or the Fund. It is also difficult to predict how the UK's withdrawal will impact on composition of workforces and businesses operating in the UK.

From 1 January 2021, EU laws (other than those EU laws transposed into UK law (see below)) have ceased to apply to the UK. This was achieved by the UK ceasing to be party to the Treaty on European Union and the Treaty on the Functioning of the European Union, and by the parallel repeal of the European Communities Act 1972 under the Withdrawal Act. However, many EU laws have been transposed into English law and these transposed laws will continue to apply until such time as they are repealed, replaced or amended. Over the years, UK law may change and it is impossible at this time to predict the consequences on the investments or the Company's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to the Shareholders.

On 24 December 2020 the UK and the EU agreed a free trade agreement, EU-UK Trade and Cooperation Agreement of 24 December (the "**Trade Agreement**"), which covered many aspects of trade between the two but covered very little in terms of financial services. Whilst the UK has provided "equivalence" status to EU entities, the EU has not reciprocated. The EU and the UK are due to agree a memorandum of understanding on financial services and the preservation of financial stability but this will not likely include any determination by the EU with respect to the equivalence of the UK's regulatory standards and requirements.

Whilst the UK is currently aligned with the EU financial services legislation, the Trade Agreement provides that the UK may diverge from EU legislative standards, provided that if such divergences create material distortions to the EU Single Market, the EU may retaliate with tariffs.

It is not known to what extent (if any) the UK will seek to diverge from existing standards. Political commentary has suggested that the UK will look to reduce, what it sees as, unnecessary barriers and "red tape" in financial services – whether this amounts to a material divergence by the EU requiring the imposition of tariffs is yet to be considered.

It is also not certain whether other Member States may also elect to hold referendums on EU membership. Should other EU member states consider holding referendums on EU membership, this could lead to substantive political, legal and economic turbulence, which could materially adversely affect the Company and its investments. Over the years, English law may change and it is difficult at this time to predict the consequences on the Company's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to the Shareholders.

### 6.2 **Brexit – Regulatory Risk – UK Investment Manager**

The Investment Manager is authorized and regulated in the UK by the FCA pursuant to laws and regulations many of which derive from EU legislation. The UK withdrawal from the EU

means that the Investment Manager is seen as a third country firm that is based outside the EU. Therefore, any delegation of day-to-day portfolio management responsibility (including investment decision-making authority) (and other services) in relation to the Funds' portfolios to the Investment Manager must meet specified conditions set out in the UK legislation implementing the UCITS Directive. There is a risk that future changes in the EU legislation may further restrict an ability of the Manager to delegate investment management (and other) activities to a firm located outside the EU which could affect the Investment Manager's ability to continue providing services to the Company or the Fund.

In addition, any UK-based managers may be impacted by the change in the regulatory framework applicable to UK authorised investment managers and service providers. Changes in the regulatory framework applicable to such managers following the withdrawal of the UK from the EU could increase the costs borne directly or indirectly by the Fund.

### **6.3 Brexit – Market Risk**

Following the results of the UK/EU Referendum, the financial markets have experienced volatility and disruption. It is not possible to predict whether such volatility and disruption will continue, and investors should consider the effect thereof on the market, especially with the Trade Agreement by virtue of which the UK and the EU have fundamentally changed market access for financial services firms. As of 1 January 2021, UK financial services firms intending to do business in the EU are no longer allowed to make use of the EU Single Market and offer their services cross-border based on the European passport.

Investors should be aware that the result of the UK's withdrawal from the EU, the Trade Agreement and any subsequent negotiations and changes to legislation may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Company, the Funds, the investments, the Directors, the Manager, the Investment Manager and the other parties to the transaction and could therefore also be materially detrimental to the Shareholders.

Further, the prospect of the UK withdrawing from the EU led to a decline in the value of sterling against other currencies, including the Euro. This decline could continue for an indeterminate length of time, but could be reversed now the UK has officially left the EU, as it may provide more clarity and certainty to the UK's outlook. In the event of a reversal of this decline, the Euro or U.S. dollar cost of potential investments denominated in sterling may increase and may continue to increase, making such investments more expensive and, potentially, less attractive. In addition, the investments of the Funds could be similarly and adversely impacted.

### **6.4 Brexit – Exposure to Counterparties**

The Company and the Funds will be exposed to a number of counterparties throughout the life of the Company and the Funds, respectively. Such counterparties may be unable to perform their obligations due to changes in regulation or the costs of such transactions with such counterparties may increase. Such inability could adversely impact the Company and the Funds and could be materially detrimental to the Shareholders.

## **7 General**

### **7.1 General Economic and Market Conditions**

The success of a Fund's activities is affected by general economic and market conditions, such as interest rates, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may

affect the level and volatility of securities prices and the liquidity of the Fund's investments. Volatility or illiquidity could impair the Fund's profitability or result in losses.

Any Fund's investment activities may be restricted or limited by the imposition of economic and trade sanctions in respect of certain countries, territories, entities and individuals, whether directly or indirectly. Any such imposition may mean that it is difficult to realise the fair value of affected investments in the event of a sale being required.

## **7.2 Segregated Liability**

While the provisions of the Companies Act provides for segregated liability between Funds these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditor claims. Accordingly it is not free from doubt that the assets of any Fund of the Company may be exposed to the liabilities of other Funds of the Company. At the date of this Prospectus, the Directors are not aware of any such existing or contingent liability. In the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of Section 1406 of the Companies Act shall apply.

## **7.3 Class Actions**

Where a Fund invests in an asset that is subject to a class action, the Board of Directors may or may not decide to participate in such event(s). The Board of Directors may obtain independent legal advice to aid in any decision pertaining to potential class actions.

## **7.4 Umbrella Cash Account**

The Company operates an Umbrella Cash Account for all of the Funds. Monies in the Umbrella Cash Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. There is a risk for investors to the extent that monies are held by the Company in the Umbrella Cash Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Umbrella Cash Account, the investor shall rank as an unsecured creditor of the Company.

## **7.5 Financial Markets and Regulatory Change**

The laws and regulations affecting UCITS such as the Funds and their managers continue to evolve in an unpredictable manner. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the Funds and the Investment Manager's activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Funds. The Funds and the Investment Manager may be or may become subject to unduly burdensome and restrictive regulation, in particular, in response to significant recent events in international financial markets, governmental intervention and certain regulatory measures which have been or may be adopted in certain jurisdictions.

## **7.6 Operational Risks (including Cyber Security and Identity Theft)**

An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Investment Manager, the Administrator or the Depository. While the Company seeks to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund.

As part of its management services, the Investment Manager processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of the Shareholders. Similarly, service providers of the Investment Manager and of the Company, especially the Administrator, may process, store and transmit such information. The Manager, Investment Manager, Administrator and Depositary (and their respective groups) each maintain information technology systems which each service provider believes are reasonably designed to protect such information and prevent data loss and security breaches. However, like any other system, these systems cannot provide absolute security.

The techniques used to obtain unauthorised access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Investment Manager may be susceptible to compromise, leading to a breach of the Investment Manager's network. The Investment Manager's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Investment Manager to the Shareholders may also be susceptible to compromise.

The service providers of the Investment Manager and the Company are subject to the same electronic information security threats as the Investment Manager. If the Investment Manager or the service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Company and personally identifiable information of the Shareholders may be lost or improperly accessed, used or disclosed.

Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Company and its delegates, the loss or improper access, use or disclosure of proprietary information may cause the Investment Manager or a Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the relevant Fund and the Shareholders' investments therein.

It should be noted that investors in the Company will be afforded all appropriate safeguards and rights in accordance with the Data Protection Legislation.

## **8 Index Tracking Risks**

### **8.1 Index Provider Liability**

The Investment Manager cannot guarantee the accuracy or the completeness of the underlying index or any data included therein and shall have no liability for any errors, omissions or interruptions therein. Neither the Company nor the Investment Manager makes any warranty, express or implied, to the owners of shares of the Fund as to results to be obtained by the Fund from the use of the underlying index or any data included therein. Without limiting any of the foregoing, in no event shall the Investment Manager have any liability for any special, punitive, direct, indirect or consequential damages regarding the relevant index or its data, even if notified of the possibility of such damages.

The coverage and quality of ESG-related data on issuers and issuances may vary based on asset class, market exposure or instrument types. Therefore gains, losses or costs associated with index provider errors will be borne by the Funds and their investors. For example, during

a period where the relevant Index contains incorrect constituents, a Fund tracking such published Index would have market exposure to such constituents and would be underexposed to the constituents that should have been included in the Index.

## 8.2 Index Tracking Risks

The Funds are not actively managed and may be affected by a general decline in market segments related to their respective Indices. The Funds invest in securities included in, or representative of, their respective Indices, and the Funds do not attempt to take defensive positions under any market conditions, including declining markets.

While the index-tracking Funds, in accordance with their investment objectives, seek to track the performance of their respective Indices, whether through a replication or optimising strategy, there is no guarantee that they will achieve perfect tracking and the Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Indices, from time to time.

In addition, a Fund which tracks an Index with ESG objectives or characteristics may experience a deviation from the ESG performance or risk of its Index. For liquidity purposes, the Funds may hold a portion of their net assets in cash and such cash holdings will not rise and fall in line with movements in their respective Indices.

## 9 Sustainability Risks – General

A sustainability risk is 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 investments.

Sustainability risks that could negatively affect the value of a particular investment might include the following:

- (a) Environmental: extreme weather events such as flooding or earthquakes; pollution incidents; damage to biodiversity;
- (b) Social: labour strikes; health and safety incidents; product safety issues; and/or
- (c) Governance: audit finding; discrimination within a workforce; inappropriate remuneration practices; failure to protect personal data.

The relevance, severity, materiality and time horizon of sustainability risk factors and other risks can differ significantly by Funds.

Sustainability risk can occur through different existing risk types (for example through market, liquidity, credit or counterparty risk). An example of this could be a Fund may invest in an issuer that could face potentially reduced revenues or increased expenditures from physical climate risk or transition risk through a decreased demand for carbon-intensive products and services or increased production costs due to regulatory changes.

As a result, sustainability risk factors may have a material impact on an investment, may increase the volatility, affect liquidity and may result in a loss to the value of a Fund. The impact of those risks may be higher for Funds with particular investment concentrations e.g. instrument type, sector or country concentrations exposed to either physical or transitional risks

Under normal market conditions such events could have a material impact on the value of a Fund's Shares.

The impacts of sustainability risk are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts becomes available.

## **10 Sustainable Finance Disclosures Risks**

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

The series of legal measures (including SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage (the EU sustainable finance action plan) is being introduced in the European Union on a phased basis and some elements (for example supporting regulatory technical standards) have been subject to implementation delays.

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

### **10.2 ESG Data reliance**

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

### **10.3 Relative performance**

An Article 8 Fund or an Article 9 Fund may underperform or perform differently relative to other comparable funds that do not promote environmental and/or social characteristics or pursue a sustainable investment objective.

## **11 Risk Factors Not Exhaustive**

The risks set out in this Prospectus do not purport to be exhaustive and potential investors should be aware that an investment in the Company or any Fund may be exposed to risks of an exceptional nature from time to time.

**NORTHERN TRUST INVESTMENT FUNDS PLC**  
**(the "Company")**

**ADDITIONAL INFORMATION FOR INVESTORS IN GERMANY**

The following information is addressed to potential investors of the Company in the Federal Republic of Germany. This supplement is supplemental to, forms part of and should be read in conjunction with the Prospectus for the Company dated 14 August 2023 (the "Prospectus") as may be amended from time to time.

This Country Supplement will be appended to the Prospectus, which is designated for distribution in Germany. All capitalised terms contained herein shall have the same meaning in this Country Supplement as in the Prospectus unless otherwise indicated.

**RIGHT TO MARKET SHARES IN GERMANY**

Pursuant to section 310 of the German Capital Investment Code (Kapitalanlagegesetzbuch, "**KAGB**") the Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**") (Federal Institute for the Supervision of Financial Services) of the intention to market shares of selected funds in the Federal Republic of Germany.

**No marketing notification will be submitted for the following Funds of the Company:**

**The NT AC Asia ex Japan Green Transition Index Fund**  
**The NT Emerging Markets Index Fund**  
**The NT Emerging Markets Custom ESG Feeder Fund**  
**The NT Euro Government Bond Index Fund**  
**The NT Euro Government Inflation Linked Index Fund**  
**The NT Europe (ex-UK) Equity Index Fund**  
**The NT Frontier Markets Index Fund**  
**The NT Japan Equity Index Fund**  
**The NT North America Equity Index Fund**  
**The NT Pacific (Ex-Japan) Equity Index Fund**  
**The NT Emerging Markets Green Transition Index Feeder Fund**  
**The NT UK Equity Index Fund**  
**The NT World Custom ESG EUR Hedged Equity Index Feeder Fund**  
**The NT World Custom ESG Equity Index Feeder Fund**  
**The NT World Equity Index Feeder Fund**  
**The NT Index Linked Bond Index Fund**  
**The NT Developed Real Estate ESG Climate Index Feeder Fund**  
**The NT Global Green Bond Index Fund**

**Accordingly, these Funds must not be marketed to investors in the Federal Republic of Germany.**

**GERMAN FACILITIES AGENT**

The Company has appointed **ACOLIN Europe AG** as Facilities Agent for the Company in the Federal Republic of Germany pursuant to section 306a para 1 (2-6) KAGB (the "**German Facilities Agent**").

ACOLIN Europe AG  
Reichenastrasse 11 a-c,  
78467 Konstanz, Germany

The Prospectus and Fund Supplements, the Key Information Documents relating to the shares of the Company that are admitted to be marketed in Germany, the Memorandum and Articles of Association, the latest available annual and semi-annual reports as well as the issue and redemption prices of the shares may be obtained free of charge in paper form or requested electronically, from the registered office of the German Facilities Agent, ACOLIN Europe AG at [facilityagent@ACOLIN.com](mailto:facilityagent@ACOLIN.com) / [www.acolin.com/services/facilities-agency-services](http://www.acolin.com/services/facilities-agency-services).

## REDEMPTION AND CONVERSION REQUESTS, PAYMENTS

Investors may refer to the following sections of the Prospectus:

“Repurchase Requests” section on pages 48-49 of the Prospectus;

“Conversion of Shares” section on pages 52-53 of the Prospectus

Contact details of the Administrator are as follows:

Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54-62 Townsend Street, Dublin 2, Ireland

General queries: [NTfundservice@NTRS.com](mailto:NTfundservice@NTRS.com)

Submitting email dealing instructions/application forms: [NTAMTAinstructions@ntrs.com](mailto:NTAMTAinstructions@ntrs.com)

For the following Sub-Funds of the Company, a notification pursuant to Sec. 310 German Investment Code has been conducted:

Fund	Supplement Date
The NT All Country Asia ex Japan Custom ESG Equity Index Fund	14 August 2023
The NT Emerging Markets Multifactor ESG Fund	14 August 2023
The NT Emerging Markets Custom ESG Equity Index Fund	14 August 2023
The NT Emerging Markets Green Transition Index Fund	14 August 2023
The NT Emerging Markets Quality Low Carbon Fund	14 August 2023
The NT Emerging Markets ESG Leaders Equity Index Fund	14 August 2023
The NT EM Local Currency Government ESG Bond Index Fund	14 August 2023
The NT Euro Investment Grade Corporate ESG Bond Index Fund	14 August 2023
The NT Global High Yield ESG Bond Index Fund	14 August 2023
The NT High Quality Euro Government Bond Index Fund	14 August 2023
The NT Quality Low Vol Low Carbon World Feeder Fund	14 August 2023
The NT World Green Transition Index Feeder Fund	14 August 2023
The NT World Small Cap ESG Low Carbon Index Feeder Fund	14 August 2023
The NT US High Yield Fixed Income Fund	14 August 2023
The NT World Quality ESG Fund	14 August 2023
The NT Global Bond ESG Climate Index Fund	14 August 2023
The NT Global Bond 1-5 Years ESG Climate Index Fund	14 August 2023

## PUBLICATION OF PRICES

The most recent issue and redemption prices of shares for every fund launched, as well as any other documents and information in respect of the Company which must be published under Irish Law will be published on <http://www.northerntrust.com/pooledfunds>



## **PARTICULAR EVENTS**

In addition to a communication via Shareholder letter, shareholders will be informed in German via a publication on the website <http://www.northerntrust.com/pooledfunds> about the following events:

- the suspension of the redemption of the Company's shares,
- the termination of the management or winding up of the Company,
- amendments to the Memorandum and Articles of Association of the Company insofar as such amendments are not compatible with the existing investment principles, they affect material investor rights or relate to remuneration and reimbursement of expenses that can be withdrawn from the Company's assets,
- the merger of the Company,
- the conversion of the Company into a feeder fund or master fund structure.

## **TAXATION**

For questions on the tax impact of an investment in the Company, please contact your tax advisor.

Dated: 5 September 2023