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If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

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

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## **Lazard Global Active Funds Public Limited Company**

*(An open-ended investment company with variable capital  
structured as an umbrella fund with segregated  
liability between Funds incorporated  
with limited liability in Ireland under  
registration number 247292)*

### **PROSPECTUS**

#### **MANAGER**

**Lazard Fund Managers (Ireland) Limited**

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This Prospectus replaces the Prospectus dated 22 March 2024.

The date of this Prospectus is 19 September 2025.

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## IMPORTANT INFORMATION

This Prospectus comprises information relating to Lazard Global Active Funds Public Limited Company (the “**Company**”), an open-ended investment company with variable capital and with segregated liability between its sub-funds organised under the laws of Ireland. It qualifies and is authorised in Ireland by the Central Bank of Ireland (the “**Central Bank**”) as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund in that the share capital of the Company may be divided into different classes of shares (“**Shares**”) with one or more classes representing a separate sub-fund (each, a “**Fund**”) of the Company. The creation of further Funds and/or Share classes, in addition to those which exist as of the date of this Prospectus will be effected in accordance with Central Bank Requirements and will be subject to the Central Bank’s prior approval.

This Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. If there are different classes of Shares constituting a Fund, details relating to the separate classes may be dealt with in a single Supplement or in separate Supplements for each class. This Prospectus and the relevant Supplement should be read and constituted as one document. To the extent that there is any inconsistency between this Prospectus and the relevant Supplement, the relevant Supplement shall prevail.

Applications for Shares will only be considered on the basis of this Prospectus (and any relevant Supplement) and the latest published audited annual report and accounts and, if published after such report, a copy of the latest unaudited semi-annual report. These reports will form part of this Prospectus.

**The Company is both authorised and supervised by the Central Bank. The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus. The authorisation of the Company by the Central Bank 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.**

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Ireland, which may be subject to change.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus, any Supplement and the reports referred to above and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date of this Prospectus or the relevant Supplement.

The distribution of this Prospectus and the offering and placing of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe such restrictions.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, in particular attention is drawn to the selling restrictions applicable in respect of the following jurisdictions:

**(i) China**

The Shares may not be marketed, offered or sold directly or indirectly to the public in China and neither this Prospectus, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the Shares, may be supplied to the public in China or used in connection with any offer for the subscription or sale of the Shares to the public in China. The Shares may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and offshore investment from outside China. Chinese investors may be subject to foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as offshore investment approval requirements.

**(ii) Hong Kong**

The contents of this Prospectus have not been reviewed or approved by any regulatory authority in Hong Kong. This Prospectus does not constitute an offer or invitation to the public in Hong Kong to acquire Shares. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this Prospectus or any advertisement, invitation or document relating to the Shares, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to Shares which are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the “**SFO**”) and the subsidiary legislation made thereunder) or in circumstances which do not result in this Prospectus being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinances of Hong Kong (Cap. 32) (the “**CWMPO**”) or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CWMPO. The offer of the Shares is personal to the person to whom this Prospectus has been delivered by or on behalf of the Company, and a subscription for Shares will only be accepted from such person. No person to whom a copy of this Prospectus is issued may issue, circulate or distribute this Prospectus in Hong Kong or make or give a copy of this Prospectus to any other person. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

**(iii) United Arab Emirates (in the Dubai International Financial Centre)**

This Prospectus relates to the Company, which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (the “**DFSA**”). The DFSA has no responsibility for reviewing or verifying this Prospectus or any other documents in connection with the Company. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence with respect to the Shares. Shares are not being offered to “retail clients” as defined in the Conduct of Business Module of the DFSA. If you do not understand the contents of this Prospectus you should consult an authorized financial adviser.

**(iv) United Arab Emirates (Abu Dhabi and Dubai Outside of the Dubai International Financial Centre)**

By receiving this Prospectus, the person or entity to whom it has been issued understands, acknowledges and agrees that neither this Prospectus nor the Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates (the “**UAE**”), the UAE Securities and Commodities Authority (the “**SCA**”) or any other authority in the UAE, nor has the entity conducting the placement in the UAE received authorization or licensing from the Central Bank of the UAE, the SCA or any other authority in the UAE to market or sell the Shares within the UAE. The SCA accepts no liability in relation to the Company and is not making any recommendation with respect to an investment in the Company. No services relating to the Shares, including the receipt of applications and/or the allotment or redemption of such Shares, have been or will be rendered within the UAE by the Company. Nothing contained in this Prospectus is intended to constitute UAE investment, legal, tax, accounting or other professional advice. This Prospectus is for the information of prospective investors only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. Prospective investors should consult with an appropriate professional for specific advice rendered on the basis of their situation.

**(v) Taiwan**

The Funds have not been registered with the Securities and Futures Bureau, Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and are therefore not capable of being sold or publicly offered in Taiwan. Lazard Asset Management (Hong Kong) Limited and its affiliates do not maintain any licenses, authorisations or registrations in Taiwan. The offering, distribution and resale of interests in the Funds have not been approved by or registered with the Taiwan Financial Supervisory Commission and therefore cannot be offered, distributed, privately placed or resold in Taiwan.

In addition to the above and on a general basis, potential investors should inform themselves as to:

- (a) the legal requirements within the countries of their nationality, citizenship, residence, ordinary residence or domicile for the acquisition of Shares;
- (b) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Shares; and
- (c) the income tax and other taxation consequences which might be relevant to the acquisition, holding, redemption, conversion or disposal of Shares.

The Company is a recognised collective investment scheme for the purposes of Part 17 of the Financial Services and Markets Act 2000 (the “**FSMA**”) because it meets the requirements of section 63 of The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019. Shares in the Company may be promoted to the public in the United Kingdom by persons authorised to carry on regulated activity in the United Kingdom and will not be subject to the restrictions contained in Section 238 of the FSMA.

The business of the Company in the United Kingdom is subject to limited protection under the UK regulatory system. In particular, investors are unlikely to be able to seek redress under the UK regulatory system (ie, it is unlikely that investors will have access to the UK Financial Ombudsman Service). Further, investors may also not benefit from access to compensation in the UK under the Financial Services Compensation Scheme nor benefit from access to compensation under any alternative compensation scheme in Ireland in the event that either the Manager or the Depositary should become unable to meet its liabilities to investors. Shareholders should obtain independent professional advice if in doubt about eligibility.

Certain of the Funds have been registered in Austria, Belgium, Chile, Denmark, Finland, France, Germany, Italy, Lichtenstein, Luxembourg, the Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. It is intended that application will be made in other jurisdictions to enable the Shares of the Company to be marketed in those jurisdictions. In the event that such registrations take place the Company may appoint or be required to appoint paying agents (who may be required to maintain accounts through which subscription/redemption monies may be paid), representatives, distributors or other agents in the relevant jurisdictions. The fees and expenses of any such agent will be charged at normal commercial rates and discharged out of the assets of the Company.

The Shares have not been, and will not be, registered under the 1933 Act (see "Definitions") or the securities laws of any of the states of the United States or the laws of any other jurisdiction and, therefore, the Shares may not be offered, reoffered sold, resold or otherwise transferred directly or indirectly in the United States or to or for the account or benefit of any US Person (see "Definitions"), except pursuant to an exemption from, or in a transaction not subject to the regulatory requirements of, the 1933 Act and any applicable state securities laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. The Shares have not been filed with, registered, approved by or disapproved by the SEC (see "Definitions") or any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Shares or the accuracy or adequacy of this Prospectus (or any applicable Supplement) or the merits of an investment in the Shares offered hereby. Any representation to the contrary is a criminal offense. In the absence of such exemption or transaction, each applicant for Shares will be required to certify that it is not a US Person or making its investment decision from within the United States.

The Company is not open for investment by any US Person except in exceptional circumstances and then only with the prior consent of the Directors. A prospective investor will be required at the time of acquiring Shares to represent that such investor is not a US Person or acquiring Shares for or on behalf of a US Person or acquiring the Shares with the assets of an ERISA plan (as defined below). The prior consent of the Directors is required in respect of each application for Shares and the granting of such consent does not confer on investors a right to acquire Shares in respect of any future or subsequent application.

Shares may not be acquired or owned by, or acquired with the assets of:

- (i) any retirement plan subject to Title 1 of the United States Employee Retirement Income Security Act 1974, as amended ("ERISA"); or
- (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue code of 1986, as amended;

which are collectively "ERISA plans".

Where the Company becomes aware that any Shares are directly or beneficially owned by any person in breach of the above restrictions, the Company may direct the Shareholder to transfer his Shares to a person qualified to own such Shares or to request the Company to redeem Shares, in default of which, the Shareholder shall, on the expiration of 30 days from the giving of such notice, be deemed to have given a request in writing for the redemption of the Shares.

### **Information on Russian and Belarusian investors**

This Memorandum does not constitute an offer, or an invitation to make offers, sell, purchase, exchange or transfer any securities in the Russian Federation to or for the benefit of any Russian person or entity, and does not constitute an advertisement of offering of any securities in the Russian Federation within the meaning of Russian securities laws. Information contained in this Memorandum is not intended for any persons in the Russian Federation who are not “qualified investors” within the meaning of Article 51.2 of the Federal Law no. 39-FZ dated 22 April 1996 “On the securities market” (as amended) (“Russian QIs”) and must not be distributed or circulated into the Russian Federation or made available in the Russian Federation to any persons who are not Russian QIs, unless and to the extent they are otherwise permitted to access such information under Russian law.

In accordance with the provisions of EU Regulation No. 765/2006 (as amended) the subscription for shares in the Company by (i) any Belarussian national or natural person residing in Belarus or (ii) any legal person, entity or body established in Belarus is prohibited. Nationals and residents of member states of the European Union are excluded from the scope of this prohibition.

These prohibitions (and any amendments thereto) shall remain in effect for as long as the above Regulations (as may be amended) are in force.

This Prospectus, any Supplement and any KIID/KID may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus/Supplement/KIID/KID. To the extent that there is any inconsistency between the English language Prospectus/Supplement/KIID/KID and the Prospectus/Supplement/KIID/KID in another language, the English language Prospectus/Supplement/KIID/KID will prevail, except to the extent (but only to the extent) required by the law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a prospectus/supplement/key investor information document in a language other than English, the language of a prospectus/supplement/key investor information document on which such action is based shall prevail.

All disputes as to the terms of this Prospectus, any Supplement and any KIID/KID, regardless of the language in which they are translated, shall be governed by and construed in accordance with the laws of Ireland.

**The value of Investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference at any one time between the price at which Shares are subscribed for and the price at which Shares are redeemed means that any investment should be viewed as medium to long term.**

**An investment in the Company should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Investors should read and consider the risk discussion under “Risk Factors” before investing in the Company.**

**The Directors may in their absolute discretion charge a redemption fee of up to 2% of the Net Asset Value of any Shares that are to be redeemed in respect of any class of Shares in the Fund. This fee may only be charged if the Directors, in their absolute discretion, believe that any Shareholder is engaged in short term trading in a manner which is considered inappropriate and/or not in the best interests of the Shareholders or if the Directors, in their absolute discretion, believe that any Shareholder seeking redemption is attempting any form of arbitrage on the yield of the Shares.**

**This Prospectus, the applicable Supplement(s) and any relevant KIID/KID(s) should be read in their entirety before making an application for Share.**

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## DEFINITIONS

**"Act"**, the Companies Act 2014, as same may be amended from time to time.

**"Administration Agreement"**, the administration agreement dated 29 July 2022 between the Company, the Manager and the Administrator, as same may be amended from time to time.

**"Administrator"**, State Street Fund Services (Ireland) Limited and/or such other person as may be appointed, in accordance with Central Bank Requirements, to provide administration services to the Company.

**"AIFs"**, Alternative Investment Funds.

**"Application Form"**, such application form for Shares as is prescribed by the Directors in relation to a Fund.

**"Articles"**, the Articles of Association of the Company, as amended from time to time.

**"Auditors"**, PricewaterhouseCoopers, Chartered Accountants, Dublin.

**"Australian Dollars"** and **"AUS\$"**, the lawful currency of Australia.

**"Benchmarks Regulation"**, Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 as same may be amended, supplemented or re-enacted from time to time.

**"Business Day"**, in relation to a Fund, such day or days as the Directors may from time to time determine with approval of the Administrator (see relevant Supplement).

**"Central Bank"**, the Central Bank of Ireland or any successor thereof.

**"Central Bank Requirements"**, the requirements of the Central Bank pursuant to the Regulations, the Central Bank UCITS Regulations and any guidance applicable to UCITS as may be issued by the Central Bank from time to time.

**"Central Bank UCITS Regulations"**, the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 as same may be amended, supplemented or replaced from time to time.

**"Constitution"**, the Memorandum and Articles of Association of the Company.

**"Company"**, Lazard Global Active Funds Public Limited Company.

**"Currency Manager"**, State Street Bank International GmbH, Frankfurt Branch and/or such other person as may be appointed, in accordance with Central Bank Requirements, to provide currency management services to the Funds or any of them.

**"Currency Management Agreement"**, the currency management agreement dated 29 July 2022, between the Company, the Manager and State Street Bank International GmbH, Frankfurt Branch, as same may be amended from time to time.

**"Danish Krone"** and **"DKK"**, the lawful currency of Denmark.

**“Dealing Day”**, such Business Day as the Directors may from time to time determine (with the approval of the Depositary) for dealings in a Fund, provided always that there shall be at least two Dealing Days in each calendar month (see relevant Supplement).

**“Depositary”**, State Street Custodial Services (Ireland) Limited or such other person as may be appointed, with the prior approval of the Central Bank, to act as depositary to the Company.

**“Depositary Agreement”**, the depositary agreement dated 29 July 2022, between the Company and the Depositary, as same may be amended from time to time.

**“Directive”**, Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as applicable and as may be amended and supplemented from time to time.

**“Directors”**, the directors of the Company or any duly authorised committee thereof.

**“Distributor”**, Lazard Asset Management (Deutschland) GmbH, Lazard Asset Management Limited, Lazard Asset Management Schweiz AG, Lazard Frères Gestion, Lazard Asset Management (Singapore) Pte. Ltd., Lazard Asset Management (Hong Kong) Limited, the Manager, through its branches in Spain, Belgium, Sweden and the Netherlands, Lazard Gulf Limited, Lazard Asset Management LLC and/or such other Lazard Group company as may be appointed in accordance with Central Bank Requirements to act as a distributor to the Company.

**“Duties and Charges”**, in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, conversion or repurchase of Shares or the purchase or sale of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which may include, when calculating the Share Price, any provision for spreads (to take into account the difference between the estimated price at which assets were valued for the purpose of calculating the Net Asset Value and the price at which such assets were bought as a result of a subscription and sold as a result of a redemption), but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund.

**“EEA”**, the European Economic Area.

**“EU”**, the European Union.

**“Euro”, “EUR” and “€”**, the single European currency unit referred to in Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the Euro.

**“FDI”**, financial derivative instrument(s).

**“Fund”**, a fund of assets established (with the prior approval of the Central Bank) for one or more classes of Shares which is invested in accordance with the investment objective applicable to such fund.

**“Fund Schedule Supplement”**, a supplement to this Prospectus containing a list of the Funds established by the Company.

**“Investment(s)”**, any investment(s) authorised by the Memorandum and which is permitted by the Regulations and the Articles.

**“Investment Manager(s)”**, Lazard Asset Management Limited, Lazard Asset Management LLC, Lazard Japan Asset Management K.K., Lazard Asset Management Pacific Co., Lazard Asset Management (Deutschland) GmbH, Lazard Gulf Limited, and/or such other person(s) as may be appointed, in accordance with the requirements of the Central Bank, to provide investment management services to the Funds or any of them.

**“Japanese Yen”, “JPY”, “Yen” and “¥”**, the lawful currency of Japan.

**“KID(s)”**, PRIIPs Key Information Document(s) prepared in accordance with the Commission Delegated Regulation (EU) 2017/653.

**“KIID(s)”**, Key Investor Information Document(s).

**“Lazard Deutschland IMA”**, the investment management agreement dated 31 March 2014, between the Company, the Manager and Lazard Asset Management (Deutschland) GmbH, as same may be amended from time to time.

**“Lazard Dubai IMA”**, the investment management agreement dated 1 August 2014, between the Company, the Manager and Lazard Gulf Limited, as amended by a side letter dated 19 December 2017, as same may be amended from time to time.

**“Lazard Group”**, Lazard Inc and all its subsidiaries.

**“Lazard Japan IMA”**, the investment management agreement dated 1 December 2007, between the Company, the Manager and Lazard Japan Asset Management K.K. as amended by side letters dated 30 April 2013 and 18 December 2017, as same may be amended from time to time.

**“Lazard Pacific IMA”**, the investment management agreement dated 21 December 2011, between the Company, the Manager and Lazard Asset Management Pacific Co. as amended by side letters dated 29 June 2015 and 18 December 2017, as same may be amended from time to time.

**“Lazard UK IMA”**, the investment management agreement dated 15 April 1996, between the Company, the Manager and Lazard Asset Management Limited, as amended by the supplemental investment management agreement dated 20 December 2006 and by side letters dated 1 August 2006, 14 December 2012, 21 March 2014, 31 March 2014, 1 August 2014 and 21 December 2017, as same may be amended from time to time.

**“Lazard US IMA”**, the investment management agreement dated 17 September 1996, between the Company, the Manager and Lazard Asset Management LLC, as novated by agreement dated 13 January 2003, amended by the supplemental investment management agreement dated 20 December 2006 and amended by side letters dated 1 August 2006, 1 October 2010, 15 November 2011, 6 December 2011, 15 November 2012, 14 December 2012, 23 December 2013, 21 March 2014, 16 October 2015, 23 December 2015, 19 December 2017, 20 November 2019, 15 January 2020, 5 February 2021, 23 June 2021 and 7 February 2022 as same may be amended from time to time.

**“Management Agreement”**, the management agreement dated 17 July 2020 between the Company and the Manager, as same may be amended from time to time.

**“Manager”**, Lazard Fund Managers (Ireland) Limited, or such other person as may be appointed, in accordance with the requirements of the Central Bank, to act as manager to the Company.

**“Marketing Agreement”**, the marketing agreement dated 17 October 2002, between the Manager and Lazard Asset Management (Deutschland) GmbH, as amended by supplemental marketing agreement dated 6 April 2006, as same may be amended from time to time.

**“Memorandum”**, the Memorandum of Association of the Company, as amended from time to time.

**“Member State”**, a member state of the European Union.

**“Minimum Holding”**, a holding of Shares of any class having an aggregate value of such minimum amount as set out in the relevant Supplement, or as may be determined from time to time by the Directors.

**“Minimum Redemption”**, a minimum redemption (whether initial or subsequent) for Shares of any class as set out in the relevant Supplement, or as may be determined from time to time by the Directors.

**“Minimum Subscription”**, a minimum subscription (whether initial or subsequent) for Shares of any class as set out in the relevant Supplement, or as may be determined from time to time by the Directors.

**“Money Market Funds Regulation”**, Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds as same may be amended, supplemented or re-enacted from time to time.

**“Net Asset Value”**, in respect of any Fund, the net asset value of a Fund or, where applicable, of a class of Shares, determined in accordance with the Articles.

**“Net Asset Value per Share”**, the Net Asset Value divided by the number of Shares of the relevant Fund. Where there is more than one class of Shares per Fund, the Net Asset Value per Share per class will be the Net Asset Value per Share attributable to each class divided by the number Shares in issue in that class.

**“PRIIPs”**, packaged retail and insurance-based investment products provided for under Regulation (EU) No.1286/2014 of the European Parliament and of the Council of 26 November 2014 on PRIIPs.

**“Promoter and Distributor Agreement”**, the promoter and distributor agreement dated 5 March 2009, between the Company, the Manager and Lazard Asset Management Limited, as amended by side letter dated 1 March 2016, as same may be amended from time to time.

**“Prospectus”**, this document as it may be amended from time to time in accordance with Central Bank Requirements together with, where the context requires or implies, any Supplement or addendum.

**“Qualified Holder”**, any person, corporation or entity other than (i) a US person which is not a Qualified US Person; (ii) any person, corporation or entity which cannot acquire or hold Shares without violating laws or regulations applicable to it or who might expose the Company to adverse tax or regulatory consequences; (iii) a custodian, nominee, or trustee for any person, corporation or entity described in (i) and (ii) above.

**“Qualified US Person”**, a US Person who has acquired Shares with the consent of the Directors provided that the number of Qualified US Persons shall not exceed such number as the Directors shall determine from time to time with a view to precluding the Company from being required to register as an investment company under the 1940 Act or with a view to precluding the Company from becoming subject to reporting obligations or registrations obligations under the 1934 Act.

**“Regulated Markets”**, the stock exchanges and/or regulated markets listed in Appendix I.

**“Regulations”**, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011), as may be amended, supplemented and/or replaced from time to time.

**“SEC”**, the United States Securities and Exchange Commission.

**“Secretary”**, Wilton Secretarial Limited and/or such other person as may be appointed to act as secretary to the Company.

**“Securities Financing Transaction”, “SFT”**, means (a) a repurchase transaction; (b) securities or commodities lending and securities or commodities borrowing; (c) a buy-sell back transaction or sell-buy back transaction; and/or (d) a margin lending transaction, each as defined in accordance with SFTR.

**“SFDR”**, Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended and as may be further amended.

**“SFTR”**, Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012, as may be amended, supplemented and/or replaced from time to time.

**“Share(s)”**, a share or shares of no par value in the Company designated as a “Participating Share” or “Participating Shares” in the Articles.

**“Share Price”**, the price per Share as determined in accordance with the Articles and as set out in the relevant Supplement.

**“Shareholder”**, the registered holder of a Share.

**“Singapore Dollar”**, and **“SGD”**, the lawful currency of Singapore.

**“Subscriber Shares”**, shares of Stg£1 each in the capital of the Company designated as “Subscriber Shares” in the Articles and issued for the purposes of incorporating the Company.

**“Supplement”**, any document issued by the Company, including the Fund Schedule Supplement, expressed to be a supplement to this Prospectus.

**“Sustainability Factors”**, as defined in the SFDR, means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**“Sustainability Risk”**, as defined in the SFDR, means an environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the value of an Investment.

**“Sterling”, “GBP” and “Stg£”**, the lawful currency of the United Kingdom.

**“Stock Connect”**, the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect.

**“Swedish Krona”** and **“SEK”**, the lawful currency of Sweden.

**“Swiss Franc”** and **“CHF”**, the lawful currency of Switzerland.

**“Taxonomy Regulation”**, Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended.

**“UCITS”**, an Undertaking for Collective Investment in Transferable Securities established pursuant to the Directive, as amended.

**“United Kingdom”** or **“UK”**, the United Kingdom of Great Britain and Northern Ireland.

**“United States”** and **“US”**, the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the states and the Federal District of Columbia.

**“United States Dollar”**, **“the US Dollar”**, **“US Dollars”** and **“US\$”**, the lawful currency of the United States.

**“US Person”**, subject to such applicable law and to such changes as the Directors shall notify to applicants for or transferees of Shares; a national or resident of the United States, (including any corporation, partnership or other entity created or organised in, or under the laws, of the United States or any political subdivision thereof), or any estate or trust, other than an estate or trust the income of which from sources outside the United States (which is not effectively connected with the conduct of a trade or business within the United States) is not included in gross income for the purpose of computing United States federal income tax, provided, however, that the term “US Person” shall not include a branch or agency of a United States bank or insurance company that is operating outside the United States as a locally regulated branch or agency engaged in the banking or insurance business and not solely for the purpose of investing in securities under the 1933 Act.

**“Valuation Point”**, such time and day as the Directors may from time to time determine, with the approval of the Administrator, in relation to the valuation of the assets and liabilities of a Fund (see relevant Supplement).

**“1933 Act”**, the United States Securities Act of 1933, as amended.

**“1934 Act”**, the United States Securities Exchange Act of 1934, as amended.

**“1940 Act”**, the United States Investment Company Act of 1940, as amended.

## DIRECTORY

### Directors

The Directors of the Company,  
whose business address is at  
6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
D02 A342  
Ireland  
are as follows:

Andrew Finucane  
Deirdre Gormley  
Andreas Hübner  
Samantha McConnell  
Jeremy Taylor

### Registered Office

6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
D02 A342  
Ireland

### Manager

*Registered Office Address:*  
Lazard Fund Managers (Ireland)  
Limited  
6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
D02 A342  
Ireland

*Head Office Address:*  
Lazard Fund Managers (Ireland)  
Limited  
Fourth Floor  
Lumen  
Baggot Street Upper  
Dublin 4  
Ireland

### Depository

State Street Custodial Services  
(Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
D02 HD32  
Ireland

### Administrator, Registrar and Transfer Agent

State Street Fund Services  
(Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
D02 HD32  
Ireland

### Investment Managers

Lazard Asset Management Limited  
20 Manchester Square  
London  
W1U 3PJ  
United Kingdom

Lazard Asset Management LLC  
30 Rockefeller Plaza  
New York  
NY 10112-6300  
USA

Lazard Japan Asset Management  
K.K.  
Toranomon Hills Station Tower  
28<sup>th</sup> Floor, 2-6-1, Toranomon  
Minato – ku  
Tokyo  
105-5528  
Japan

Lazard Asset Management Pacific  
Co.  
Level 12,  
Gateway Building, 1 Macquarie  
Place, Sydney, NSW, 2000,  
Australia

### Currency Manager

State Street Bank International  
GmbH, Frankfurt Branch  
Solmsstraße 83  
60486 Frankfurt am Main  
Germany

Lazard Asset Management  
(Deutschland) GmbH  
Neue Mainzer Strasse 75  
60311 Frankfurt am Main  
Germany

Lazard Gulf Limited  
Gate Village 1  
Level 2, Office 206  
Dubai International Financial Centre  
Dubai  
P.O. Box 506644  
United Arab Emirates



**Auditors**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
D01 X9R7  
Ireland

**Secretary**

Wilton Secretarial Limited  
6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
D02 A342  
Ireland

**Legal Advisers to the Company  
as to Irish law**

William Fry LLP  
2 Grand Canal Square  
Dublin 2  
D02 A342  
Ireland

*as to English law:*

CMS Cameron McKenna Nabarro  
Olswang LLP  
Cannon Place, 78 Cannon Street  
London  
EC4N 6AF  
United Kingdom

**Distributors**

Lazard Asset Management  
(Singapore) Pte. Ltd.  
1 Raffles Place, #25-01  
One Raffles Place Tower 1  
Singapore  
048616

Lazard Asset Management  
Limited  
20 Manchester Square  
London  
W1U 3PJ  
United Kingdom

Lazard Asset Management (Hong  
Kong) Limited  
Level 20  
1 Harbour View Street  
Central  
Hong Kong

Lazard Asset Management  
(Deutschland) GmbH  
Neue Mainzer Strasse 75  
60311 Frankfurt am Main  
Germany

Lazard Frères Gestion  
25 rue de Courcelles,  
75008 Paris  
France

Lazard Fund Managers (Ireland)  
Limited, Spanish Branch  
Paseo De La Castellana  
140  
Piso 10  
28046 Madrid  
Spain

Lazard Fund Managers  
(Ireland) Limited, Dutch Branch  
The Office Operators  
Mondriaan Tower  
Amstelplein 54  
1096 BC Amsterdam

Lazard Asset Management  
Schweiz AG  
Uraniastrasse 12  
Zürich  
CH-8001  
Switzerland

Lazard Fund Managers  
(Ireland) Limited, Belgian Branch  
Avenue Louise 326  
1050 Brussels  
Belgium

Lazard Fund Managers  
(Ireland) Limited, Swedish  
Branch  
c/o Cecil Coworking  
AB, Norrlandsgatan 10  
111 43 Stockholm  
Sweden

Lazard Gulf Limited  
Gate Village 1  
Level 2, Office 206  
Dubai International Financial  
Centre  
Dubai  
P.O. Box 506644  
United Arab Emirates

Lazard Asset Management  
LLC  
30 Rockefeller Plaza  
New York  
NY 10112-6300  
USA

## **LAZARD GLOBAL ACTIVE FUNDS PUBLIC LIMITED COMPANY**

### **INTRODUCTION**

Lazard Global Active Funds Public Limited Company was incorporated under the laws of Ireland on 10 April 1996 and is an open-ended investment company with variable capital. The Company has been authorised by the Central Bank as a UCITS within the meaning of the Regulations and Lazard Asset Management Limited is the current promoter of the Company.

The Company is structured as an umbrella fund in that different Funds thereof may be established with the prior approval of the Central Bank. In addition, each Fund may have more than one Share class allocated to it, details of which will be set out in the relevant Supplement. The Shares of each class allocated to a Fund will rank *pari passu* with each other in all respects except as to all or any of the following:

- currency of denomination of the class;
- dividend policy;
- the level of fees and expenses to be charged; and
- the Minimum Subscription, Minimum Holding and Minimum Redemption applicable.

The assets of each Fund are separate from one another and are invested in accordance with the investment objective and policy applicable to each such Fund.

The base currency of each Fund will be determined by the Directors and will be set out in the relevant Supplement.

A list of the Funds currently established by the Company is contained in the Fund Schedule Supplement.

On the establishment of any Fund or the creation of a new class of Shares in an existing Fund, a Supplement and relevant KIID/KID(s) will be issued in respect thereof. In addition, details of all Funds and their Share classes will be set out in the annual and semi annual reports of the Company.

Shareholders are not liable for the debts of the Company.

### **Investment Objective and Policy**

#### **General**

The specific investment objective and policy for each Fund will be formulated by the Directors at the time of the creation of that Fund and set out in the relevant Supplement.

The stock exchanges and markets in which any Fund may invest are set out in Appendix I. These stock exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations, it being noted that the Central Bank does not issue a list of approved exchanges or markets. A Fund may invest in other collective investment schemes, including other Funds of the Company. A Fund may invest in FDI for direct investment purposes only where such intention is disclosed in the Fund's investment policy.

Any alteration to the investment objective or material alteration to the investment policy of any Fund at any time will be subject to the prior approval in writing of all of the Shareholders of the relevant Fund, or, if a general meeting of the Shareholders of such Fund is convened, by a majority of the votes cast at such meeting. Shareholders will be given reasonable advance notice of the implementation of any alteration to the investment objective or policy of a Fund which has been approved by Shareholders at a general meeting on the basis of a majority of votes cast so as to enable them to redeem their Shares prior to such implementation.

#### **Investment in FDI Efficient Portfolio Management / Direct Investment**

The Company may, on behalf of any Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities and money market instruments, including investment in FDI. Such techniques and instruments may be used for efficient portfolio management purposes or for hedging purposes or for direct investment purposes, where applicable. Such techniques and instruments are set out in Appendix II and may include, for example, foreign exchange contracts (which may be used to minimise exchange rate risk), index futures and swaps (both of which may be used to provide exposure consistent with a Fund's investment policy more efficiently from a cost and timing perspective, without having to invest directly in the reference assets), warrants (which may be passively acquired, for example as a result of a corporate action) and repurchase transactions (which may be used for efficient portfolio management purposes only). Efficient portfolio management means investment techniques involving transactions that are entered into for one or more of the following specific aims: the reduction of risk, the reduction of cost, or the generation of additional capital or income for a Fund. New techniques and instruments may be developed which may be suitable for use by the Company and the Company may, subject to the conditions and limits laid down by the Central Bank) employ such techniques and instruments subject to the Supplement for the relevant Fund being updated and Shareholders being notified in advance. Where the Company intends to use these instruments for direct investment purposes, full details will be disclosed in the relevant Fund's investment policy. Where a Fund intends to engage in transactions involving FDI under any circumstances, the Company shall employ a risk management process in accordance with Central Bank Requirements to enable it to monitor, measure and manage, on a continuous basis, the risk to all open derivative positions and their contribution to the overall risk profile of the Fund. Only such FDI as are provided for in the current risk management process for the Company approved by the Central Bank may be used by the Company.

#### **Investment and Borrowing Restrictions**

Investment of the assets of each Fund must comply with the Regulations. A detailed statement of the general investment and borrowing restrictions applicable to all Funds is set out in Appendix III. The Directors may impose further restrictions in respect of any Fund. Details will be set out in the relevant Supplement.

The Directors may also from time to time impose such further investment restrictions as may be compatible with or be in the interests of the Shareholders in order to comply with the laws and regulations of the countries where Shareholders of the Company are located or the Shares are marketed.

The Company will not take legal or management control of any of the entities in which its underlying investments are made.

It is intended that the Company should, subject to the prior approval of the Central Bank, have power to avail itself of any change in the investment restrictions laid down in the Regulations which would permit investment by the Company in securities, derivative instruments or in any other form of investment which, as at the date of this Prospectus, is restricted or prohibited under the Regulations.

The Company will give Shareholders at least two weeks' prior written notice of its intention to avail itself of any such change which is material in nature.

### **SFDR-related Disclosures**

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

##### ***Principal adverse sustainability impacts of the Company***

The Manager, being a company, which has less than 500 employees and which is not a parent undertaking of a group with 500 or more employees, is not, in accordance with the SFDR, currently required to consider the principal adverse impacts of investment decisions of the Company on Sustainability Factors in the manner prescribed under Article 4(1)(a) of the SFDR. The Manager takes account of Sustainability Risks in the investment decision-making process applied to the Company's Investments in the manner described in the Supplements, but has determined, for the time being, not to consider (in the manner specifically contemplated by Article 4(1)(a) of the SFDR) the principal adverse impacts of investment decisions of the Company, other than as set out in the section below entitled 'Principal adverse sustainability impacts of the Funds'.

This decision has been made on the basis that, in the Manager's opinion, it is not currently possible to access or acquire the data necessary to conduct this assessment in accordance with the requirements of the SFDR. The Manager will continue to monitor and, through on-going investee company engagement, encourage greater disclosures and transparency and if, once these uncertainties have been addressed, the Manager is satisfied that such an assessment can be properly conducted and that to do so would be in the best interests of Shareholders, it may look at that stage to consider the adverse impacts of Company investment decisions on Sustainability Factors in the manner contemplated under Article 4(1)(a) of the SFDR.

##### ***Principal adverse sustainability impacts of the Funds***

The Manager considers the principal adverse impacts on Sustainability Factors of its investment decisions in respect of those Funds which, as set out in the Fund Schedule Supplement, are subject to the disclosure rules under Articles 8 or 9 of the SFDR. The manner in which the Manager considers such principal adverse impacts will be set out in an appendix to the Supplement for the relevant Fund detailing the environment and/or social characteristics or sustainable investment objectives of that Fund."

### **Taxonomy Regulation-related Disclosures**

The investments underlying the Lazard Emerging World Fund do not take into account the EU criteria for environmentally sustainable economic activities.

### **Benchmark Indices**

The performance of a Fund may be measured against a specific index and/or a Fund may use an index as a benchmark in accordance with how the Benchmarks Regulation define 'use of a benchmark' (in either case a "Benchmark Index").

The Company has in place and maintains written plans setting out the actions that may be taken in the event that an index used by a Fund as a benchmark in accordance with the Benchmarks Regulation is materially changed or ceases to be provided. These plans include, where appropriate, details of alternative indices that might potentially be used by a Fund where an index it uses as a benchmark has to be substituted.

These plans reserve to the Directors the right, if they consider it in the interests of the Company or any Fund to do so and with the consent of the Depositary, to substitute another index for a relevant Benchmark Index if:

- (a) the particular Benchmark Index or index series ceases to be provided or to exist or is materially changed;
- (b) a new index becomes available which supersedes the existing Benchmark Index;
- (c) 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 Benchmark Index;
- (d) it becomes difficult to invest in stocks comprised within the particular Benchmark Index;
- (e) the Benchmark Index provider increases its charges to a level which the Directors consider too high;
- (f) the quality (including accuracy and availability of data) of a particular Benchmark Index has, in the opinion of the Directors, deteriorated; or
- (g) a liquid futures market in which a particular Fund is investing ceases to be available.

The Directors may change the name of a Fund, particularly if its Benchmark Index is changed.

Any change in a Benchmark Index and/or to the name of a Fund will be notified to the Central Bank and the Shareholders of the relevant Fund and will be noted in the annual and semi-annual reports of the relevant Fund issued after any such change takes place.

### **Dividend Policy**

The Directors are empowered to declare and pay dividends on any class of Shares in the Company.

Most of the Funds aim to seek capital growth rather than a significant income return, while some may also seek to generate an income return.

Dividends, if declared, will only be paid out of a Fund's net investment income return (i.e. income from dividends, interest or otherwise, less that Fund's accrued expenses to be certified for the accounting period). The timing of dividend payments in respect of any Fund will be set out in the relevant Supplement. Any dividend paid on a Share that is not being claimed will not earn interest and, if not claimed within six years of its declaration, shall be forfeited and shall be escheated for the benefit of the relevant Fund.

Dividends payable to Shareholders of distributing classes of Shares will be reinvested immediately after such dividends are paid by subscription for further Shares, unless Shareholders specifically request that dividends be remitted to them. A Shareholder who elects to have dividends remitted in cash will be deemed to have made a similar election in respect of any further Shares acquired by the Shareholder until the Shareholder revokes the election. In circumstances where a Shareholder has elected to have dividends remitted in cash but the expense involved in remitting the dividend payment exceeds the amount of the dividend to be paid, the Directors may in their absolute discretion reinvest the dividend amount in the relevant Fund immediately after such dividends are paid by subscription for further Shares. Reinvestment of dividends will be made on the dividend payment date. If a Shareholder's dividends are reinvested, there is no preliminary fee payable on the reinvestment.

The Company intends to operate an equalisation account in respect of each of the Funds in order that dividends may be paid to all Shareholders in a Fund at an undiluted rate. If Shares are acquired when the equalisation account is in operation, otherwise than at the beginning of an account period, the first distribution or accumulation after acquisition will include a refund of capital, referred to as an equalisation payment, which is not subject to tax in the UK as income. The amount of the equalisation payment must be deducted from the original purchase cost of the relevant Shares in computing the allowable cost of these Shares for UK capital gains purposes.

Dividends will not be paid in respect of any class of Shares which is an accumulating class. Income and profits, if any, attributable to an accumulating Share class will be accumulated in the relevant Fund on behalf of the Shareholders of that class and will be reflected in the Net Asset Value of the relevant accumulating Share class.

## **RISK FACTORS**

The following risk factors do not purport to be a complete description or explanation of all risk factors which should be considered when investing in the Company. Investors should also read and consider any additional risk factors which may be set out in the relevant Supplement(s).

### **1. *Market Fluctuations***

A prospective investor should be aware that Investments are subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of Investments will occur or that the investment objective of any Fund will actually be achieved. The value of Investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference at any one time between the price at which Shares are subscribed and the price at which Shares are redeemed means that any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment.

### **2. *Suspensions***

Prospective investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see under the heading "Temporary Suspensions" in this Prospectus).

### **3. *Taxation***

The attention of potential investors is drawn to the taxation risks associated with investing in the Company. Please see the section of this Prospectus headed "Taxation".

### **4. *Segregated Liability***

The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.

5. ***Foreign Exchange Risk***

Because a Fund's assets and liabilities may be denominated in currencies different to a Fund's base currency, a Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the base currency and other currencies. Changes in currency exchange rates may influence the value of a Fund's Shares, the dividends or interest earned and the gains and losses realised. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions.

Depending on an investor's currency of reference, currency fluctuations between an investor's currency of reference and the base currency of the relevant Fund may adversely affect the value of an investment in one or more Funds.

If the currency in which a security is denominated appreciates against the base currency, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

A Fund may engage in foreign currency transactions in order to hedge against currency exchange risk, however there is no guarantee that hedging or protection will be achieved. This strategy may also limit a Fund from benefiting from the performance of its securities if the currency in which the securities held by a Fund are denominated rises against the Fund's base currency. In the case of a hedged class this risk applies systematically.

6. ***Payments via Intermediaries***

Potential investors who choose or are obliged under local regulations to pay or receive subscription or redemption monies via an intermediary entity (e.g. a paying agent) bear a credit risk against that intermediary entity with respect to:

- (a) subscription monies for so long as such monies are held in an account with or in the name of such intermediary entity; and
- (b) redemption monies paid by the Company to such intermediary entity and payable to the relevant investor.

7. ***Dependence on Key Personnel***

The Company and the Funds rely on the services of the relevant Investment Manager whose performance is dependent on the services of its investment team. There can be no assurance that the relevant Investment Manager will be able to retain its current investment team. The departure or incapacity of any such individuals could have a material adverse effect on a Fund.

8. ***Valuation Risk***

The Net Asset Value of a Fund will be calculated by the Administrator based, to the extent possible, on prices obtained from independent third-party sources including exchanges. The fair market value of those assets of a Fund for which a third-party price is not available will be valued based on other sources deemed reliable by the Directors, in consultation with the Administrator. Investors should note that there is a risk that a Shareholder who redeems their Shares while a Fund holds particular assets may be paid an amount less or more than it would otherwise be paid if the actual value of such assets is higher or lower than the value provided to the Administrator. In addition, there is a risk that a subscription for Shares could dilute the

underlying value of such assets for the other Shareholders if the actual value of such assets is higher than the value provided to the Administrator. There is also a risk that greater investment management fees and performance fees (to the extent that performance fees are payable by a Fund) may be paid by a Fund in respect of certain assets or liabilities of the Fund than would have been paid if the actual value of such assets or liabilities is lower or higher than the value determined for the purposes of calculating those fees and allocations. None of the Directors, the Investment Managers or the Administrator are under any liability (including any obligation to remit excess investment management fees or performance fees to a Fund or any of the Shareholders) if a price reasonably believed to be an accurate valuation of a particular asset of the Fund is found not to be such.

9. ***Credit Risk and Counterparty Risk***

A Fund will be exposed to the credit risk of the counterparties or the brokers and dealers and exchanges through which it deals, and with whom it places margin or collateral in respect of transactions whether it engages in exchange or off-exchange traded transactions. A Fund may be subject to risk of losses in the event of a broker's bankruptcy or fraud, the bankruptcy or fraud of any clearing broker through which the broker executes and clears transactions on behalf of a Fund, or the bankruptcy or fraud of an exchange clearing house. While measures such as receiving collateral may be taken by a Fund to reduce counterparty credit risk, there can be no assurance that a counterparty will not default resulting in losses, or the increase of costs, to a Fund.

10. ***Counterparty Risk to the Depositary and other depositaries***

The Company will be exposed to the credit risk of the Depositary or any depositary used by the Depositary where cash or other assets are held by the Depositary or other depositaries. Cash held by the Depositary and other depositaries will not be segregated in practice but will be a debt owing from the Depositary or other depositaries to the Company as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depositary and/or other depositaries. In the event of the insolvency of the Depositary or other depositaries, the Company will be treated as a general unsecured creditor of the Depositary or other depositaries in relation to cash holdings of the Funds. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Fund will lose some or all of its cash. The Funds' securities are however maintained by the Depositary and sub-custodians used by the Depositary in segregated accounts and should be protected in the event of insolvency of the Depositary or sub-custodians.

11. ***Market Disruption Risk***

A Fund may incur significant losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from a disconnect from historical prices is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. In 1994, in 1998 and again in the so-called "credit crunch" of 2007-2008 a sudden restriction of credit by the dealer community resulted in forced liquidations and major losses for a number of investment vehicles. The "credit crunch" of 2007-2008 particularly affected investment vehicles focused on credit-related investments. However, because market disruptions and losses in one sector can cause ripple effects in other sectors, during the "credit crunch" of 2007-2008 many investment vehicles suffered heavy losses even though they were not necessarily heavily invested in credit-related investments. In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for a Fund and such events can



result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for a Fund to liquidate affected positions and thereby expose it to losses. There is also no assurance that off-exchange markets will remain liquid enough for an affected Fund to close out positions.

12. ***Inflation Risk***

A rising rate of inflation will have the effect of reducing, by an equivalent amount, the relative value of any gain achieved by a Fund.

13. ***Active Management Risk***

The Funds are all actively managed. The Investment Manager of each Fund identifies securities to invest in according to the particular investment strategy or investment objective being pursued and actively selects stocks on that basis. A Fund may underperform other investments and products given the style of investing and the longer-term view of the relevant Investment Manager of an underlying Investment's intrinsic value.

14. ***Liquidity Risk***

Certain securities held by a Fund may be difficult (or impossible) to sell at the time and at the price the relevant Investment Manager would like. A Fund may have to hold these securities longer than it would like and may forego other investment opportunities. There is the possibility that a Fund may lose money or be prevented from earning capital gains if it cannot sell a security at the time and price that is most beneficial to that Fund. Funds that invest in privately-placed securities, certain small company securities, high-yield bonds, mortgage-backed securities or foreign or emerging market securities, which have all experienced periods of illiquidity, are subject to liquidity risks.

15. ***Concentration Risk***

Where the portfolio of a Fund is concentrated (in terms of the number of different securities comprising the portfolio), the level of risk is expected to be higher than that associated with a broader based, more diversified portfolio. For example, the performance of a single stock within such a portfolio may have a greater effect on the relevant Fund's Net Asset Value per Share. Certain Funds may have portfolios comprising between 20 and 40 different securities and will therefore be exposed to concentration risk. In addition, some Funds may be concentrated in individual countries or sectors. If one of these components underperforms, it would have a greater effect than would be the case in a more diversified portfolio where the risk is more widely spread.

16. ***Systems Risks***

The Company and the Funds depend on the relevant Investment Manager and other third party service providers to develop and implement appropriate systems for the Funds' activities. The operational infrastructure around the Company and the Funds relies extensively on computer programs and systems (and may rely on new systems and technology in the future) for various purposes including, without limitation, trading, clearing and settling transactions, evaluating certain financial instruments, monitoring its portfolio and net capital, and generating risk management and other reports that are critical to oversight of the Funds' activities. Certain of a Fund's and the Company's delegates' operations interface will be dependent upon systems operated by third parties, the Depositary, the Administrator, market counterparties and their sub-custodians and other service providers, and the relevant Investment Manager may not be

in a position to verify the risk or reliability of such third-party systems. These programs or systems may be subject to certain limitations, including, but not limited to, those caused by computer viruses and power failures. All operations are highly dependent on each of these systems and the successful operation of such systems is often out of the Fund's or the relevant delegate's control. The failure of one or more systems or the inability of such systems to satisfy the Fund's growing businesses could have a material adverse effect on the Funds. For example, systems failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the ability of a Fund to monitor its investment portfolio and risks.

**17. *Cyber Security Risk***

The Company and its service providers are susceptible to operational and information security risk and related risks relating to cyber security incidents. In general, cyber security incidents can be the result of deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to: gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information; and corrupting data or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial of service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the Investment Managers, Administrator, Depositary or other service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interfering with the ability to calculate the Net Asset Value of a Fund, impeding trading of a Fund's portfolios, preventing Shareholders from transacting business with the Company, violating applicable privacy, data security or other laws, (and thereby subjecting the Company to regulatory fines and penalties, reputational damage, obligations to pay reimbursement or other compensation or remediation costs, legal fees, or additional compliance costs). Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the Company engages in transactions, governmental and other regulatory authorities, exchange and other financial market operations, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management system or business continuity plan, including the possibility that certain risks have not been identified.

**18. *Risks relating to the European General Data Protection Regulation***

The EU General Data Protection Regulation ("GDPR") came into effect on 25 May 2018 in all Member States and applies where a controller's processing activities relate to the provision of services to individuals in the EU. GDPR introduced significant new obligations on controllers, including requirements around accountability and transparency, formalising the processing operations of their delegates, responding to additional data subjects' rights requests within shorter timelines, reporting of personal data breaches to data protection authorities or data subjects, consideration of data protection as any new services are developed and limitation of the amount of personal data collected, processed and stored.

GDPR also introduced a substantially more comprehensive regulatory regime, of which one of the main features is that administrative fines for breaches of GDPR can reach as high as €20m or 4% of an undertaking's (or group of undertakings') annual turnover (whichever amount is greater).

The implementation of GDPR required significant changes to the policies and procedures of the Company in relation to data protection. These changes may increase the operational and

compliance costs borne by the Company and in the event of failure to comply with the requirements of GDPR, the Company could face significant administrative and monetary sanctions as well as reputational damage which may have a material adverse effect on its operations, financial condition and prospects. These risks may apply equally to certain entities in which the Funds may invest.

19. ***Political Risk***

A Fund may invest in currencies and in securities traded in various markets throughout the world, including in emerging or developing markets, some of which are highly controlled by governmental authorities. Such Investments require consideration of certain risks typically not associated with investing in currencies or in securities of developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of Investments made in such regions. Unexpected volatility or illiquidity could impair a Fund's profitability or result in losses.

The economies of the countries in which a Fund may invest differ in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries in which a Fund may invest may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

20. ***Emerging Markets Risk Factors***

Funds which invest directly in, or otherwise have exposure to emerging market securities may be subject to the following additional risk factors:

*Political and Economic Factors*

There is, in some emerging market countries, a higher than usual risk of nationalisation, expropriation or confiscatory taxation, any of which might have an adverse effect on the value of Investments in those countries. Emerging market countries may also be subject to higher than usual risks of political changes, government regulation, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries.

The economies of many emerging market countries can be heavily dependent on international trade and accordingly have been and may continue to be adversely affected by trade barriers, managed adjustments in relative currency values, other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

In this regard, investments in emerging countries may involve risks of restrictive currency control regulations and currency conversion rates may be artificial to actual market values.

Currency exchange rates in emerging markets may fluctuate significantly over short periods of time.

#### *Counterparty Risk and Liquidity Factors*

There can be no assurance that there will be any market for any Investments acquired by a Fund or, if there is such a local market, that there will exist a secure method of delivery against payment which would, in the event of a sale or purchase by or on behalf of a Fund, avoid exposure to counterparty risk on the buyer or the seller. It is possible that, even if a market exists for such Investment, that market may be highly illiquid. Such lack of liquidity may adversely affect the value or ease of disposal of such Investments. There is a risk that counterparties may not perform their obligations and that settlement of transactions may not occur.

#### *Legal Factors*

The legislative framework in emerging market countries for the purchase and sale of investments and in relation to beneficial interests in those investments may be relatively new and untested and there can be no assurance regarding how the courts or agencies of emerging market countries will react to questions arising from a Fund's investment in such countries and arrangements contemplated in relation thereto.

There is no guarantee that any arrangements made, or agreement entered into, between the Depositary and any correspondent (i.e. an agent, sub-custodian or delegate) will be upheld by a court of any emerging market country, or that any judgement obtained by the Depositary or the Company against any such correspondent in a court of any jurisdiction will be enforced by a court of any emerging market country.

Companies in emerging markets may not be subject to the same level of government supervision and stock exchanges to the same level of regulation as may be expected in countries with more advanced securities markets. Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions. There may be restrictions on foreign investment in certain securities by certain Funds and, as a result, limited investment opportunities for a Fund. Substantial government involvement in, and influence on, the economy may affect the value of securities in certain emerging markets.

#### *Reporting and Valuation Factors*

There can be no guarantee of the accuracy of information available in emerging market countries in relation to Investments which may adversely affect the accuracy of the value of Shares in a Fund. Accounting practices are in many respects less rigorous than those applicable in more developed markets. Similarly, the amount and quality of information required for reporting by companies in emerging market countries is generally of a relatively lower degree than in more developed markets.

### *Exchange Control and Repatriation Factors*

It may not be possible for a Fund to repatriate capital, dividends, interest and other income from emerging market countries, or it may require government consents to do so. A Fund could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

### *Settlement Factors*

There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of the Depositary or the Company as the holder of securities. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by a Fund, including those related to dividends, can be realised.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions and solvency of the broker and counterparty risk for that period of time.

The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realising Investments.

### *Currency factors*

The economies of emerging countries generally are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain countries in which a Fund may invest may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

### *Custody Factors*

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 some of its assets. Such circumstances may include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by a Fund in investing and holding Investments in such markets will generally be higher than in organised securities markets.

### *Default Risk*

A Fund's Investments may include securities issued by corporate or other non-sovereign entities located or doing business in emerging market countries and sovereign obligations of emerging market countries. There is a risk that the issuing entity will default or reschedule its obligation to repay the principal and interest, and a Fund may have limited recourse against the issuer.

### *Emerging Market Corporate Debt Securities*

A Fund may invest in fixed income securities issued by corporate issuers, which may or may not be denominated in the local currency of the issuer. The market values of these securities are sensitive to individual corporate developments and changes in economic conditions. Emerging markets issuers may be highly leveraged and may not have more traditional methods of financing available to them. Therefore, their ability to service their debt obligations during an economic downturn or during sustained periods of rising interest rates may be impaired, resulting in a higher risk of default.

### *Emerging Market Sovereign Debt Securities*

A Fund may invest in sovereign debt securities, denominated in the local currency of the issuer. Investing in sovereign debt securities will expose the relevant Fund to the direct or indirect consequences of political, social or economic changes in the emerging market countries that issue the securities. The ability and willingness of sovereign issuers in emerging market countries or the governmental authorities that control repayment of their debt to pay principal and interest on such debt when due may depend on general economic and political conditions within the relevant country. Countries in which a Fund intends to invest have historically experienced, and may continue to experience, high rates of inflation, high interest rates, exchange rate fluctuations, trade difficulties and extreme poverty and unemployment. Many of these countries are also characterised by political uncertainty or instability.

As a result of the foregoing, a governmental issuer may default on its obligations. If such a default occurs, the relevant Fund may have limited legal recourse against the issuer and/or guarantor. Remedies may, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign sovereign debt securities to obtain recourse may be subject to the political climate in the relevant country.

Sovereign issuers in emerging market countries have been among the world's largest debtors to commercial banks, other governments, international financial organisations and other financial institutions. These issuers have in the past experienced substantial difficulties in servicing their external debt obligations, which have led to defaults on certain obligations and the restructuring of certain indebtedness. Holders of certain foreign sovereign debt securities may be requested to participate in the restructuring of such obligations and to extend further loans to their issuers.

## **21. *Risks associated with investment in Russia***

Where a Fund invests in Russia, investors should be aware that the laws relating to securities investment and regulation in Russia have been created on an ad-hoc basis and do not tend to keep pace with market developments. This may lead to ambiguities in interpretation and inconsistent and arbitrary application of such regulation. In addition, investors should note that the process of monitoring and enforcement of applicable regulations is rudimentary.

Equity securities in Russia are dematerialised and the only legal evidence of ownership is entry of the shareholder's name on the share register of the issuer. The concept of fiduciary duty is not well established and so shareholders may suffer dilution or loss of investment due to the actions of management without satisfactory legal remedy.

Rules regulating corporate governance either do not exist or are undeveloped and offer little protection to minority shareholders.

## 22. **MENA Risk**

In addition to the general risks associated with emerging markets, trading in the Middle East and North Africa ("MENA") region is subject to particular risks.

The economies and financial markets of the MENA region can be interdependent and may all decline at the same time. Accordingly, Funds with significant exposure to the MENA region might generally be exposed to more risk than funds which are more geographically diversified.

Instability in MENA countries may result from factors such as government or military intervention in decision making, terrorism, civil unrest, extremism or hostilities between neighbouring countries. An outbreak of hostilities could result in substantial losses to a Fund with significant exposure to MENA. In certain countries traditionally held views may be opposed to foreign investment. If such views gain strength in a country they could have a destabilising effect on the investment activities of a Fund.

The quality, timing and reliability of official data published by the government and government agencies of some MENA countries may not always be equivalent to that of more developed countries.

In MENA countries, markets may observe holidays for several days during which no subscriptions and/or redemptions will be processed. Moreover, exact dates of market closures may be known only a very short time in advance. In such circumstances, it may become necessary to temporarily suspend dealing in a Fund with significant MENA exposure and the calculation of any such Fund's Net Asset Value in accordance with the terms of the Prospectus until such time as the relevant markets re-open.

In certain MENA countries, the marketability of quoted shares is limited due to the restricted opening hours of stock exchanges, a narrow range of investors and a relatively high portion of market value being concentrated in the hands of a relatively small number of shareholders. Trading volume is generally lower than on more developed stock markets and equities are generally less liquid. The infrastructure for clearing, settlement, registration and depositary services on the primary and secondary markets of MENA countries is in some cases less developed than in certain other markets and under certain circumstances this may result in experiencing delays in settling and/or registering transactions in the markets in which it invests particularly if the growth of foreign and domestic investment in MENA countries places an undue burden on such investment infrastructure.

MENA countries may have less developed corporate laws in relation to fiduciary duties of officers and directors and the protection of investors.

A Fund may invest in companies that are domiciled in MENA countries which practice share blocking. Share blocking requires investors who vote at general meetings of such companies, to surrender the right to dispose of their shares for a defined period of time. Investments in such companies may limit a Fund's ability to liquidate or acquire assets during such a defined period of time to the detriment of investors or restrict a Fund's Investment Manager from exercising voting rights on behalf of a Fund. Countries which practice share blocking include Egypt, Morocco, Oman and Qatar.

The fraudulent acts of brokers, as well as any delays and errors in settlement, regardless of the instructing party, may have negative consequences for a Fund that invests in the MENA region including, without limitation, the imposition of penalties and fines that may result in a reduction in the value of a Fund.

23. ***Risks associated with investment in Kuwait***

The manner in which the Kuwaiti market functions is unique. In addition to the general risks associated with investing in emerging markets, there are numerous settlement risks associated with trading in Kuwait (including, without limitation, settlement failure due to delays and errors in trading instructions, lack of pre-matching of trades at the depository and lack of balance pre-checking of the availability of securities by the local broker). Settlement delay or failure may result in penalties being levied by the local clearing house.

Kuwaiti Tax: the position on various forms of taxation of holdings in Kuwaiti securities is currently evolving and there are no definitive regulations or market practices as to the application of such taxes including, for example, whether or not the Kuwaiti government will require a Fund to pay tax on retained earnings in relation to a Fund's investments in Kuwait. As such, it is possible that the taxes payable by a Fund that invests in Kuwait may not be accurately or definitively known until a later date. Therefore, the taxes payable may be higher or lower than the amount, if any, which such a Fund will have estimated and accrued. While the Investment Manager(s) will take steps to monitor and manage this uncertainty, there is a risk that taxes payable by a Fund that invests in Kuwait will be allocated to the existing Shareholders of such Fund rateably at the time such taxes are identified and will be reflected in its Net Asset Value.

24. ***Risks linked with dealing in securities in China via Stock Connect***

Certain Funds may invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and/or the Shenzhen Hong Kong Stock Connect (together "Stock Connect"). Stock Connect is a securities trading and clearing linked programme developed by Hong Kong Exchanges and Clearing Limited, Shanghai Stock Exchange, Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited, with an aim to achieve mutual stock market access between the People's Republic of China and Hong Kong. Investing in the People's Republic of China via Stock Connect bypasses the requirement to obtain RQFII status, which is required for direct access to either of the Shanghai Stock Exchange or the Shenzhen Stock Exchange.

Under Stock Connect, overseas investors (including the Funds which invest in China A-Shares) may be allowed, subject to rules and regulations issued/amended from time to time, to trade certain China A-Shares listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange.

Stock Connect is subject to quota limitations measuring total purchases and sales of securities via Stock Connect. Buy orders and sell orders offset each other for the purposes of the quota. For example, if the daily quota is exceeded, buy orders will be rejected until the next trading



day. The quota is not particular to a Fund or Investment Manager, it is applied to the market as a whole and this may restrict a Fund's ability to deal via Stock Connect on a timely basis and may impact on that Fund's ability to implement its investment strategy effectively.

Investors should also note that a security may be recalled from the scope of Stock Connect. This may adversely affect a Fund's ability to meet its investment objective, e.g. when it wishes to purchase a security which is recalled from the scope of Stock Connect. In addition, should a security be recalled from the scope of Stock Connect, there is a risk that a Fund may lose some or all of the value of the security, if there are insufficient funds to pay all participants in Stock Connect.

The precise nature and rights of a Fund as the beneficial owner of China A Shares through the Stock Connect programme is not well defined and enforcement of rights under Chinese law therefore is uncertain.

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

To facilitate investors, whose China A Shares are listed on either the Shanghai or Shenzhen Stock Exchanges and are maintained with custodians, to sell those securities without having to pre-deliver them from their custodians to their executing brokers, an enhanced pre-trade checking model (or "SPSA Model") was introduced.

Under the SPSA Model, an investor, whose China A shares are maintained with a custodian that is registered and admitted to participate in the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited ("CCASS"), can request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in such securities. Each SPSA will be assigned a unique investor identification number by CCASS. The investor may designate up to 20 executing brokers to use its unique identification number to execute orders in those securities on its behalf. The SPSA Model allows pre-trade checking to be completed without the investor transferring its China A shares from its custodian to its executing broker before the market opens on the day of selling. Under the SPSA Model, an investor will only need to transfer its China A shares from its SPSA to its executing broker's account after execution and not before placing the sell order.

If the SPSA Model ceases to be available to a Fund for any reason at any time, this may adversely affect a Fund's ability to meet its investment objective and to buy or sell China A Shares in a timely manner.

## **25. *Equity Market Risk***

Equity securities fluctuate in value in response to many factors, including the activities, results of operations and financial condition of individual issuers, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments (GDP, inflation, fiscal and monetary policy). In addition, events such as domestic and international political instability, terrorism and natural disasters may be unforeseeable and contribute to market volatility in ways that may adversely affect equity and equity-related investments made by a Fund.

26. ***Equity Style Risk***

This is the risk that can arise from an investment manager's tendency to favour companies that have certain style characteristics (e.g. Growth, Value, Quality, Defensive). Periods can exist where any such style can become particularly favoured (or disliked) by other market participants, and this can influence performance. During any period when the style that is the focus of a Fund's investment strategy ceases to be in favour, there is a higher chance that the particular Fund's performance might be negatively impacted.

27. ***Risks associated with Debt and Other Fixed Income Securities***

*Credit Risk*

The actual or perceived reduction in the creditworthiness of debt issuers generally will have adverse effects on the values of their debt securities. Credit risk is the risk that the issuer or guarantor of a debt security or counterparty to a Fund's investments will be unable or unwilling to make timely principal and/or interest payments, or otherwise will be unable or unwilling to honour its financial obligations. A Fund may be subject to credit risk to the extent that it invests in debt securities or engages in transactions, such as securities loans or repurchase agreements, which involve a promise by a third party to honour an obligation to that Fund. Credit risk is particularly significant in the event that a Fund invests a material portion of its assets in "junk bonds" or lower-rated securities.

*Interest Rate Risk*

The price of a bond or a fixed income security is dependent upon interest rates. Therefore, the share price and total return of a Fund investing a significant portion of its assets in bonds or fixed income securities will vary in response to changes in interest rates. A rise in interest rates causes the value of a bond to decrease, and vice-versa. There is the possibility that the value of a Fund's investment in bonds or fixed income securities may fall because bonds or fixed income securities generally fall in value when interest rates rise. The longer the term of a bond or fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes. Changes in interest rates may have a significant effect on a Fund.

*Reinvestment Risk*

It may not be possible to re-invest cash flows from fixed-income securities (coupons, return of principal) at a yield comparable to the current rate of return of the overall Fund which holds such securities or of individual security itself. This may reduce the potential return available to Shareholders in a Fund.

*Downgrading and Lower Rated Securities Risk*

Certain Funds may invest in below investment grade fixed income securities or bonds. Investment in fixed income securities or bonds are subject to the risk of an issuer's default or inability to repay the principal and interest. Where a rating agent, such as S&P or Moody's, downgrades a bond to sub-investment grade or below investment grade after the date such security was first purchased by a Fund, such Fund may continue to hold the downgraded security in order to avoid a distressed sale where not prohibited from doing so according to the terms of such Fund's investment policy. Below investment grade bonds are more likely to react to developments affecting market and credit risk than more highly rated bonds. Where the Funds hold sub-investment grade bonds, the risk of default on repayments increases, which can impact the capital value of such a Fund.

Bonds rated below investment grade are speculative in nature, involve greater risk of default by the issuing entity and may be subject to greater market fluctuations than higher rated fixed income securities. They are usually issued by companies without long track records of sales and earnings, or by those companies with questionable credit strength. The retail secondary market for these below investment grade bonds or “junk bonds” may be less liquid than that of higher rated securities and adverse conditions could make it difficult at times to sell certain securities or could result in lower prices than those used in calculating a Fund’s Net Asset Value. A Fund investing in “junk bonds” may also be subject to greater credit risk because it may invest in debt securities issued in connection with corporate restructuring by highly leveraged issuers or in debt securities not current in the payment of interest or principal or in default. “junk bonds” may contain redemption or call provisions. If an issuer exercises these provisions in a declining interest rate market, a Fund would have to replace the security with a lower yielding security, resulting in a decreased return. Conversely, a junk bond’s value will decrease in a rising interest rate market, as will the value of the relevant Fund’s assets. If a Fund experiences unexpected net redemptions, this may force it to sell its junk bonds, without regard to their investment merits, thereby decreasing the asset base upon which a Fund’s expenses can be spread and possibly reducing a Fund’s rate of return.

#### *Asset-Backed Securities Risk*

Asset-backed securities represent interests in pools of consumer loans such as credit card receivables, automobile loans and leases, leases on equipment such as computers, and other financial instruments and are subject to certain additional risks. Rising interest rates tend to extend the duration of asset-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, a Fund may exhibit additional volatility. The risk of default by borrowers is greater during periods of rising interest rates and/or unemployment rates. In addition, the principal on asset-backed securities may be prepaid at any time, which will reduce the yield and market value. When interest rates are declining, there are usually more prepayments of loans as borrowers are motivated to pay off debt and refinance at new lower rates, which will shorten the life of these securities. The reinvestment of cash received from prepayments will, therefore, usually be at a lower interest rate than the original investment, lowering a Fund’s yield. Prepayments also vary based on, among other factors, general economic conditions and other demographic conditions.

If a Fund purchases asset-backed securities that are “subordinated” to other interests in the same pool of assets, that Fund, as a holder of those securities, may only receive payments after the pool’s obligations to other investors have been satisfied. In addition, instability in the markets for asset-backed securities may affect the liquidity of such securities, which means that the Fund may be unable to sell such securities at an advantageous time and price. As a result, the value of such securities may decrease and the Fund may incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated asset-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities.

#### *Mortgage Backed Securities Risk*

The principal on mortgage-backed securities may be prepaid at any time, which will reduce the yield and market value. If interest rates fall, the rate of prepayments tends to increase as borrowers are motivated to pay off debt and refinance at new lower rates. Rising interest rates tend to extend the duration of mortgage-backed securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, a Fund that holds mortgage-backed securities may exhibit additional volatility. This is known as extension risk. In addition, the risk of default by borrowers is greater during periods of rising interest rates and/or

unemployment rates. The early retirement of particular classes or series of a collateralised mortgage obligation held by a Fund would have the same effect as the prepayment of mortgages underlying other mortgage-backed securities.

If a Fund purchases mortgage-backed securities that are “subordinated” to other interests in the same mortgage pool, that Fund, as a holder of those securities, may only receive payments after the pool’s obligations to other investors have been satisfied. For example, an unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool’s ability to make payments of principal or interest to the Fund as a holder of such subordinated securities, reducing the values of those securities or in some cases rendering them worthless. Certain mortgage-backed securities may include securities backed by pools of mortgage loans made to “subprime” borrowers or borrowers with blemished credit histories; the risk of defaults is generally higher in the case of mortgage pools that include such subprime mortgages. The underwriting standards for subprime loans are more flexible than the standards generally used by banks for borrowers with non-blemished credit histories with regard to the borrower’s credit standing and repayment ability. Borrowers who qualify generally have impaired credit histories, which may include a record of major derogatory credit items such as outstanding judgments or prior bankruptcies. In addition, they may not have the documentation required to qualify for a standard mortgage loan. As a result, the mortgage loans in the mortgage pool are likely to experience rates of delinquency, foreclosure, and bankruptcy that are higher, and that may be substantially higher, than those experienced by mortgage loans underwritten in a more traditional manner. In addition, changes in the values of the mortgaged properties, as well as changes in interest rates, may have a greater effect on the delinquency, foreclosure, bankruptcy, and loss experience of the mortgage loans in the mortgage pool than on mortgage loans originated in a more traditional manner. Moreover, instability in the markets for mortgage-backed securities may affect the liquidity of such securities, which means that a Fund may be unable to sell such securities at an advantageous time and price. As a result, the value of such securities may decrease and a Fund may incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated mortgage-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities.

#### *Corporate Debt Securities*

A Fund may invest in fixed income securities issued by corporate issuers, which may or may not be denominated in the local currency of the issuer. The market values of these securities are sensitive to individual corporate developments and changes in economic conditions. The ability of corporations to service their debt obligations during an economic downturn or during sustained periods of rising interest rates may be impaired, resulting in a higher risk of default.

#### *Sovereign Debt Securities*

Investing in sovereign debt securities will expose a Fund to the direct or indirect consequences of political, social or economic changes in the countries that issue the securities. The ability and willingness of sovereign issuers or the governmental authorities that control repayment of their debt to pay principal and interest on such debt when due may depend on general economic and political conditions within the relevant country.

As a result of the foregoing, a government issuer may default on its obligations. If such a default occurs, a Fund holding securities of such government issuer may have limited legal recourse against the issuer and/or guarantor. Remedies may, in some cases, be pursued in the courts of the jurisdiction of the defaulting party itself, and the ability of the holder of foreign sovereign debt securities to obtain recourse may be subject to the political climate in the relevant country.

#### *Puttable Bond Risk*

A Fund may invest in puttable bonds, which allows a fund to sell the bonds back to the issuer before maturity at a predetermined price. These bonds offer flexibility but may provide lower returns compared to other types of bonds and are generally subject to higher liquidity and default risks. If many bondholders exercise their put options simultaneously, the issuer may struggle to meet repayment obligations, potentially leading to financial distress or default. In extreme cases, such as issuer bankruptcy, bondholders risk losing their entire investment, which could negatively impact the Fund's performance.

#### *Sinkable Bond Risk*

A Fund may invest in sinkable bonds, which require the issuer to retire portions of the bond principal periodically. This creates prepayment risk as the Fund may receive principal repayments earlier than anticipated. These repayments may occur at unfavourable times, forcing the Fund to reinvest the proceeds in lower-yielding securities or under adverse market conditions. The unpredictability of sinking fund schedules, combined with market influences, may negatively impact the Fund's returns.

### **28. Convertible Securities Risk**

Convertible securities include corporate bonds, notes, preferred stocks or debt-securities of issuers that can be converted into (that is, exchanged for) common stocks or other equity securities at a stated price or rate. Convertible securities also include other securities, such as warrants, that provide an opportunity for equity participation. Because convertible securities can be converted into equity securities, their value will normally vary in some proportion with those of the underlying equity securities. Due to the conversion feature, convertible securities generally yield less than non-convertible fixed income securities of similar credit quality and maturity. A Fund's investment in convertible securities may at times include securities that have a mandatory conversion feature, pursuant to which the securities convert automatically into common stock at a specified date and conversion ratio, or that are convertible at the option of the issuer. When conversion is not at the option of the holder, a Fund may be required to convert the security into the underlying common stock even at times when the value of the underlying common stock has declined substantially.

### **29. FDI Risk Factors**

#### *General*

A Fund may use FDI subject to the limits and conditions set out in Appendix II. These derivative positions may be executed either on an organised exchange or over-the-counter ("OTC"). FDI tend to have a greater volatility than the securities to which they relate and, correspondingly, they bear a greater degree of risk. The primary risks associated with the use of FDI are (i) failure to predict accurately the direction of the market movements, (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of a Fund's derivatives and (iii) operational risk, for example, the risk of direct or indirect loss resulting from inadequate or failed processes, people and systems or from external events. These techniques may not always be possible or effective in enhancing returns or mitigating risk. A Fund's investment in OTC derivatives is subject to the risk of counterparty default. In addition, a Fund may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or because the transaction becomes unenforceable due to relevant legislation and regulation. To the extent that a Fund invests in FDI, it may take a credit risk with regard to parties with whom it trades

and may also bear the risk of settlement default. Any use of FDI will be in accordance with Central Bank Requirements and the Company's risk management process.

#### *OTC Transaction Risk*

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps, total return swaps and certain options on currencies are generally traded) than of transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with OTC financial derivative transactions. Therefore, a Fund entering into OTC transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transaction and that it will sustain losses. The Company will only enter into transactions with counterparties which it believes to be creditworthy and may reduce the exposure incurred in connection with such transactions through the receipt of letters of credit or collateral from certain counterparties. However, regardless of the measures the Company may seek to implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Fund will not sustain losses as a result, which may ultimately impact the performance of a Fund and potential returns to investors.

From time to time, the counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments. In such instances, the Company might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance. Further, in contrast to exchange traded instruments, forward, spot and option contracts on currencies do not provide the Investment Managers with the possibility to offset the Company's obligations through an equal and opposite transaction. For this reason, in entering into forward, spot or options contracts, the Company may be required, and must be able, to perform its obligations under the contracts.

#### *Forward Commitments*

A Fund may make contracts to purchase currencies for a fixed price at a future date beyond customary settlement time ("forward commitments") because new issues of securities are frequently offered to investors, such as one of the Funds, on that basis. Forward commitments involve a risk of loss if the value of the security to be purchased declines prior to the settlement date. This risk is in addition to the risk of decline in value of a Fund's other assets. Although a Fund will enter into such contracts with the intention of acquiring the securities, a Fund may dispose of a forward commitment prior to a settlement date if the relevant Investment Manager deems it appropriate to do so. A Fund may realise short-term profits or losses upon the sale of forward commitments.

#### *Forward Trading*

Forward currency contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the dealer or counterparty being contracted with to fulfil its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on

regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a Fund has a forward currency contract. Although all Funds seek to trade with responsible counterparties, failure by a counterparty to fulfil its contractual obligation could expose the relevant Fund to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any currency market traded by a Fund due to unusually high or low trading volumes, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which the relevant Investment Manager would otherwise experience, to the possible detriment of a Fund. Market illiquidity or disruption could result in major losses to a Fund.

### *Swap Agreements*

A Fund may enter into swap agreements and options on swap agreements ("swaptions"). These agreements can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. A Fund, for instance, may enter into swap agreements with respect to interest rates, credit defaults, currencies, securities, indexes of securities and other assets or other measures of risk or return. Depending on their structure, swap agreements may increase or decrease a Fund's exposure to, for example, equity securities, long-term or short-term interest rates, foreign currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. A Fund is not limited to any particular form of swap agreement if consistent with that Fund's investment objective.

Whether a Fund's use of swap agreements or swaptions is successful depends on the Investment Manager's ability to select appropriate transactions for that Fund. Moreover, a Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. A Fund will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of a Fund to post or maintain required collateral. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could adversely affect a Fund's ability to terminate existing swap transactions or to realise amounts to be received under such transactions.

### *Call Options*

A Fund may incur risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (i.e. the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

### *Put Options*

A Fund may incur risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (i.e., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

### *Warrants*

Warrants are similar to options in that they give the holder the right but not the obligation to buy or sell stock at a set price in the future. A warrant guarantees the holder the right to buy (or sell) a specific number of shares at a specific price (the strike price) for a defined period of time. Unlike options on equity securities that are listed and trade on exchanges, warrants are usually issued by corporations through private transactions and typically trade over-the-counter. The general movement in the stock markets, prevailing and anticipated economic and general economic conditions, interest rate movements, strike level, time remaining to expiry could affect the value of a warrant. The buyer of a warrant assumes the risk of losing its entire investment in such warrant.

### *Participatory Notes ("P-Notes")*

Investment in P-Notes may involve an OTC transaction with a third party. Investing in P-Notes may expose a Fund not only to movements in the value of the underlying equity but also to the risk of counterparty default, which may in the event of counterparty default result in the loss of the full market value of the equity.

### *Futures*

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The low margins normally required in futures trading permit a very high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or loss which is high in proportion to the amount of funds actually placed as margin and may result in unquantifiable further loss exceeding any margin deposited. Futures trading in many contracts on futures exchanges (although generally not in currencies) is subject to daily price fluctuation restrictions, commonly referred to as "daily limits", which prohibit the execution of futures trades on any given day outside a prescribed price range based on the previous day's closing prices. Daily limits do not limit ultimate losses but may make it costly or impossible for the relevant Investment Manager to liquidate a futures position against which the market is moving. A series of "limit moves", in which the market price moves the "daily limit" with little or no trading taking place, could subject a Fund to major losses.

### *Other Instruments*

A Fund may take advantage of opportunities with respect to certain other instruments that are not at the date of this Prospectus contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment policy of a Fund and the Company's risk management process and are otherwise legally permissible. Special risks may apply to instruments that are invested in by a Fund in the future



that cannot be determined at this time or until such instruments are developed or invested in by a Fund.

30. ***Risks associated with investment in exchange-traded funds ("ETFs")***

A Fund may invest in ETFs and in FDI which provide exposure to ETFs. ETFs seek to track the performance and dividend yield of specific indices or companies in related industries. These indices may be either broad-based, sector, or international. ETF shareholders are generally subject to the same risk as holders of the underlying securities they are designed to track. ETFs are also subject to certain additional risks, including, without limitation, the risk that their prices may not correlate perfectly with changes in the prices of the underlying securities they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. In addition, a Fund may bear, along with other direct holders of an ETF, its pro rata portion of the ETF's expenses, including management fees.

31. ***Leverage Risk***

When a Fund borrows money or otherwise leverages its holdings, for example, where it utilises FDI, the value of an investment in that Fund will be more volatile and all other risks will tend to be compounded.

32. ***Volatility Risk***

A Fund's investment program may involve the purchase and sale of relatively volatile instruments such as FDI which are frequently valued based on the implied volatilities of such FDI compared to the historical volatility of the underlying financial instruments. Fluctuations or prolonged changes in the volatility of such instruments can adversely affect the value of investments held by the Fund. In addition, many financial markets in which the Funds may invest or trade are not as developed or as efficient as, for example, the U.S. financial markets and, as a result, the price volatility of such Funds' investments traded in such markets may be high.

33. ***Investment in a Fund not equivalent to a Deposit***

A Fund may invest a significant amount of its Net Asset Value in deposits and/or money market instruments but an investment in such a Fund should not be considered by investors as an alternative to investing in a regular deposit account. Investors should note that a holding in a Fund is subject to the risks associated with investing in a collective investment undertaking, in particular the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of such Fund fluctuates.

34. ***Commodity Risk***

Investment(s) by a Fund in commodity-related FDI and in the equity securities of commodity-related companies may subject such a Fund to greater volatility than Investment(s) in traditional securities. The commodities markets may fluctuate widely based on a variety of factors. Movement in the prices of equity securities of commodity-related companies and of commodity-related FDI are outside of a Fund's control and may not be anticipated by the relevant Investment Managers. The commodities markets have experienced periods of extreme volatility. The value of commodity-related FDI and of the equity securities of commodity-related companies may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such

as changes in climate conditions, drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments.

35. ***Infrastructure Company Risk***

Certain of the Funds may invest on a global basis in listed equities and equity-related instruments of infrastructure companies. Such Funds may be less diversified than other Funds investing in a broader range of industries. Securities and instruments of infrastructure companies may be more susceptible to adverse economic, political or regulatory occurrences affecting their industries. Infrastructure companies may be subject to a variety of factors that may adversely affect their business or operations, including structural disaster, additional costs, competition, regulatory implications and certain other factors.

36. ***Investment in Smaller Companies Risk***

Investing in smaller companies can involve more risk than investing in larger companies because there is a more limited market for the shares of such companies and the prices of such shares may rise or fall more sharply and exhibit lower liquidity than the share prices of larger companies.

37. ***Quantitative Model Risk***

The success of a Fund's investment strategy may depend upon the effectiveness of an Investment Manager's quantitative model. A quantitative model, such as the risk and other models used by the Investment Manager(s) requires adherence to a systematic, disciplined process. The Investment Managers' ability to monitor and, if necessary, adjust their quantitative models could be adversely affected by various factors including incorrect or outdated market and other data inputs. Factors that affect the value of securities can change over time, and these changes may not be reflected in a quantitative model used in respect of a Fund that invests in such securities. In addition, factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value.

38. ***Risks relating to Hedging Transactions***

Where permitted to do so in accordance with its investment policy, a Fund may utilise financial instruments such as forward currency contracts, currency options, stock index futures and options and interest rate swaps, caps and floors both for investment purposes and to seek to hedge against fluctuations in the relative value of securities or positions held within such Fund's portfolio as a result of changes in currency exchange rates, market interest rates and security prices. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the value of portfolio positions or prevent losses if the value of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not be possible for a Fund to hedge against an exchange rate, interest rate or equity price fluctuation that is generally anticipated by the market such that a Fund is not able to enter into a hedging transaction at a price sufficient to protect a Fund from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

Although the intent of hedging is to reduce fluctuations in the value of a portfolio as a whole, in certain circumstances, particularly when markets are subject to extreme events, hedging activity may add to the volatility of a portfolio. This may occur when previously observed correlations in the markets break down. Moreover, for a variety of reasons, the relevant

Investment Manager may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. Furthermore, an Investment Manager may not hedge against certain risks as part of its investment strategy or because it fails to anticipate the occurrence of such risk or believes that the occurrence is too unlikely to justify the cost of the hedge. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of a Fund's portfolio holdings.

39. **Short Sales**

The Funds are not permitted to enter into "physical short sales". A Fund may however take short positions through derivatives in respect of underlying assets in pursuit of its investment objective and in accordance with Regulations where this is specifically provided for and disclosed in the relevant Fund's investment policy. In general, short selling involves selling securities the seller does not own in anticipation of a decline in their market value and borrowing the same securities for delivery to the purchaser, with an obligation to redeliver securities equivalent to the borrowed securities at a later date. Short selling allows the investor to profit from a decline in market price of securities to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of an unlimited loss, in that the price of the underlying securities could theoretically increase without limit, thus increasing the cost to a Fund of buying those securities to cover the short position.

There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

In taking short positions through derivatives, a Fund will be seeking the same financial reward, and will be exposed to the same market risks, as if it were entering into physical short sales. Taking short positions through derivatives involves trading on margin and, accordingly, the leverage provided through margined positions involves greater risk than investments based on physical short sales.

Due to legislative or regulatory action taken by regulators and governments around the world, taking short positions on certain assets has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for certain market participants to either continue to implement their investment strategies or to control the risk of their open positions. Accordingly, an Investment Manager may not be in a position to trade in a way to fully benefit from its negative views in relation to certain assets, companies or sectors, and the ability of such an Investment Manager to fulfil the investment objective of a Fund may therefore be constrained.

40. **Repurchase Transactions/Repo Risk**

A Fund's investment return on repurchase transactions, apart from interest paid, will depend on the counterparty's ability to perform its obligations under the repurchase transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of a Fund, this may be over-collateralised in some cases to further protect a Fund. If a Fund's counterparty should default on its obligations and a Fund is delayed or prevented from recovering the collateral or if the face value of the collateral has changed for any reason, a Fund may realise a loss. If the agreement underpinning the repurchase transaction has a duration of greater than 1 day, there may be an additional liquidity risk present to a Fund due to contractual obligations of the relevant agreement.

41. ***Collateral Management Risks***

Where an OTC financial derivative and/or efficient portfolio management technique is entered into on behalf a Fund, collateral may be used to reduce counterparty risk exposure. Collateral will be treated in accordance with the Company's collateral policy as set out in Appendix II. The exchange of collateral involves certain risks, including operational risk related to the actual exchange, transfer and booking of collateral. The collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral. The use of such third party custodians may involve additional operational, clearing and settlement risk. Collateral received will consist of either cash or transferable securities that meet the criteria set out in the Company's collateral policy. Transferable securities received as collateral are subject to market risk. In adverse market circumstances, the market for certain types of transferable securities may be subject to reduced liquidity. Any non-cash collateral therefore involves a certain degree of liquidity and credit risk. In addition, a Fund may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or because the transaction becomes unenforceable due to relevant legislation and regulation.

42. ***Large Redemption of Shares Risk***

Large redemptions of Shares in a Fund might result in a Fund being forced to sell assets at a time and price at which the relevant Investment Manager would normally prefer not to dispose of those assets possibly leading to a lower price being realised for such assets. This may limit the ability of the Investment Manager to successfully implement the investment strategy of the 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 a Fund's Investment Manager to successfully implement the investment strategy of a Fund may be impaired and a Fund's returns may be adversely affected as a result.

43. ***Risks relating to Operation of Collection Accounts***

A collection account has been established at umbrella level in the name of the Company in each of the currencies in which the share classes of the Funds are denominated (the "Umbrella Cash Collection Account").

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account. Investors will be unsecured creditors of such Fund with respect to any cash amount subscribed and held by the Company in the Umbrella Cash Collection Account until such time as the Shares subscribed are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Fund in respect of which the subscription request was made or any other shareholder rights (including dividend entitlement) until such time as the relevant Shares are issued. In the event of the insolvency of the Fund in respect of which the subscription request was made, or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by a Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the Shareholders entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Administrator. Redemption and dividend amounts, including blocked redemption or dividend amounts, will, pending payment to the relevant investor or Shareholder,

be held in the Umbrella Cash Collection Account. For as long as such amounts are held in the Umbrella Cash Collection Account, the investors/Shareholders entitled to such payments from a Fund will be unsecured creditors of the Company with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the Net Asset Value of the relevant Fund or any other shareholder rights (including further dividend entitlement). Redeeming Shareholders will cease to be Shareholders with regard to the redeemed Shares as and from the relevant redemption date. In the event of the insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to dividends should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

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

44. ***Co-Movement Risk***

The level of correlation between the assets of a Fund and the constituents of its Benchmark Index will typically vary over time and will often be higher during periods of market stress. During periods of market stress a higher degree of co-movement between the portfolio of a Fund and the constituents of its Benchmark Index may be anticipated.

45. ***Eurozone Risk***

As a result of the 2008 credit crisis in Europe, the European Commission created the European Financial Stability Facility (the "EFSF") and the European Financial Stability Mechanism (the "EFSM") to provide funding to Eurozone countries in financial difficulties that seek such support. In March 2011, the European Council agreed on the need for Eurozone countries to establish a permanent stability mechanism, the European Stability Mechanism (the "ESM"), which was activated by mutual agreement, to assume the role of the EFSF and the EFSM in providing external financial assistance to Eurozone countries from June 2013 onwards. Despite these measures, concerns persist regarding the growing risk that certain Eurozone countries could be subject to an increase in borrowing costs and could face an economic crisis, together with the risk that some countries could leave the Eurozone (either voluntarily or involuntarily). Ongoing concerns regarding the sovereign debt risk of certain countries within the Eurozone could lead to a Fund's investments in the region being subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone could have a severe impact on Europe and the global financial system which could have a negative impact on the market and the value of a Fund.

46. ***Pandemic Risk***

Events such as the outbreak of COVID-19 and other health pandemics or outbreaks of disease may lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines, could have a negative impact on the economy and business activity in the countries in which a Fund may invest and on global commercial activity generally and thereby adversely affect the performance of a Fund's investments. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Fund's investments or the relevant Investment Manager's operations and the operations of the relevant Investment Manager's and Fund's service providers.

Additionally, risks are heightened due to uncertainty as to whether a pandemic or its consequences would qualify as a force majeure event. If a force majeure event is determined to have occurred, a counterparty to a Fund or a portfolio investment may be relieved of its obligations under certain contracts to which it is a party, or, if it has not, a Fund and its investments may be required to meet their contractual obligations, despite potential constraints on their operations and/or financial stability. Either outcome could adversely impact investments and a Fund's performance.

## **MANAGEMENT AND ADMINISTRATION**

The Directors control the affairs of the Company and are responsible for the overall investment policy, which will be determined by them and given to the Manager from time to time. The Manager has delegated certain of its duties to the Investment Managers and the Administrator.

### **The Directors**

The Company shall be managed and its affairs supervised by the Directors, whose details are set out below. The Directors are all non-executive directors of the Company.

*Mr Andrew Finucane (Irish).* Mr Finucane is Head of Operations for Lazard Fund Managers (Ireland) Limited. Mr Finucane is also CEO of Lazard Fund Managers (Ireland) Limited since April 2025. Mr Finucane began working in the investment field in 1995. Prior to joining Lazard in February 2014, Mr Finucane held the position of Managing Director within BNY Mellon. He is a Fellow of the Association of Chartered Certified Accountants.

*Ms Deirdre Gormley (Irish).* Ms Gormley is an independent investment fund director with over 30 years' experience in the asset management and investment funds industry, having held senior executive and board positions in large international organisations. In her previous executive roles, Ms Gormley was responsible for a wide range of investment management, business development, governance and regulatory activities. She was involved in product management for Irish, Luxembourg and Dutch domiciled investment products. Ms Gormley was the former CEO/Head of Management Company for Northern Trust Asset Management in Dublin Ireland. In this role, she was responsible for the management of UCITS and IPM business which included money market, equity, fixed income and ETF products. She was responsible for the Northern Trust Fund Managers Ireland branches in Europe and the oversight of delegated service providers. Prior to this role, Ms Gormley spent 12 years with Pioneer Investment Limited (now Amundi Ireland Limited) as Head of Product and Marketing Services. Prior to joining Pioneer Investment Limited, Ms Gormley held various senior

management posts with JP Morgan both in Dublin and New York covering a range of operational and client relationship roles. Ms Gormley has a Bachelor of Science degree in Finance from Marist College in Poughkeepsie, New York.

*Mr Andreas Hübner (German)* Mr Hübner is a Senior Managing Director of Lazard Asset Management group and Chief Executive Officer of Lazard Asset Management (Deutschland) GmbH, Frankfurt am Main. He is also Chairman of Lazard Asset Management Schweiz AG and responsible for the offices in Frankfurt, Hamburg, and Vienna. He joined Lazard in 1999 from Schröder Münchmeyer Hengst & Co where he was a Member of the Executive Board and a personally liable partner. In addition, Mr Hübner held several senior positions in affiliated companies of Schröder Münchmeyer Hengst & Co. Prior to this Mr Hübner was working at DG Bank in New York and Frankfurt am Main. Mr Hübner is based in Frankfurt am Main, Germany.

*Ms Samantha McConnell (Irish).* Ms. McConnell has over 30 years' experience in the investment and pensions industry covering administration, investment services, change and integration management. She now acts as a full time independent, non-executive director (INED) on a wide range of Boards including fund, MIFID, AIFIM and SuperManco entities both in Ireland and Europe. She is the chair of a number of entities including a Super Manco and a MIFID entity. Ms. McConnell was previously a non-executive director for CFA Ireland and was also executive director of Willis Human Capital & Benefits (Willis Towers Watson's MIFID regulated entity in Ireland). Ms. McConnell holds a first class honours degree in commerce from University College Dublin and graduated first in Ireland in the ACCA exams. She is a CFA Charterholder, a holder of the Institute of Directors Diploma in Company Direction where she graduated first in UK & Ireland and was awarded the Graduate of Merit award from the Institute of Directors as well as the LIA's Pension Trustee Practitioner Gold Medal.

*Mr Jeremy Taylor (British).* Mr Taylor is a Managing Director and CEO of Lazard Asset Management Limited and oversees business activities in the UK, Ireland, Benelux, Nordic and Middle East regions. Mr Taylor is a member of Lazard's Executive Leadership Team and co-Chairs the Sales & Marketing Management Group. Prior to becoming CEO, Mr Taylor was the Co-Director of Research and also served as a Research Analyst primarily covering the Telecommunications sector. He began working in the investment field in 1996. Prior to joining Lazard in 2003, Mr Taylor was a Director and research analyst with UBS Warburg. He has an MSc in Engineering, Economics and Management from St. Peter's College, Oxford University.

### **The Promoter**

Lazard Asset Management Limited is the promoter of the Company.

Lazard Asset Management Limited was incorporated in England and Wales on 12 October 1953 and is authorised by the Financial Conduct Authority to carry on regulated activities in the UK. Mr Jeremy Taylor, who is a director of the Company, is also a director of the Promoter. Lazard Asset Management Limited is the London-based investment, client servicing and marketing arm of Lazard Asset Management group and caters for institutional, third party distribution and private clients in the UK, Northern Europe and the Middle East.

### **The Manager**

The Company has appointed Lazard Fund Managers (Ireland) Limited as its manager pursuant to the Management Agreement. Under the terms of the Management Agreement the Manager has responsibility for the management and administration of the Company's affairs and the distribution of the Shares, subject to the overall supervision and control of the Directors.

The Manager has delegated the performance of the investment management functions in respect of the Funds to the delegate Investment Managers. The Manager has also delegated the performance of

the administrative functions to the Administrator. The Manager, through its branches in Spain, Belgium, Sweden and the Netherlands, and several of the Manager's delegates carry out distribution activities on behalf of the Funds.

The Manager is a private company limited by shares and was incorporated in Ireland on 1 February 1996. The issued and paid up share capital of the Manager is €150,000. It is part of the Lazard Group and an indirect subsidiary of Lazard Inc. The Manager's main business is the provision of fund management and administration services, together with the provision of distribution services through its Spanish, Belgian, Swedish and Dutch branches, to collective investment schemes such as the Company. The Directors of the Company are also directors of the Manager. There are two additional directors of the Manager, who are not also Directors of the Company – they are Mr Denis Faller and Mr Nathan Paul, whose details are set out below.

*Mr Denis Faller (French)* Mr Faller was Managing Partner of Lazard Frères Gestion and was Managing Director of Lazard Fund Managers (Ireland) Limited from January 2022 to April 2025. He was CEO of Lazard Fund Managers (Ireland) Limited from January 2022 until April 2025. Mr Faller was Chief Operating Officer of Lazard Frères Gestion since 2015 until December 2021. Mr Faller began his financial career in 1987 at Banque de Gestion Privée SIB before moving on to Banque Worms in 1991. He joined Rothschild & Cie Banque in 1994 as Head of Institutional Investment Management and in 2000 was appointed Chief Operating Officer at Rothschild & Cie Gestion, in charge of multi-management and support functions. In 2011, he became a Managing Partner. Mr Faller graduated from Télécom ParisTech Institute, France.

*Mr Nathan A. Paul (American)*. Mr Paul is Vice Chair and Chief Operating Officer ("COO") of Lazard's Asset Management business and a member of the firm's Executive Leadership Team and Strategic Growth Management Group. As COO, he oversees the day-to-day management of the firm's business activities globally and works with the firm's Management Groups to ensure they are globally coordinated and aligned around priorities for the firm. In addition, Mr Paul is actively involved in product development and leading various strategic initiatives across the firm. He serves as President and Director of The Lazard Funds, Inc. and is a member of other key firm-level committees. Prior to his current role as the COO, Mr Paul served as the Chief Business Officer for over 5 years, where he was responsible for leading business development initiatives globally. In addition, Mr Paul also served as General Counsel of Lazard Asset Management LLC for over 15 years. He began working in the investment field in 2000, upon joining Lazard. Previously, Mr Paul was an associate with Schulte Roth and Zabel LLP working in their investment management practice. He has a JD from Cardozo Law School and a BA from Yeshiva University. Mr Paul is a member of the New York and New Jersey State Bars.

The Secretary is also the secretary of the Manager. The Manager is also manager of another Irish domiciled investment company sponsored by the Lazard Group, namely Lazard Global Investment Funds plc, in addition to being the manager of Lazard Global Investment Management CCF an Irish authorised and regulated common contractual fund.

The Manager has approved and adopted a remuneration policy (the "Remuneration Policy") which reflects the remuneration practices of the Lazard Asset Management group of companies. The Remuneration Policy aligns the interests of staff with the long-term interests of clients, the business, shareholders, and other stakeholders. It focuses on performance-related pay, together with an emphasis on ensuring that performance is not achieved by taking risks which fall outside the Manager's risk appetite. In the Manager's opinion, the Remuneration Policy is proportionate and consistent with sound and effective risk management in accordance with applicable UCITS requirements. Details of the Manager's up-to-date Remuneration Policy, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration/benefits, can be accessed from the following website:



www.lazardassetmanagement.com. A paper copy of these policy details is also available free of charge from the Manager upon request.

#### *Currency Manager*

The Manager has appointed State Street Bank International GmbH to provide non-discretionary currency hedging services to the Manager in respect of the Company.

State Street Bank International GmbH is a limited liability corporation incorporated under the laws of the Federal Republic of Germany with principal office in Boston. It is registered with the district court ("Amtsgericht") in Munich under number HRB 42872.

#### **The Investment Managers**

The Manager has delegated its responsibility for the investment and re-investment of the assets of:

- (a) Lazard European Equity Fund (*closed to further subscriptions*)  
Lazard Pan European Equity Fund (*closed to further subscriptions*)  
Lazard UK Omega Equity Fund (*closed to further subscriptions*)  
Lazard Global Strategic Equity Fund (*closed to further subscriptions*)  
  
to Lazard Asset Management Limited;
- (b) Lazard Global Sustainable Equity Fund;  
Lazard Global Equity Income Fund; (*closed to further subscriptions*)  
Lazard Global Managed Volatility Fund; (*closed to further subscriptions*)  
Lazard Global Thematic Fund (*closed to further subscriptions*);  
Lazard Global Thematic Focus Fund;  
Lazard Global Small Cap Fund;  
Lazard Automation and Robotics Fund;  
Lazard Digital Health Fund;  
Lazard Pan-European Small Cap Fund;  
Lazard US Equity Concentrated Fund;  
Lazard Emerging World Fund; (*closed to further subscriptions*)  
Lazard Emerging Markets Equity Fund;  
Lazard Emerging Markets Core Equity Fund; (*closed to further subscriptions*)  
Lazard Emerging Markets Equity Advantage Fund;  
Lazard Emerging Markets Managed Volatility Fund;  
Lazard Developing Markets Equity Fund (*closed to further subscriptions*);  
Lazard Global Sustainable Fixed Income Fund (*closed to further subscriptions*);  
Lazard US Small Cap Equity Fund;  
Lazard Listed Private Markets Fund;  
Lazard Global Equity Advantage Fund;  
Lazard Global Bond Fund; and  
Lazard Baylight US Large Cap Fund.  
  
to Lazard Asset Management LLC;
- (c) Lazard Japanese Strategic Equity Fund to Lazard Japan Asset Management K.K.;
- (d) Lazard Global Listed Infrastructure Equity Fund and Lazard Global Equity Franchise Fund to Lazard Asset Management Pacific Co.;

- (e) Lazard Sterling High Quality Bond Fund (*closed to further subscriptions*) to Lazard Asset Management (Deutschland) GmbH; and
- (f) Lazard MENA Fund (*closed to further subscriptions*) to Lazard Gulf Limited

The delegate Investment Managers will be responsible for managing the assets and investments of the relevant Funds of the Company in accordance with the investment objective, policy and strategies described in the relevant Supplement, subject always to the supervision and direction of the Directors and the Manager.

Lazard Asset Management Limited is an indirect subsidiary of Lazard Inc. It was incorporated in England and Wales on 12 October 1953. Lazard Asset Management Limited is authorised by the Financial Conduct Authority to carry on regulated activities in the UK. Lazard Asset Management Limited is currently promoter of the Company.

Lazard Asset Management LLC was incorporated in Delaware, United States, on 20 August 2002. Lazard Asset Management LLC provides investment management and advisory services to institutional clients, financial intermediaries, private clients and investment vehicles around the world. Such clients include: institutional (corporations, labor unions, public pension funds, insurance companies and banks; and through sub-advisory relationships, mutual fund sponsors, broker-dealers and registered advisors) and individual clients (principally family offices and high-net worth individuals).

Lazard Japan Asset Management K.K. is an indirect subsidiary of Lazard Inc. It was incorporated as a joint stock company in 1987 in Japan to provide investment management services to Japanese clients and is regulated by the Japanese Financial Services Authority.

Lazard Asset Management Pacific Co., based in Sydney, Australia, is an unlimited liability company originally incorporated in 1994. Lazard Asset Management Pacific Co. has been issued an Australian Financial Services Licence (number 238432) by the Australian Securities and Investment Commission and is a wholly owned subsidiary of Lazard Asset Management LLC.

Lazard Asset Management (Deutschland) GmbH is a limited liability company incorporated in Germany on 12 March 1999. Lazard Asset Management (Deutschland) GmbH is an indirect wholly owned subsidiary of Lazard Inc, the ultimate holding company of the Lazard Group. Lazard Asset Management (Deutschland) GmbH is regulated by the German Federal Financial Services Authority and is subject to its requirements.

Lazard Gulf Limited was incorporated as a limited liability company in Dubai on 13 September 2007. Lazard Gulf Limited provides investment management and advisory services to institutional clients, financial intermediaries and investment vehicles around the world and is an indirect wholly owned subsidiary of the Lazard Group and is regulated by the Dubai Financial Services Authority.

The activities of each of the Investment Managers are covered by the Lazard Group professional liability insurance policy maintained by Lazard Asset Management LLC. Lazard Asset Management LLC's professional liability insurance policy covers errors and omissions in respect of fund management mandates entered into by its subsidiaries (including each of the Investment Managers).

The Investment Managers may delegate to sub-investment managers/advisers or other delegates and details of such entities, where appointed, will be provided to Shareholders on request and will be published in the periodic reports. The fees and expenses of any sub-investment manager/adviser or other delegate will be discharged by the relevant Investment Manager out of its fee or may be paid directly out of the assets of the relevant Fund where agreed with the Company and set out in the Prospectus and/or relevant Supplement.

Mr Jeremy Taylor, who is a director of the Company, is also a director of Lazard Asset Management Limited.

Mr Nathan Paul, who is a director of the Manager, is also director of Lazard Asset Management Limited and Lazard Asset Management (Deutschland) GmbH and is also the secretary of Lazard Asset Management LLC.

Mr Andreas Hübner, who is a director of the Company, is also Chief Executive Officer of Lazard Asset Management (Deutschland) GmbH.

Mr Andrew Finucane, who is a director of both the Company and the Manager is also CEO of the Manager.

### **The Distributors**

The Manager has appointed Lazard Asset Management (Deutschland) GmbH as its Distributor in Germany, Austria and Italy pursuant to the Marketing Agreement and Lazard Asset Management Schweiz AG as its Distributor in Switzerland pursuant to a distribution agreement. Lazard Asset Management Limited has also been appointed by the Manager as a Distributor of the Company's Shares pursuant to the Promoter and Distributor Agreement. Lazard Frères Gestion has been appointed as the Company's Distributor in France pursuant to a distribution agreement and Lazard Asset Management (Singapore) Pte. Ltd. has been appointed a Distributor of the Company's Shares in Singapore, Malaysia, Thailand, Brunei, Indonesia, Hong Kong, Macau and the Philippines pursuant to a distribution agreement. Lazard Asset Management (Hong Kong) Limited has been appointed as a Distributor of the Company's Shares in Hong Kong, Taiwan, Macau and Brunei pursuant to a distribution agreement. Lazard Gulf Limited has been appointed as the Company's Distributor in the United Arab Emirates pursuant to a distribution agreement. Lazard Asset Management LLC has been appointed as the Company's Distributor in the United States pursuant to a distribution agreement.

In addition, the Manager itself provides distribution services to certain Funds through its branches located in Spain, Belgium, Sweden and the Netherlands.

The Distributors will be responsible for the distribution and marketing of the Shares of the Company. The Distributors may also appoint sales agents and sub-agents provided that the Distributors shall remain liable for the acts and omissions of such sales agents and sub-agents.

### **The Administrator, Registrar and Transfer Agent and the Depositary**

#### *The Administrator, Registrar and Transfer Agent*

The Manager has delegated its responsibilities as administrator, registrar and transfer agent to State Street Fund Services (Ireland) Limited (the "Administrator") pursuant to the Administration Agreement. The Administrator will have the responsibility for administering the day to day operations and business of the Company including processing subscriptions, redemptions, computing net asset values, maintaining books and records, disbursing payments, establishing and maintaining accounts on behalf of the Company and any other matters usually performed for the administration of a fund subject to the overall supervision of the Manager and the Directors. The Administrator will keep the accounts of the Company in accordance with FRS 102. The Administrator will also maintain the shareholders register.

The Administrator is a limited liability company incorporated in Ireland on 23 March 1992 and is ultimately a wholly-owned subsidiary of the State Street Corporation. The authorised share capital of the Administrator is Stg£5,000,000 with an issued and paid up capital of Stg£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S., and trades on the New York Stock Exchange under the symbol "STT".

#### *The Depositary*

State Street Custodial Services (Ireland) Limited has been appointed to act as Depositary of the Company. The principal activity of the Depositary is to act as depositary and trustee of the assets of collective investment schemes. The Depositary is regulated by the Central Bank.

The Depositary is a private limited liability company incorporated in Ireland on 22 May 1991. The Depositary is ultimately owned by State Street Corporation. Its authorised share capital is Stg£5,000,000 and its issued and paid up capital is Stg£200,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

Pursuant to the Depositary Agreement, the Depositary will provide safekeeping for the Company's assets in accordance with applicable UCITS requirements. In addition, the Depositary has the following main duties, which may not be delegated:

- it must ensure that the sale, issue, repurchase, redemption and cancellation of Shares is carried out in accordance with the Regulations and the Articles;
- it must ensure that the value of the Shares is calculated in accordance with the Regulations and the Articles;
- it must carry out the instructions of the Manager unless such instructions conflict with the Regulations or the Articles;
- it must ensure that in transactions involving the Company's assets or the assets of any Fund that any payment in respect of same is remitted to the relevant Fund(s) within the usual time limits;
- it must ensure that the income of the Company or of any Fund(s) is applied in accordance with the Regulations and the Articles;
- it must enquire into the conduct of the Company and the Manager (acting on behalf of the Company) in each accounting period and report thereon to Shareholders; and
- it must ensure that the Company's cash flows are properly monitored in accordance with the Regulations.

In accordance with applicable UCITS requirements, the Depositary shall be liable to the Company and the Shareholders (i) in respect of a loss of a financial instrument held in its custody (or in the custody of any third party to whom the Depositary's safekeeping functions have been delegated) unless the Depositary 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 and (ii) in respect of all other losses arising as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Directive.

### *Conflicts of Interest*

Conflicts of interest may arise for the Depositary and/or its delegates from time to time, including without limitation where the Depositary and/or any of its delegates:

- is likely either to make a financial gain or avoid a financial loss at the expense of the Company or its Shareholders;
- has an interest in the outcome of a service or an activity provided to the Company or of a transaction carried out on behalf of the Company which is distinct from the Company's interest;
- has a financial or other incentive to give priority to the interest of another client or group of clients over the interests of the Company;
- carries on the same activities for the Company and for other clients that adversely affect the Company; or
- is in receipt of inducement in the form of monies, good or services other than the standard commission or fee for that service.

In accordance with the Directive, the Depositary must not carry out activities with regard to the Company or with regard to the Manager acting on behalf of the Company that may create conflicts of interest between itself and (i) the Company, (ii) the Shareholders and/or (iii) the Manager unless it has separated the performance of its depositary tasks from its other potentially conflicting tasks in accordance with the Directive and the potential conflicts are identified, managed, monitored and disclosed to Shareholders. Please also refer to the section of this Prospectus entitled 'Conflicts of Interest'.

### *Delegation*

The Depositary may delegate its safekeeping duties only in accordance with the Regulations and provided that: (i) the services are not delegated with the intention of avoiding the requirements of the Regulations; (ii) the Depositary can demonstrate that there is an objective reason for the delegation; and (iii) the Depositary has exercised all due skill, care and diligence in the selection and appointment of any third party to whom it has delegated its safekeeping duties either wholly or in part and continues to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any such third party and of the arrangements of such third party in respect of the matters delegated to it. Any third party to whom the Depositary delegates its safekeeping functions in accordance with the Regulations may, in turn, sub-delegate those functions subject to the same requirements as apply to any delegation effected directly by the Depositary. The liability of the Depositary will not be affected by any delegation of its safekeeping functions.

The Depositary may delegate safekeeping of the Company's assets to State Street Bank and Trust Company ("SSBTC"), its global sub-custodian, through which it has access to SSBTC's global network of sub-custodians (the "Global Custody Network"). SSBTC's Global Custody Network covers more than 100 markets worldwide. The entities to whom safekeeping of the Company's assets may be sub-delegated are set out at Appendix IV of this Prospectus.

Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements will be made available to investors by the Company on request.

Please refer to the section of this Prospectus entitled "Material Contracts" for further details of the Depositary Agreement.

## **Secretary**

Each of the Company and the Manager has appointed Wilton Secretarial Limited as its secretary.

## **Conflicts of Interest**

The Manager, the Investment Managers and other members of the Lazard Group and their affiliates, officers and shareholders (collectively the “Parties” and each a “Party”) are or may be involved in other financial investment and professional activities which may on occasion cause conflicts of interest with the management of the Company. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which the Company may invest. In particular it is envisaged that the Manager and the Investment Managers may be involved in advising other investment funds which may have similar or overlapping investment objectives to or with the Company. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they may have and that any conflicts which may arise will be resolved fairly. In the event that any of the assets of the Company would be invested in any such investment funds, the Party involved in providing such management or other advisory services will waive the preliminary or initial charges which it may otherwise be entitled to charge for its own account. In relation to such investment of the Company’s assets, if any commission or fees are or would be received by such Lazard Group member by virtue of an investment of the assets of the Company in such investment fund, such commission will be paid to the Company for its own account.

In addition, due to the widespread operations undertaken by the Manager, the Depositary, any delegates or sub-delegates of the Manager or of the Depositary (excluding any non-group company sub-custodians appointed by the Depositary) and any associated or group company of the foregoing, including their respective holding companies, subsidiaries and affiliates (each a “Connected Person”) conflicts of interest may arise. A Connected Person may acquire or dispose of any Investment notwithstanding that the same or similar Investments may be owned by or for the account of or otherwise connected with the Company. Furthermore, a Connected Person may acquire, hold or dispose of Investments notwithstanding that such Investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by the Company in which the Connected Person was concerned provided that the acquisition by the Connected Person of such Investments is conducted at arms’ length and in the best interests of Shareholders. A Connected Person may from time to time deal, as principal or agent, with the Company provided that such dealings are in the best interests of Shareholders (as at the date of the transaction) and are conducted at arm’s length such that:

- (i) the value of the transaction is certified by a person approved by the Depositary (or by the Company in the case of a transaction involving the Depositary or an affiliate of the Depositary) as being independent and competent; or
- (ii) execution is on best terms on an organised investment exchange under the rules of the relevant exchange; or
- (iii) where (i) or (ii) are not practical, execution is on terms which the Depositary (or the Company in the case of a transaction involving the Depositary or an affiliate of the Depositary), is satisfied conforms to the requirement that such transactions be conducted at arm’s length and in the best interests of Shareholders at the date of the transaction.

In the case of each transaction entered into with a Connected Person for or on behalf of the Company or any Fund(s), the Depositary (or the Company in the case of a transaction involving the Depositary

or an affiliate of the Depositary), shall document the manner in which the transaction has complied with the principles set out at (i) to (iii) above and where a transaction with a Connected Party is conducted in accordance with (iii) above, the Depositary (or the Company in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document its/their rationale for being satisfied that the transaction conformed to the requirement that such transactions be conducted at arm's length and in the best interests of Shareholders as at the date of the transaction.

In the event that a conflict of interest does arise, the Directors will endeavour, so far as they are reasonably able, to ensure that it is resolved fairly.

One or more of the Investment Managers and/or Manager may have responsibility for setting the fair value price of assets for which no price is ascertainable or in respect of which the available price is unrepresentative. This may result in a potential conflict of interest as the fees payable may increase as the Net Asset Value of a Fund increases.

Where any conflict of interest arises, the Investment Manager and/or the Manager will at all times have regard to their obligations to act in the best interests of the Company and the Manager will endeavour, in so far as it is reasonably able, to ensure that any such conflict is resolved fairly.

### **Meetings**

Shareholders in the Company will be entitled to attend and vote at general meetings of the Company. The annual general meeting of the Company will normally be held in Ireland within six months of the end of each financial year. Notices convening each annual general meeting will be sent to Shareholders and the annual accounts and reports will be made available to Shareholders not less than twenty-one days before the date fixed for the meeting.

### **Accounts and Information**

The Company's accounting period ends on 31 March in each year.

The Company prepares an annual report and audited financial statements which are published within four months of the end of the financial period to which they relate. The Company also prepares a semi-annual report and unaudited half yearly financial statements (relating to the semi-annual period ending 30 September of each year) which are published within two months of the end of the half-year period to which they relate. Both of these reports will be made available to Shareholders on [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com).

Copies of this Prospectus, the Supplements and the annual and half-yearly reports of the Company may be obtained from the Administrator at the address given under "Directory".

## **VALUATION, SUBSCRIPTIONS AND REDEMPTIONS**

### **Calculation of Net Asset Value**

The Net Asset Value of each Fund is expressed in its base currency. The calculation of the Net Asset Value of each Fund and of each class thereof will be carried out by the Administrator in accordance with the requirements of the Articles, and details are set out under the heading "Statutory and General Information" below. Except when the determination of the Net Asset Value of any Fund has been suspended or postponed in the circumstances set out under the heading "Temporary Suspensions" below, the calculation of the Net Asset Value of each Fund, the Net Asset Value per Share (and, where there is more than one Share class in a Fund, the Net Asset Value attributable to each class and the Net Asset Value per Share per class) will be prepared in respect of each Valuation Point and

will be available to Shareholders on request. The Net Asset Value per Share shall also be made public at the offices of the Promoter and the Administrator during normal business hours and will be published on the Promoter's website at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com) (which must be kept up-to-date).

The Net Asset Value attributable to any class of Shares within a Fund will be determined by deducting the share of liabilities of that class from its share of the assets of the Fund. The Net Asset Value of each Share of each class will be determined by dividing the Net Asset Value attributable to the class by the number of Shares of that class and rounding the resulting amount to such number of decimal places as the Directors may determine.

The costs and liabilities/benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular class of a Fund shall be attributable exclusively to that class. Where there are different classes of Shares in a Fund, the relevant Supplement shall state whether or not this hedging policy is being adopted in respect of any class of such Fund and shall contain further details in relation thereto.

### **Operation of the Subscription and Redemption Collection Account/s**

A collection account has been established at umbrella level in the name of the Company in each of the currencies in which the share classes of the Funds are denominated (the "Umbrella Cash Collection Account"). All subscriptions into and redemptions and dividends due from the Funds will be paid into the Umbrella Cash Collection Account.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or dividends, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscription amounts paid into the Umbrella Cash Collection Account will be paid into an account in the name of the relevant Fund on the contractual settlement date. Where subscription monies are received in the Umbrella Cash Collection Account without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor to the account from which they were received within five (5) business days and as specified in the operating procedure maintained in respect of the Umbrella Cash Collection Account.

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

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and/or to make payment into the Umbrella Cash Collection Account or the correct Umbrella Cash Collection Account, as appropriate, is at the investor's risk.

The Depositary will be responsible for oversight of all monies held in the Umbrella Cash Collection Account in accordance with its obligations pursuant to the Directive.

The Manager and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and/or transfers to a Fund of monies attributable to another Fund due to timing differences.



### **Subscription**

The Directors may issue Shares of any class of any Fund on such terms as they may from time to time determine. The terms and conditions applicable to the issue of Shares of any class together with subscription and settlement details and procedures will be set out in the relevant Supplement. Shares shall be issued at the Net Asset Value per Share plus any charges as specified in the relevant Supplement. All Shares will be registered in inscribed form and evidenced by entry on the Company's register of Shareholders. Share certificates will not be issued. Each Shareholder will be sent a written trade confirmation confirming ownership of the relevant Shares.

Under the Articles, the Directors are given authority to effect the issue of Shares and have absolute discretion to accept or reject in whole or in part any application for Shares without assigning any reason therefor. The Directors have the power to impose such restrictions as they think necessary to ensure that no Shares are acquired by any person which might result in the legal and/or beneficial ownership of Shares by persons who are not Qualified Holders or expose the Company to adverse tax or regulatory consequences.

If an application is rejected, any monies received will be returned to the applicant (minus any handling charge incurred) as soon as possible by telegraphic transfer (but without interest, costs or compensation).

No Shares of any Fund will be issued or allotted during a period when the determination of the Net Asset Value of that Fund is suspended.

### **Redemption**

Shareholders may redeem their Shares on any Dealing Day in accordance with the procedures and the price set out in the relevant Supplement.

### **Share Price**

Shares are issued and redeemed at a single price, being the Net Asset Value per Share of the relevant class, which may be adjusted in the manner set out immediately below in the section entitled 'Dilution and Swing Pricing'.

### **Dilution and Swing Pricing**

Certain costs are customarily incurred when a Fund has to buy or sell portfolio assets in order to satisfy or give effect to requests for subscription or redemption of its Shares. The incurring of such dealing costs by a Fund can result in a Fund's value being diminished or 'diluted' over time and can therefore have a disadvantageous effect on Shareholders' interests in a Fund if counteracting steps are not taken. With a view to offsetting the effects of dilution to the extent deemed appropriate in the interests of Shareholders, the Directors may determine at their discretion, to adjust ("swing") the Net Asset Value per Share when calculating the Share Price on any particular Dealing Day.

Swing pricing, where applied, aims to ensure that the burden of the costs associated with dealing in a Fund's Shares are borne by the investors that actually request those Share deals on a particular Dealing Day, and not by the Shareholders in a Fund who are not trading in the Shares on the relevant Dealing Day. In this way swing pricing aims to mitigate the adverse effects of dilution on Fund assets and to preserve and protect the value of shareholdings.

## **Fractions**

Subscription monies representing less than the Share Price will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the Share Price for one Share, provided however, that fractions shall not be less than 0.001 of a Share.

Subscription monies representing less than 0.001 of a Share will not be returned to the applicant but will be retained by the Company in order to defray administration costs.

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in a Fund:

- (a) fractions of Shares will be issued where any part of the redemption monies for Shares represents less than the Share Price for one Share, provided however that fractions shall not be less than 0.001 of a Share;
- (b) redemption monies representing less than 0.001 of a Share will not be returned to a Shareholder but will be retained by the Fund in order to defray administration costs.

## **Subscriptions/Redemptions in Specie**

### **Subscription in Specie**

The Directors may issue Shares of any Fund by way of exchange for Investments provided that:

- (a) in the case of a person who is not an existing Shareholder no Shares shall be issued until the person concerned shall have completed and delivered to the Administrator an Application Form as required under this Prospectus (or otherwise) and/or otherwise satisfied all the requirements of the Directors and Manager as to such person's application;
- (b) the nature of the investments transferred into the Fund are such as would qualify as Investments of such Fund in accordance with the investment objective, policy and restrictions of such Fund;
- (c) no Shares shall be issued until the Investments shall have been vested in the Depositary or any sub-custodian to the Depositary's satisfaction and the Depositary shall be satisfied that the terms of such settlement will not be such as are likely to result in any prejudice to the existing Shareholders of the Fund; and
- (d) any exchange shall be effected upon the terms (including provision for paying any expenses of exchange and any preliminary charge as would have been payable for Shares issued for cash) that the number of Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the Investments concerned calculated in accordance with the procedures for the valuation of the assets of the Company. Such sum may be increased by such amount as the Directors may consider represents an appropriate provision for Duties and Charges which would have been incurred by the Fund in the acquisition of the Investments by purchase for cash or decreased by such amount as the Directors may consider represents any Duties or Charges to be paid to the Fund as a result of the direct acquisition by the Fund of the Investments.

### **Redemption in Specie**

- (a) The Manager may, provided that it is satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to the remaining Shareholders and with the

agreement of a Shareholder seeking the realisation of Shares in any Fund, elect that instead of the Shares being redeemed in cash, the redemption shall be satisfied in specie by the transfer to the Shareholder of Investments provided that the value thereof shall not exceed the amount which otherwise would have been payable on a cash redemption. The shortfall (if any) between the value of the Investments transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash.

- (b) If the discretion conferred upon the Manager by paragraph (a) is exercised, the Manager shall notify the Depositary and shall supply to the Depositary particulars of the Investments to be transferred and the amount of cash to be paid to the Shareholder. The allocation of Investments in satisfaction of an in specie redemption request shall be subject to the approval of the Depositary. All stamp duties, transfer and registration fees in respect of such transfers shall be payable by the Shareholder.
- (c) If a redeeming Shareholder requests redemption of a number of Shares that represent 5% or more of the Net Asset Value of a Fund the Manager may in its sole discretion redeem the Shares by way of exchange for Investments and in such circumstances the Manager will, if requested by the redeeming Shareholder, sell the Investments on behalf of the Shareholder. The cost of such sale may be charged to the Shareholder.

#### **Currency of Payment and Foreign Exchange Transactions**

Dealing and settlement will only take place in the currency of denomination of the relevant Share class. In exceptional circumstances payments in respect of the purchase or redemption of Shares may be tendered or requested in a currency other than the currency of denomination of the relevant Share class. In such circumstances, any necessary foreign exchange transactions will be arranged, subject to the agreement of the Manager, by the Administrator for the account of and at the risk and expense of the relevant investor on the basis of the exchange rate applicable as at the relevant Dealing Day where available.

Dividend payments will only be made in the currency of the denomination of the relevant Share class.

#### **Compulsory Redemption**

The Manager shall have the right to redeem compulsorily any Share at the Share Price or to require the transfer of any Share to a Qualified Holder if in its opinion (i) such Share is held by a person other than a Qualified Holder; or (ii) the redemption or transfer (as the case may be) would eliminate or reduce the exposure of the Company or the Shareholders to adverse tax or regulatory consequences.

#### **Total Redemption**

All the Shares of the Company or of any Fund may be redeemed:

- (a) at the discretion of the Directors, by giving not less than 30 days' notice in writing to the relevant Shareholders; or
- (b) if the Shareholders of the Company or of the relevant Fund so approve by way of special resolution.

#### **Switching Between Share Classes and Funds**

Shareholders of a class within a Fund may switch to other classes within such Fund or other Funds at the Directors' discretion in accordance with the provisions set out below.

Unless otherwise specified in the relevant Supplement, the holders of Shares of each class of any Fund may switch to a corresponding class of Shares (if any) in that Fund or in any of the other Funds. On the establishment of any new Fund (or class thereof) the Directors shall specify the switching rights relating to such Fund (or class thereof), where such rights are different to those set out in this section.

Switching may be effected by application to the Administrator on such switching form as may be prescribed by the Directors. Once accepted by the Administrator, a request to switch Shares will be irrevocable.

If a switch from one Share class of a Fund (the "Original Class ") to another Share class of the same Fund or of another Fund (the "New Class") would result in a Shareholder holding a number of Shares in the Original Class with a value of less than the Minimum Holding, the Company (or the Administrator on its behalf) may, at its discretion, convert the whole of the applicant's holding of Shares in the Original Class so as not to conflict with the applicable Minimum Holding threshold (where possible) or may refuse to effect any switch whatsoever. No conversions will be made during any period in which the rights of Shareholders to require the redemption of their Shares are suspended. The general provisions on procedures for redemptions (including provisions relating to the redemption fee) will apply equally to conversion.

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

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

Where:

- A = the number of Shares of the New Class to be allotted;
- B = the number of Shares of the Original Class to be converted;
- C = the Net Asset Value per Share of the Original Class in respect of the Valuation Point on the relevant Dealing Day;
- D = the currency conversion factor determined by the Administrator as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the switch between the relevant Share classes (where the currencies in which the relevant Share classes are denominated are different). Where the currencies of denomination of the relevant Share classes are the same, D=1;
- E = the Net Asset Value per Share of the New Class in respect of the Valuation Point on the relevant Dealing Day plus the current switching fee (of up to 1% of the Net Asset Value of the Shares in the Original Class); and
- F = the switching factor to be applied to switching between Share classes with different settlement dates. This factor will be determined by the Administrator as being derived from the borrowing rate of interest (which may be retail or business depending on the volume of switching) where the settlement date for Shares in the New Class is earlier than the settlement date for Shares in the Original Class. In such circumstances, this factor shall operate to compensate the New Class for late settlement. In all other cases, including where the settlement dates of the relevant Share classes are the same, F=1.

## **Anti-Money Laundering**

Measures aimed towards the prevention of money laundering may require a detailed verification of the identity of existing Shareholders, applicants for and potential transferees of Shares. Depending on the circumstances of each case, a detailed verification might not be required where (i) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution or (ii) the application is made through a recognised intermediary. This will only apply if the financial institution or intermediary referred to above is within a country recognised in Ireland as having equivalent anti-money laundering regulations.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by an appropriate official, together with evidence of his/her address either in the form of (a) two different utility bills or (b) a utility bill and a bank statement (such documentation to be either originals or certified copies and no more than 3 months old) and date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors of such corporate applicant, financial statements and beneficial ownership.

The Manager and the Administrator reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes the Manager may take such action as it sees fit, including refusing to accept the application and all subscription monies or, if Shares have been issued, compulsorily redeeming such Shares. It may also withhold redemption proceeds and approval of transfer of Shares, as the circumstances warrant.

Each applicant for Shares acknowledges that the Company, the Manager, the relevant Investment Manager and the Administrator shall be indemnified and held harmless against any loss arising as a result of failure to process his application form, or request for the redemption of, Shares if such information and documentation as has been properly requested by the Company, the Manager, the Administrator or relevant Investment Manager has not been provided by the applicant. In addition, if an application is refused, subscription monies will only be returned if such return is permissible under Irish anti-money laundering laws.

## **Transfer of Shares**

Shares are (save as hereinafter specified and subject to such other conditions as may be set out in the relevant Supplement) freely transferable and may be transferred in writing in a form approved by the Directors. Prior to the registration of any transfer, transferees must complete an Application Form and provide such other information (e.g. as to identity) as the Company or its delegates may reasonably require. The Directors may decline to register any transfer of a Share:

- (a) where they are aware or believe that such transfer would result in the legal or beneficial ownership of such Share by a person who is not a Qualified Holder or expose the Company to adverse tax or regulatory consequences; or
- (b) to a person who is not already a Shareholder if, as a result of such transfer, the proposed transferee would not be the holder of a Minimum Holding.

## **Temporary Suspensions**

The Company may temporarily suspend the determination of the Net Asset Value of any Fund and the issue and redemption of Shares of any class of any Fund:

- (a) during the whole or any part of any period when any of the principal markets on which any significant portion of the Investments of the relevant Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange or market is restricted or suspended;
- (b) during the whole or any part of any period when, as a result of political, economic, military or monetary events or any other circumstances outside the control, responsibility and power of the Directors, any disposal or valuation of Investments of the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being prejudicial to, or detrimental to the interests of owners of Shares in general or the owners of Shares of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value cannot fairly be calculated;
- (c) during the whole or any part of any period during which any breakdown occurs in the means of communication normally employed in determining the value of any of the Investments of the Company or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot reasonably or fairly be ascertained;
- (d) during the whole or any part of any period when the Company is unable to repatriate funds required for the purpose of making redemption payments or when such payments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties, in the transfer of monies or assets required for subscriptions, redemptions or trading;
- (e) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving to wind up the Company; or
- (f) during any period when the Manager or Directors believe it is in the best interests of the Shareholders to suspend dealings in the relevant Fund or Share class.

The Company, where possible, will take all necessary steps to bring any period of suspension to an end as soon as possible.

If total requests for redemption and/or switching on any Dealing Day for any Fund exceed 10% of the Net Asset Value of that Fund, each redemption or switching request in respect of Shares in such Fund may, at the discretion of the Directors, be reduced pro rata so that the total number of Shares of such Fund for redemption or switching on that Dealing Day shall not exceed in value 10% of the Net Asset Value of that Fund or such higher percentage value as the Directors may determine. Any redemption or switching request so reduced shall be carried forward to the next Dealing Day and effected in accordance with the Articles on the following (and, if necessary, subsequent) Dealing Day(s) until all Shares to which the original request related have been redeemed or switched as relevant. If redemption or switching requests are so carried forward, the Company shall procure that the Shareholders whose dealings are affected thereby are promptly informed.

In the event of any suspension as set out above, the Company shall immediately (without delay) notify the Central Bank of such suspension and shall also notify without delay any other competent authority in the states in which the shares are marketed. Impacted shareholders shall also be notified of such suspension no later than the Business Day next following such suspension being declared and in such manner as the Directors determine.

The Company shall also notify the Central Bank immediately upon the lifting of any temporary suspension and, in circumstances where a temporary suspension has not been lifted within 21 working days of its application, upon the expiration of that 21 working day period and upon the expiration of each subsequent 21 working day period during which the suspension continues to apply, shall provide the Central Bank with an update as to the status of the suspension.

## **FEES AND EXPENSES**

### **General**

Certain Funds are priced in accordance with a swing pricing mechanism as set out in the relevant Supplement. All Net Asset Value based fees and expenses payable out of the assets of any Fund to which swing pricing is applied are calculated by reference to the unadjusted Net Asset Value (see relevant Supplement).

Value added tax (if any) on fees payable by the Company will be borne by the Company.

### **Management Fees**

The fees which may be charged by the Manager to each class of each Fund are set out in the relevant Supplement. The Manager will be responsible for discharging the fees and expenses of the relevant Investment Manager, the Promoter and the Distributors out of its fee.

The Manager may, at its discretion, pay rebates of its Management Fee to the Shareholders (being the legal registered shareholder) and/or the beneficial owner. Rebates of the Management Fee, where granted, will be granted based upon objective criteria, including for example:

1. the volume subscribed for by the Shareholder and/or the beneficial owner, or the total volume they hold in the Company or, where applicable, in the product range of the Promoter;
2. the amount of the fees and/or revenue generated by the Shareholder and/or the beneficial owner;
3. the investment behaviour displayed by the Shareholder and/or the beneficial owner; and
4. the Shareholder's and/or beneficial owner's willingness to provide support in the launch phase of a Fund.

Where the Manager determines to pay rebates, the rebate will be calculated as a percentage of the Management Fees based on the value of the relevant holdings and will be paid either in cash or be reinvested.

For the avoidance of doubt, every Shareholder pays their proportion of costs, regardless of whether the Manager determines, at its own discretion, to pay a rebate or not.

Upon request of the Shareholder, the Manager, on behalf of the Company, shall disclose the respective extent of the rebates in connection with a holding of Shares, free of charge.

### **Currency Manager's Fees**

The Company shall pay the Currency Manager an annual fee in respect of those Funds to which the Currency Manager has been appointed as such, calculated and accrued daily and payable quarterly in arrears, not in excess of 0.03% per annum of the Net Asset Value of each hedged Share class in

issue in the relevant Funds, such fee to accrue solely to the hedged Share class in respect of which it is incurred.

### **Other Expenses**

Subject to such expense cap as may be applied and set out in the Supplement for the relevant Fund, the Company will also be responsible, in respect of each Fund, for the liabilities set out below:

#### *Directors' Fees*

The Directors shall be entitled to a fee and remuneration for their services at a rate to be determined from time to time by the Directors. Directors who are executives of the Lazard Group will not be paid such fees. The Directors may also be paid, inter alia, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company.

#### *Operational Expenses*

The Company will also pay out of the assets of each Fund:

- (a) administration and custodial fees and expenses;
- (b) any fees in respect of circulating details of the Net Asset Value (including publishing prices), Net Asset Value per Share and Net Asset Value per Share per class;
- (c) stamp duties;
- (d) the Central Bank's industry funding levy;
- (e) taxes;
- (f) company secretarial fees;
- (g) rating fees (if any);
- (h) brokerage or other expenses of acquiring and disposing of Investments;
- (i) fees and expenses of the auditors, tax, legal and other professional advisers of the Company;
- (j) fees connected with listing of Shares on any stock exchange;
- (k) fees and expenses in connection with the distribution of Shares and costs of registration and agency fees (which shall be at normal commercial rates) of the Company in jurisdictions outside Ireland;
- (l) costs of preparing, printing and distributing the Prospectus, any Supplements, any KIIDs, reports, accounts and any explanatory memoranda;
- (m) any necessary translation fees;
- (n) any costs incurred as a result of periodic updates of the Prospectus, any Supplement and any KIID, 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);



- (o) in respect of each financial year of the Company in which expenses are being determined, such proportion (if any) of any establishment and reconstruction expenses as are being amortised in that year;
- (p) fees connected with the winding-up of the Company and/or any Fund; and
- (q) any other fees and expenses relating to the management and administration of the Company or attributable to the Company's Investments.

The above expenses shall be charged as between each Fund and class thereof on such terms and in such manner as the Directors (with the consent of the Depositary) deem fair and equitable.

All fees and expenses, Duties and Charges will be charged to the Fund (and class or classes thereof, if appropriate) in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund (or class thereof), the expense will normally be allocated to all Funds pro rata to the Net Asset Value of the relevant Funds. Expenses of the Company which are directly attributable to a specific class or classes of Shares are charged against the income available for distribution to the holders of such Shares unless otherwise stated in the Supplement for the relevant Fund.

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.

#### **ALLOCATION OF ASSETS AND LIABILITIES**

The Articles contain the following provisions regarding the operation of a Fund:

- (a) the records and accounts of each Fund shall be maintained separately in the base currency of the relevant Fund;
- (b) the liabilities of each Fund shall be attributable exclusively to that Fund;
- (c) the assets of each Fund shall belong exclusively to that Fund, shall be segregated in the records of the Depositary from the assets of other Funds, and shall not (save as provided in the Act) be used to discharge directly or indirectly the liabilities of or claims against any Fund and shall not be available for any such purpose;
- (d) the proceeds from the issue of each class of Shares shall be applied to the relevant Fund established for that class of Shares, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (e) where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it is derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (f) in the case where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, the Directors shall have the discretion, subject to the approval of the Auditors, to determine the basis upon which such asset or liability shall be allocated between the Funds and the Directors shall have the power at any time and from time to time subject to the approval of the Auditors to vary such basis, provided that the approval of the Auditors shall not be required in any case where the asset or liability is allocated between the Funds pro rata to their Net Asset Value.

## TAXATION

### General

***The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.***

The following is a brief summary of certain aspects of Irish and United Kingdom tax law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

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

Potential investors and Shareholders should note that the statements on taxation which are set out below are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. 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 is made in the Company will endure indefinitely.

### Irish Taxation

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes, the taxation position of the Company and the Shareholders is as set out below.

#### Definitions

For the purposes of this section, the following definitions shall apply.

#### "Courts Service"

is responsible for the administration of moneys under the control or subject to the order of the Courts.

#### "Equivalent Measures"

apply to an investment undertaking where the Irish Revenue Commissioners have given the investment undertaking notice of approval in accordance with Section 739D (7B) of the Taxes Act and the approval has not been withdrawn.

#### "Exempted Irish Investor"

means:

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;

- a participant within the meaning of the Automatic Enrolment Retirement Savings Scheme Act 2024, the units are held by the Authority within the meaning of that Act on behalf of the participant;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a qualifying management company within the meaning of Section 739D(6)(g) of the Taxes Act;
- a specified company within the meaning of Section 734(1) of the Taxes Act;
- a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848E TCA and the Shares held are assets of an approved retirement fund, an approved minimum retirement fund or a special savings incentive account;
- a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- an Irish resident company investing in a money market fund being a person referred to in Section 739D(6)(k) of the Taxes Act;
- the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
- an Irish Resident company within the charge to corporate tax in accordance with Section 110 of the Taxes Act being a person referred to in Section 739D(6)(m) of the Taxes Act;
- a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787AC TCA and the Shares held are assets of a PEEP, within the meaning of Part 30, Chapter 2D TCA;
- the National Asset Management Agency being a person referred to in Section 739D(6)(ka) of the Taxes Act;
- the Courts Service;
- the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers' Insolvency Compensation Fund; or
- any other Irish Resident or Irish Ordinary Resident who may be permitted to own Shares under taxation legislation or by written practice or concession of the Irish Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company;

provided that a Relevant Declaration is in place.

#### **“Foreign Person”**

means a person who is neither an Irish Resident nor an Irish Ordinary Resident for tax purposes who has provided the Company with the Relevant Declaration under Schedule 2B of the Taxes Act and in respect of whom the Company is not in possession of any information that would reasonably suggest that the Relevant Declaration is incorrect or has at any time been incorrect.

#### **“Intermediary”**

means a person who:

- carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or

- holds shares in an investment undertaking on behalf of other persons.

#### **“Ireland”**

means the Republic of Ireland/the State.

#### **“Irish Ordinary Resident”**

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

The following definition has been issued by the Irish Revenue Commissioners in relation to the ordinary residence of individuals:

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

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident.

#### **“Irish Resident”**

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of a company, means a company that is resident in Ireland for tax purposes.

#### Residence – Individual

An individual will be regarded as being resident in Ireland for a particular twelve month tax year if s/he:

- spends 183 days or more in Ireland in that twelve month tax year; or
- has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that twelve month tax year together with the number of days spent in Ireland in the preceding twelve month tax year. Presence in a twelve month 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 during that day.

#### Residence – Trust

Determining the tax residence of a trust can be complex. A trust will generally be regarded as resident in Ireland for tax purposes if a majority of its trustees are resident for tax purposes in Ireland. Where some, but not all, of the trustees are resident in Ireland, the residency of the trust will depend on where the general administration of the trust is carried on. In addition, the provisions of any relevant double tax agreement would need to be considered. As a result, each trust must be assessed on a case by case basis.

## Residence – Company

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and declarants are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

A company incorporated in Ireland is automatically considered resident in Ireland for tax purposes, unless it is considered resident in a jurisdiction with which Ireland has a double tax agreement. A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland is treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.

### **“Personal portfolio investment undertaking” or “PPIU”**

means an investment undertaking, under the terms of which some or all of the property of the undertaking, may be or was, selected by, or the selection of some or all of the property may be, or was, influenced by – the investor, a person acting on behalf of the investor, a person connected with the investor, a person connected with a person acting on behalf of the investor, the investor and a person connected with the investor, or a person acting on behalf of both the investor and a person connected with the investor.

An investment undertaking is not a PPIU if the only property which may be or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

### **“Relevant Declaration”**

means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act. The Relevant Declaration for investors who are neither Irish Resident nor Irish Ordinary Resident (or Intermediaries acting for such investors) is set out in the Application Form accompanying the relevant Supplement to this Prospectus.

### **“Relevant Period”**

means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

### **“Taxable Irish Person”**

means any person, other than

- a Foreign Person; or
- an Exempted Irish Investor.

### **“Taxes Act”**

means the Taxes Consolidation Act 1997 (of Ireland) as amended.

## The Company

The Company will be regarded as resident in Ireland for tax purposes as it is incorporated in Ireland and where it is not regarded as resident elsewhere under a double tax agreement. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish Resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Act. Under current Irish law and practice, on that basis, it is not chargeable to Irish tax on its income and gains.

However, a tax can arise on the happening of a “chargeable event” in the Company. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of Shares or appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer of an entitlement to a Share. A chargeable event also occurs on the ending of each Relevant Period. No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Irish Ordinary Resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of a Relevant Declaration there is a presumption that the investor is Irish Resident or Irish Ordinary Resident.

A chargeable event will not be deemed to arise if at the time of the chargeable event Equivalent Measures have been formally agreed with the Irish Revenue Commissioners, the approval has not been withdrawn and there are no indicia of Irish tax residence in respect of a particular investor. In the absence of a Relevant Declaration or Equivalent Measures there is a presumption that the investor is Irish Resident or Irish Ordinary Resident.

A chargeable event does not include:

- an exchange by a Shareholder, effected by way of any arm's length bargain of Shares in the Company for other Shares in the Company;
- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses, former spouses, civil partners or former civil partners, subject to certain conditions;
- an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another investment undertaking (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking;
- any transaction in relation to, or in respect of, relevant Shares (within the meaning of Section 739B(2A)(a)) in the Company which transaction arises only by virtue of a change of court funds manager for the Company.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Where tax arises on the ending of a Relevant Period, the Company has the option of electing to value the Shares at bi-annual dates (meaning 30 June or 31 December) rather than at the date of the end of the Relevant Period itself. Therefore, the Company may make an irrevocable election to allow the Shares in the calculation of the gain on a deemed disposal for Taxable Irish Persons to be valued at the later of the previous 30 June or 31 December prior to the date of the deemed disposal rather than at the date of the deemed disposal itself.

Where less than 10% of the Net Asset Value of Shares in the Company is held by Taxable Irish Persons, the Company may elect not to apply a withholding tax to a deemed disposal of Shares in the Company and will advise the Irish Revenue Commissioners of this election. Shareholders who are Taxable Irish Persons will therefore be required to return any gain and account for appropriate tax on the deemed disposal directly to the Irish Revenue Commissioners on a self-assessment basis. Shareholders should contact the Company to ascertain whether the Company has made such an election in order to establish their responsibility to account to the Irish Revenue Commissioners for any relevant tax.

Where tax arises on the ending of a Relevant Period, such tax will be allowed as a credit against tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares. However, where less than 15% of the Net Asset Value of the Shares in the Company is held by Taxable Irish Persons, the Company may elect not to repay Shareholders any overpaid tax and as such Shareholders must obtain a repayment of any overpaid tax directly from the Irish Revenue Commissioners. Shareholders should contact the Company to ascertain whether the Company has made such an election in order to establish whether they must seek a repayment of any overpaid tax directly from the Irish Revenue Commissioners.

Anti-avoidance measures apply in the case of certain investments by individuals in investment undertakings (such as the Company). If the investment undertaking is regarded as a PPIU then any payment to such a shareholder will be taxed at a rate of 60%. It is a matter of fact whether or not the shareholder or a connected person has a right of selection as envisaged in the anti-avoidance measures. Further penalties of tax can apply where tax returns in relation to distributions from a PPIU are incorrectly made by a shareholder.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at a rate of income tax of 25%. However, the Company can make a declaration to the payer that it is an investment undertaking (within the meaning of Section 739B of the Taxes Act) beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

Please see the "Shareholders" section below dealing with the tax consequences for the Company and the Shareholders of chargeable events in respect of: -

- Shareholders who are neither Irish Resident nor Irish Ordinary Resident;
- Shareholders who are either Irish Resident or Irish Ordinary Resident; and
- Shares held by the Irish Court Service.

## **Shareholders**

### **(i) Shareholders who are neither Irish Resident nor Irish Ordinary Resident**

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Irish Ordinary Resident, (b) the Shareholder has made a Relevant Declaration and (c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. Alternatively, no tax is required to be deducted if Equivalent Measures apply to the Company and there are no indicia of Irish tax residence in respect of the particular Shareholder. In the absence of a Relevant Declaration or the Irish Revenue Commissioners approval referred to above, tax will arise on the happening of a chargeable event in the Company regardless of the fact that a Shareholder is neither Irish Resident nor Irish Ordinary Resident. The appropriate tax that will be deducted is as described in paragraph (ii) below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Residents nor Irish Ordinary Residents, no tax will have to be deducted by the Company on the occasion of a chargeable event provided that the Intermediary has made a Relevant Declaration that they are acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Shareholders who are neither Irish Residents nor Irish Ordinary Residents and who have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct, will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from the Shares or gains made on disposal of its Shares.

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the Shareholder, Irish legislation does not provide for a refund of tax except in the following limited circumstances:

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



**(ii) Shareholders who are Irish Resident or Irish Ordinary Resident**

Unless a Shareholder is an Exempted Irish Investor, makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct or unless the Shares are held by the Courts Service, tax at the rate of 41% will be required to be deducted by the Company from distributions and other chargeable events in relation to a Shareholder who is Irish Resident or Irish Ordinary Resident. Tax at a rate of 25% will have to be deducted by the Company on distributions and other chargeable events in relation to Shareholders who are companies which have made the required declaration.

There are a number of Irish Residents and Irish Ordinary Residents who are exempted from the provisions of the above regime once Relevant Declarations are in place. These are Exempted Irish Investors.

Irish Resident corporate Shareholders who receive distributions from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the Taxes Act from which tax at a rate of 25% has been deducted. In general, such Shareholders will not be subject to further Irish tax on any other payments received in respect of their shareholding from which tax has been deducted. An Irish Resident corporate Shareholder whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set-off against corporation tax payable for any tax deducted by the Company. In general, non-corporate Shareholders who are Irish Resident or Irish Ordinary Resident will not be subject to further Irish tax on income from their Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments received. Where a currency gain is made by the Shareholder on the disposal of his/her Shares, such Shareholder may be liable to capital gains tax in the year of assessment in which the Shares are disposed of.

Any Shareholder who is Irish Resident or Irish Ordinary Resident and receives a distribution or a gain on an encashment, redemption, cancellation or transfer from which tax has not been deducted by the Company may be liable to income tax or corporation tax on the amount of the gain.

There is an obligation on the Company to provide an annual report to the Irish Revenue Commissioners in relation to certain Shareholders and the value of their investments in the Company. The obligation arises only in relation to Shareholders who are either Irish Resident or Irish Ordinary Resident (other than Exempted Irish Investors).

**(iii) Irish Courts Service**

Where Shares are held by the Courts Service no tax is deducted by the Company on payments made to the Courts Service. Where money under the control or subject to the order of the Court Service is applied to acquire Shares in the Company, the Courts Service assumes, in respect of those Shares acquired, the responsibilities of the Company with regard to, inter alia, deduction of tax in respect of chargeable events, filing returns and collection of the tax.

In addition, the Courts Service must make, in respect of each year of assessment, on or before 28 February in the year following the year of assessment, a return to the Irish Revenue Commissioners which:

- (a) specifies the total amount of gains arising to the investment undertaking in respect of the Shares acquired; and

(b) specifies in respect of each person who is or was beneficially entitled to those Shares:

- where available, the name and address of the person,
- the amount of total gains to which the person has beneficial entitlement, and
- such other information as the Irish Revenue Commissioners may require.

### **Capital Acquisitions Tax**

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax), provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B of the Taxes Act) and that: (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland; (b) at the date of the disposition, the Shareholder disposing of the Shares is neither domiciled nor ordinarily resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

### **Stamp Duty**

Generally, no stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or property.

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

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

### **Foreign Account Tax Compliance Act ("FATCA")**

The Hiring Incentives to Restore Employment Act was signed into US law on 18 March 2010 and includes foreign account tax compliance provisions generally known as "FATCA". The thrust of these provisions is that details of US investors holding assets outside the US will be reported by financial institutions to the US Internal Revenue Services ("IRS") as a safeguard against US tax evasion. To discourage non-US financial institutions from staying outside this regime, FATCA provides that US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on income. This regime is effective from 1 July 2014 and withholding may be imposed after 1 July 2014. The basic terms of FATCA appear to include the Company as a 'Financial Institution', such that, in order to comply, the Company may require all Shareholders to provide mandatory documentary evidence of their tax residence.

The US has developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US governments signed an intergovernmental agreement ("Irish IGA") on 21 December 2012.

The Irish IGA is intended to reduce the FATCA compliance burden for Irish financial institutions by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant US investors will be provided on an annual basis by each Irish financial institution (unless the financial institution is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners, who will then provide such information to the IRS.

Accordingly, in order to comply with its FATCA obligations, the Company may require investors to provide the Company with information and documentation prescribed by applicable law and such additional documentation as reasonably requested by the Company. Each prospective investor should consult their own tax advisor regarding the requirements under FATCA with respect to their own particular circumstances.

Although the Company will use commercially reasonable efforts to comply with any requirements that are necessary to avoid the imposition of withholding taxes on payments to the Company pursuant to FATCA, no assurance can be given that the Company will be able to satisfy these obligations. If the Company suffers a withholding tax as a result of FATCA, the return of all investors may be materially affected.

Prospective investors should consult with their tax advisers regarding the possible implications of FATCA on their investment in the Company.

Each investor agrees to provide the Company with information and documentation prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under FATCA.

### **The Common Reporting Standards ("CRS")**

The CRS is a single global standard on Automatic Exchange of Information ("AEOI"). It was approved by the Organisation for Economic Co-operation and Development ("OECD") in February 2014 and draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. Under the CRS, participating jurisdictions will be required to exchange certain information held by financial institutions regarding their non resident investors. The Company is required to provide certain information to the Irish Revenue Commissioners about non-Irish tax resident Shareholders (which information will in turn be provided to the relevant tax authorities). It should also be noted the CRS replaces the EU Taxation on Savings Directive.

#### ***Data protection notice - collection and exchange of information under the CRS***

For the purposes of complying with its obligations under the CRS as implemented in Irish law and to avoid the imposition of financial penalties thereunder, the Company may be required to collect certain information in respect of each non-Irish resident Shareholder (and the direct and indirect individual beneficial owners of the Shares (if any)) and, to the extent required pursuant to the CRS, to annually report such information to the Irish Revenue Commissioners.

Such information includes the name, address, jurisdiction of residence, tax identification number (TIN), date and place of birth (as appropriate) of the non-Irish resident Shareholder and (if relevant) the direct or indirect beneficial owners of the Shares; the "account number" and the "account balance" or value at the end of each calendar year; and the gross amount paid or credited to the Shareholder during the calendar year (including aggregate redemption payments).

Such information in relation to all non-Irish resident Shareholders will in turn be exchanged, in a secure manner, by the Irish Revenue Commissioners with the tax authorities of other relevant participating jurisdictions under the CRS in accordance with the requirements of (and solely for the purposes of compliance with) the CRS.

Each investor agrees to provide the Company with information and documentation prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under CRS.

Further information in relation to the CRS can be found on the AEOI ("Automatic Exchange of Information") webpage on [www.revenue.ie](http://www.revenue.ie).

## **United Kingdom Taxation**

### **THE COMPANY**

#### **General**

The taxation of income and capital gains of the Company and Shareholders is subject to the fiscal law and practice of Ireland, any jurisdiction in which the Company makes investments and of the jurisdictions in which Shareholders are resident or otherwise subject to tax.

The below summary is only intended as a brief and general guide to the main aspects of current UK tax law and HM Revenue & Customs ("HMRC") practice applicable to the holding and disposal of Shares in the Company (which may change in the future). It is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. The summary is not exhaustive and does not generally consider tax reliefs or exemptions. Any prospective Shareholder who is in any doubt on the implications of making an investment in, holding or disposing of Shares and the receipt of distributions (whether or not on redemption) with respect to such Shares under the laws of the countries in which they are liable to taxation should consult his UK professional advisor.

It is addressed to ordinary investors who are absolute beneficial owners of Shares held as investments and not, therefore, to special classes of Shareholder such as financial institutions. Accordingly, its applicability will depend upon the particular circumstances of the relevant Shareholder. In particular certain classes of investors will be subject to specific rules in the UK and their position is not separately covered here and it does not cover UK Shareholders who are tax exempt or subject to special taxation regimes.

This summary is based on the taxation law in force and practice understood to be applicable at the date of this Prospectus but prospective investors should be aware that the relevant fiscal rules and practice or their interpretation may change.

#### **Taxation of the Company**

It is the intention of the Directors, so far as they are able, to conduct the affairs of the Company in such a way that it does not become resident in the UK for UK tax purposes. Accordingly and provided the Company's activities do not amount to trading through a permanent establishment for UK tax purposes, the Company will not be subject to UK corporation tax on its income and capital gains. However, no assurance can be given that this intention will be achieved. Neither the Company nor the Directors accept any responsibility for any taxes incurred by the Company or by any Shareholder as a result of the Company being UK resident or of its activities amounting to trading in the UK for whatever reason.

Income and gains received by the Company with respect to a Fund may be subject to withholding or similar taxes imposed by the country in which such return arises.

## THE SHAREHOLDERS

### Taxes on income

The Shares of the Company shall be widely available. The Directors confirm that the intended categories of investors are not “restricted” for the purposes of the Offshore Fund (Tax) Regulations 2009. It is intended that Shares shall be marketed and made available sufficiently widely to reach the intended categories of investors and in a manner appropriate to attract those categories of investors.

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax or corporation tax in respect of dividends or other distributions of income by the Company, whether or not such distributions are reinvested and also on amounts of reported income (“reported income” is explained in detail under the heading “Taxes on capital gains” below) to the extent this exceeds any dividends received. In addition, they may be liable to UK income tax or corporation tax on any equalisation payment received which represents accrued income forming part of the proceeds of redemption. The Company intends to operate equalisation arrangements. Accordingly, the first distribution or accumulation of income after Shares are issued may include an amount reflecting accrued income included in the issue price. This amount is treated as a return of capital for UK tax purposes and would not generally be subject to tax as income. The amount of the equalisation payment must be deducted from the original purchase cost of the relevant Shares in computing the allowable cost of these Shares for UK capital gains purposes.

UK resident individuals currently receive a dividend tax allowance of £500 taxed at 0%. Any dividend income above £500 is subject to income tax on foreign dividends at rates of 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers and 39.35% for additional rate taxpayers. Modified rules, which are not discussed in this summary, apply to UK resident Shareholders who are individuals not domiciled within the UK.

When any UK corporate Shareholders which are within the charge to UK corporation tax receive dividends from the Company, the dividend is likely to fall within one of a number of exemptions from UK corporation tax. In addition, distributions to non- UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax to the extent that the Shares held by that company are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes. If none of the exemptions apply, the dividends will be subject to the standard corporation tax rate, which is currently 25%.

### *Bond Funds – individual Shareholders*

Where a Fund holds more than 60% of its assets (by market value) in interest bearing (or economically similar) form throughout a distribution period, any distribution or reported income will be treated as interest in the hands of the United Kingdom income tax payer Shareholder. Such a Fund is widely referred to as a Bond Fund (although the term does not feature in tax legislation). This means that the relevant tax rates will be those applying to interest. UK individual tax payers may therefore be eligible for a tax free allowance of £1,000 per year (basic rate tax payers) or £500 per year (higher rate tax payers). Additional rate tax payers are not entitled to any tax free allowance on interest income. Thereafter, interest received by UK tax resident individuals will be taxed at 20% for basic rate tax payers, 40% for higher rate tax payers and 45% for additional rate tax payers. Special rules apply to Bond Fund Shareholders within the charge to corporation tax, as discussed below.

### *Bond Funds – corporate Shareholders*

If at any time in an accounting period a person within the charge to United Kingdom corporation tax holds an interest in an offshore fund within the meaning of the relevant United Kingdom legislation and there is a time in that period when that fund fails to satisfy the “qualifying investments test”, the holding of shares in the fund will be treated as a loan relationship for United Kingdom Corporation Tax purposes. A Fund will be deemed to have failed the “qualifying investments test” if the Company invests more than 60% of (by market value) its assets in certain securities or as cash on deposit or in certain derivative contracts or in other non-qualifying collective investment schemes. The test is applied to the Company as a whole and not in respect of individual Funds. Where the Shares are treated as falling within the loan relationships regime all returns on the Shares in respect of a relevant Shareholder’s accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a “fair value” basis. Accordingly, such a Shareholder 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).

### **Taxes on capital gains**

The Company is expected to be a mutual fund constituted by a body corporate outside the UK for the purposes of the UK’s “offshore funds” provisions. Each Fund and each class of Shares of the Company will be treated as a separate offshore fund for these purposes.

Gains on the disposal or deemed disposal (including a switch between sub-funds) and redemptions of an interest in a collective investment scheme that constitutes an offshore fund will generally be taxed as if they were income (rather than capital gains), unless the fund applies to be a “reporting fund” and maintains its reporting fund status at all relevant times (that is the fund needs to be a reporting fund for all periods in which the UK Shareholders have any interests). Holdings of Shares in the Company are expected to constitute an interest in an offshore fund for the purposes of the offshore funds rules. Where the offshore fund has been certified as a “reporting fund”, Shareholders who are resident in the UK for tax purposes (other than persons who are dealing in the Shares who are subject to different rules) will generally, unless otherwise exempt from tax be liable to UK capital gains tax on gains arising on the disposal or deemed disposal or redemption of their Shares unless the Company fails the “qualifying investments test”.

In broad terms, a “reporting fund” is an offshore fund that meets certain upfront and annual reporting requirements to HMRC and its shareholders. Under the reporting rules, relevant classes of shares obtain reporting fund status using a “once off” up-front approval mechanism which includes an undertaking to provide annual reporting of fund income returns to relevant investors. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-share basis to all relevant shareholders (as defined for these purposes). UK shareholders who hold their interests at the end of the reporting period, to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK shareholders on the date the report is issued by the directors of the offshore fund, provided the report is issued within 6 months of the end of the financial year of the fund. Once reporting fund status is obtained from HMRC for the relevant classes, it will remain in place permanently provided the annual requirements are satisfied.

**The Directors intend to apply to HMRC in respect of certain but not all classes of Shares or Funds (as applicable) for recognition as a reporting fund.** The current reporting fund status of existing Funds and classes of Shares can be viewed at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com).

Further, even if the Directors choose to make an application for reporting fund status with respect to a particular class of Shares or Fund, there can be no guarantee that reporting fund status will be obtained or maintained for any Fund or class of Share in relation to which an application is made. Were such application to be unsuccessful or such status subsequently to be withdrawn, any gains arising to shareholders resident in the UK on a disposal or deemed disposal or redemption of Shares would be taxed as income rather than capital gains.

Where an offshore fund ceases to be a reporting fund and becomes a non-reporting fund while a UK shareholder is an investor in that particular offshore fund, an election can potentially be made by the relevant UK Shareholder. The impact of such a valid election made by the relevant UK Shareholder is that the UK Shareholder is deemed to be (a) disposing of an interest in the reporting Fund or class of Shares (as applicable) at the end of that Fund's or of that class of Shares' final period of account as a reporting fund and (b) acquiring an interest in the (now) non-reporting Fund or class of Shares at the beginning of that non-reporting Fund's or class of Shares first period of account.

Any gain or loss arising on the deemed disposal will be subject to the normal rules applying to UK capital gains tax (or UK corporation tax on chargeable gains). Any subsequent disposal of the interest in the now non-reporting Fund or class of Shares will be subject for that UK Shareholder to an income tax charge on any further gains accruing from the deemed date of disposal and reacquisition. Such election must be made within specified time limits. Shareholders should refer to their tax advisors for further information. Chargeable gains arising on disposals of capital assets by UK resident individuals will be tax free if they fall within an individual's annual capital gains exemption. For the tax year 2024/25, the first £3,000 of an individual's chargeable gains (that is after deduction of allowable losses) from all sources will, therefore, be exempt from capital gains tax. Gains in excess of this amount will be subject to capital gains tax at the rate of 10% for basic rate taxpayers or 20% to the extent an individual taxpayer's total taxable income and gains exceeds the upper limit for the income tax basic rate band (currently £37,700 for the tax year 2024/25).

Corporate Shareholders will be subject to corporation tax on chargeable gains. The main rate of corporation tax is currently 25%.

### **Inheritance tax**

A gift of Shares or the death of a holder of Shares may give rise to a liability to UK inheritance tax. For these purposes, a transfer of assets at less than their full market value may be treated as a gift. However, an individual who is not domiciled in the UK and who is not deemed to be domiciled there under special rules relating to long residence or previous domicile in the UK, is not generally within the scope of inheritance tax as respects assets situated outside the UK. Shares in the Company should constitute assets situated outside the UK for inheritance tax purposes.

### **Stamp Duty Reserve Tax ("SDRT")**

Stamp duty reserve tax (or stamp duty) at the rate of 0.5% (rounded up to the nearest £5) will be payable by the Company on the acquisition by the Company of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom for the purpose of subsequent subscriptions for shares and may arise on the transfer of such Investments to Shareholders on a non-pro rata in specie redemption of Shares.

Because the Company is not incorporated in the United Kingdom and the register of holders of Shares will be kept outside the United Kingdom, no liability to stamp duty reserve tax will arise by reason of the transfer, subscription for or redemption of Shares except as stated above. Liability to stamp duty will not arise provided that any instrument in writing transferring Shares is executed and retained at all times outside the United Kingdom.

## **Anti-avoidance provisions**

The attention of Shareholders who are individuals resident in the UK is drawn to the provisions contained in Chapter 2 (Transfer of assets abroad) of Part 13 of the Income Tax Act 2007. These provisions prevent avoidance of UK income tax by such individuals through transactions (which could include acquiring Shares in the Company) resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the United Kingdom. These provisions may render such individuals liable to UK income tax on an annual basis in respect of income and profits of the Company not distributed to them. This legislation is not directed towards the taxation of capital gains.

The attention of Shareholders who are resident in the UK is also drawn to section 3 of the Taxation of Chargeable Gains Act 1992. This section could be material to any such person whose proportionate interest in the Company (whether as a Shareholder or otherwise as a “participator” for United Kingdom taxation purposes) when aggregated with that of persons connected with that person is more than 25% if, at the same time, the Company is itself controlled in such manner that, were it to be resident in the United Kingdom for taxation purposes, it would be a “close” company for those purposes. The provisions of this section, if applied, will have the effect of making such individual Shareholders liable to UK capital gains tax (or, in the case of Shareholders that are companies, corporation tax on chargeable gains) on an apportioned part of any capital gains accruing to the Company as if it had accrued to that Shareholder directly. This rule should only apply where either the holding or disposal of the asset formed part of arrangements of which one of the main purposes was the avoidance of capital gains tax or corporation tax.

The provisions concerning controlled foreign companies (“CFCs”), set out in Part 9A of the Taxation (International and Other Provisions) Act 2010, impose a charge to tax on chargeable profits, affecting any UK resident company with an interest of 25% or more (including the interests of associated or connected persons) in the profits of a non-UK resident company provided no statutory exemptions apply. Where a CFC’s profits fall within certain “gateway” provisions (and are not otherwise excluded by any exemption) they will be apportioned to UK participators. This charge may be reduced by a credit for any foreign tax attributable to the relevant profits and by the offset of UK reliefs. UK resident companies holding a right to 25% or more of the profits of the Company (directly or indirectly) are advised to seek their own specific professional taxation advice in relation to whether and how these rules might affect their proposed investment in the Company. The legislation is not directed towards the taxation of capital gains.

## **German Taxation**

The information provided in this section only applies to German Shareholders that are subject to unlimited tax liability in Germany. It is not exhaustive and does not constitute legal or tax advice. The information provided in this section does not constitute a complete analysis of all tax considerations and is limited to certain aspects of current German tax law and practice, which may not apply to certain classes of Shareholders.

All of the Funds are treated as investment funds within the meaning of chapter 2 of the German Investment Tax Act applicable as of 1 January 2018 (“GITA”).

### **German taxation at the level of the Funds**

The Funds are subject to German corporate income tax with German dividend income and certain other German source income within the meaning of section 6 GITA. Capital gains from the disposal of shares in corporations are in principle not taxable in Germany at the level of the Funds (for capital gains from the disposal of shares in a German or non-German real estate rich corporation (i.e. a corporation whose shares derive to more than 50% from German real estate at any point in time



during a 365 days period preceding the disposal) an exception applies if a Fund had been the direct or indirect owner of at least 1% of the share capital at any point in time within the last five years preceding the disposal).

In the case of German dividend income, a final German tax is withheld at source. The German withholding tax rate generally amounts to 26.375% (including a 5.5% solidarity surcharge). For investment funds that are in possession of a valid fund status certificate and have provided this to the withholding agent a 15.0% withholding tax rate (including a 5.5% solidarity surcharge) applies. Those Funds having exposure to German assets will apply for the fund status certificate.

For German source income that is not subject to German withholding tax at source the German corporate income tax rate is 15.825% (including a 5.5% solidarity surcharge). The German tax is levied in the course of an annual tax assessment with a tax filing obligation on the relevant Fund.

An investment fund is generally exempt from German trade tax, unless and to the extent it actively and entrepreneurially manages its assets through a German permanent establishment (subject to a de minimis limit). The Funds are not expected to be subject to German trade tax.

### **German taxation at the level of German Shareholders**

#### *Transition rules*

At the level of the German shareholders of an investment fund and for the purposes of the transition to the GITA as applicable since 1 January 2018, the GITA provides for a "fictitious" disposal of the shares in the investment fund on 31 December 2017 and for their reacquisition on 1 January 2018. The taxation of capital gains arising from this "fictitious" disposal will be deferred, free of interest, until the shares are ultimately redeemed or otherwise disposed of. These capital gains will be calculated based on the taxation principles applicable on 31 December 2017 but will be taxed with the tax rates and pursuant to the tax procedures applicable at the time of the actual disposal. Any appreciation in the value of the relevant fund shares from 1 January 2018 until the time of their actual disposal will also be subject to tax payable by German shareholders pursuant to the rules of the GITA as applicable from 1 January 2018.

Capital gains derived from the aforementioned "fictitious" disposal of fund shares that were acquired before 1 January 2009 and that were held by private investors (i.e. natural persons) as private assets since their acquisition ("Grandfathered Shares") will:

- not be subject to tax to the extent that the capital gains derive from appreciations in value of the Grandfathered Shares which occurred up until 31 December 2017; and
- only be subject to tax on the amount exceeding €100,000 to the extent the capital gains derive from appreciations in value of the fund shares occurred from 1 January 2018 on.

#### *Taxable income*

Under the GITA, German Shareholders of a Fund are, in principle, subject to an "opaque taxation". German Shareholders are taxable with the following income from a Fund (so-called "Investment Income"):

- distributions, including dividends and repayments of contributed capital from a Fund;
- the so-called "lump-sum taxation amount" (see below for further details); and
- capital gains from the disposal (i.e. redemption or sale) of Shares in a Fund.

The lump-sum taxation amount is attributed to German Shareholders as deemed taxable income on an annual basis on the first business day of the calendar year with respect to the preceding calendar year. The lump-sum taxation amount is calculated as follows: redemption price (or alternatively stock exchange price or market price) per Fund Share at the beginning of the calendar year multiplied by 70% of the so-called “basic interest rate” (Basiszins) as published by the German Federal Ministry of Finance (for the lump-sum taxation amount with respect to the calendar year 2024 that is attributed on 2 January 2025: 2.29%). The lump sum taxation amount is reduced by the actual distributions of the respective calendar year. The lump sum taxation amount is further capped by the actual increase of the redemption price (or stock exchange price or market price, as applicable) of the Fund Share during the calendar year.

The Investment Income is as a rule subject to:

- (i) German income tax at a flat tax rate of 25% (plus solidarity surcharge and church tax, if applicable) in the case of German Shareholders holding Fund Shares as private assets (“Private Investors”);
- (ii) German income tax at the personal progressive income tax rate (up to 45% plus solidarity surcharge and church tax, if applicable) and German trade tax at the respective local trade tax rate in the case of German Shareholders holding Fund Shares as business assets (“Business Investors”); and
- (iii) German corporate income tax at a rate of 15% (plus solidarity surcharge) and German trade tax at the respective local trade tax rate in the case of German Shareholders qualifying as corporate tax subjects (“Corporate Investors”).

#### *Partial tax exemptions*

Shareholders of the Funds may benefit from a partial tax exemption on any Investment Income (i.e. distributions, the lump-sum taxation amount and capital gains from a disposal/redemption of Fund Shares) if the respective Fund qualifies as an “Equity Fund” or “Mixed Fund” pursuant to section 2 paragraph 6 and 7 GITA (see further below). The current partial tax exemption rates are set out in the following table:

|             | <b>Private Investors</b> | <b>Business Investors</b> | <b>Corporate Investors</b> |
|-------------|--------------------------|---------------------------|----------------------------|
| Equity Fund | 30%                      | 60%                       | 80%                        |
| Mixed Fund  | 15%                      | 30%                       | 40%                        |

The (increased) partial tax exemptions for Business Investors and Corporate Investors do not apply (i) to life and health insurance companies if Fund Shares are attributable to their capital investments (*Kapitalanlagen*), (ii) to credit or financial services institutions if Fund Shares are attributable to their trading assets (*Handelsbestand*) and (iii) to finance companies of which more than 50% is owned directly or indirectly by credit or financial services institutions if Fund Shares are at the time of the acquisition attributable to the short-term assets (*Umlaufvermögen*). In these cases, the partial tax exemption for Private Investors (i.e. 30%) applies.

For German trade tax purposes, only half of the aforementioned partial tax exemptions apply.

#### *“Equity Fund” / “Mixed Fund”*

The categorisation of a Fund as an “Equity Fund” or a “Mixed Fund” pursuant to the GITA depends on whether the Fund meets certain “Equity Participation” thresholds.

“Equity Funds” are defined as investment funds, which according to their investment conditions continuously invest more than 50% of their net asset value in “Equity Participations” within the meaning of section 2 paragraph 8 GITA (section 2 paragraph 6, paragraph 9b sentence 2 GITA). For purposes of the calculation of the more than 50% minimum the value of the “Equity Participations” has to be reduced by the loans raised by the investment fund proportionally to the percentage of the value of the “Equity Participations” in relation to all gross assets of the investment fund (section 2 paragraph 9b sentence 3 GITA).

“Mixed Funds” are defined as investment funds, which according to their investment conditions continuously invest at least 25% of their net asset value in “Equity Participations” within the meaning of section 2 paragraph 8 GITA (section 2 paragraph 7, paragraph 9b sentence 2 GITA). For purposes of the calculation of the 25% minimum the value of the “Equity Participations” has to be reduced by the loans raised by the investment fund proportionally to the percentage of the value of the “Equity Participations” in relation to all gross assets of the investment fund (section 2 paragraph 9b sentence 3 GITA).

According to the investment conditions contained in the respective Supplement the following Funds currently qualify as “Equity Funds” / “Mixed Funds”:

| “Equity Funds”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | “Mixed Funds”                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Lazard UK Omega Equity Fund*;</li> <li>• Lazard Japanese Strategic Equity Fund;</li> <li>• Lazard European Equity Fund*;</li> <li>• Lazard Pan European Equity Fund*;</li> <li>• Lazard Pan-European Small Cap Fund;</li> <li>• Lazard Global Strategic Equity Fund*;</li> <li>• Lazard Global Managed Volatility Fund*;</li> <li>• Lazard Global Listed Infrastructure Equity Fund;</li> <li>• Lazard Global Equity Franchise Fund;</li> <li>• Lazard Global Sustainable Equity Fund;</li> <li>• Lazard Global Equity Income Fund*;</li> <li>• Lazard Global Small Cap Fund;</li> <li>• Lazard Automation and Robotics Fund;</li> <li>• Lazard Digital Health Fund;</li> <li>• Lazard US Equity Concentrated Fund;</li> <li>• Lazard Global Thematic Fund*;</li> <li>• Lazard Emerging Markets Equity Fund;</li> <li>• Lazard Emerging Markets Core Equity Fund*;</li> <li>• Lazard Developing Markets Equity Fund*;</li> <li>• Lazard MENA Fund*;</li> <li>• Lazard Emerging Markets Equity Advantage Fund;</li> <li>• Lazard Global Thematic Focus Fund;</li> <li>• Lazard Emerging Markets Managed Volatility Fund;</li> <li>• Lazard Climate Action Fund*;</li> <li>• Lazard US Small Cap Equity Fund;</li> <li>• Lazard Global Equity Advantage.</li> </ul> | <ul style="list-style-type: none"> <li>• N/A</li> </ul> |

*\*closed to further subscriptions pending submission of an application to the Central Bank for withdrawal of approval.*

Details on the minimum "Equity Participation" level of the aforementioned Funds as well as the respective daily "Equity Participation" ratio will be provided to WM Datenservice.

In the event that any other Fund intends to qualify for "Equity Fund" or "Mixed Fund" status under the GITA in the future, the Supplement for that respective Fund will be updated accordingly and details of its minimum "Equity Participation" level (as contained in its Supplement) as well as its daily "Equity Participation" ratio will be provided to WM Datenservice.

In cases where the Supplement for a Fund does not include the specific disclosures required (in particular, the minimum "Equity Participation" thresholds) for a Fund to qualify as either an "Equity Fund" or a "Mixed Fund" for the purposes of the GITA, the German Shareholders can nevertheless – upon application – benefit from the partial tax exemptions if they can provide evidence to the German tax authorities, retroactively in the course of their annual tax assessment, that the respective Fund has in fact in its investment practice continuously throughout its fiscal year complied with the required minimum "Equity Participation" thresholds applicable to "Equity Funds" or "Mixed Funds", respectively (section 20 paragraph 4 GITA). For the purposes of providing this evidence, a retroactive confirmation of the respective Fund's categorisation as either an "Equity Fund" or a "Mixed Fund", as applicable, together with the realised "Equity Participation" ratios for each business day of the Fund's fiscal year will be provided on the website [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com) following the Fund's fiscal year end. As of 1 January 2025, due to the amendment of section 20 paragraph 4 GITA by the German Annual Tax Act 2024, the aforementioned evidence will be provided for the calendar year (not the fiscal year of a Fund). A fund categorisation confirmed retroactively in this manner cannot be relied upon as an indicator that the Fund will fulfil the requirements of an "Equity Fund" or "Mixed Fund" in the future. Further, as of 1 January 2025, German Shareholders should note that they are obliged to provide the aforementioned evidence for the entire holding period of the Fund Shares together with the redemption prices at the end of the respective calendar year and the tax certificates mentioned in section 20 paragraph 4 GITA as applicable as of 1 January 2025 if they realise losses of more than EUR 500 from the disposal (i.e. redemption or sale) of Shares in a Fund or claim a depreciation for German tax purposes for Shares in a Fund for which previously the aforementioned evidence was provided.

The German custody bank of the respective Shareholder will be responsible for the correct withholding of taxes for which the Shareholder is liable. For the purpose of the Shareholder taxation, the Manager intends to make commercially reasonable efforts to provide all relevant information for the taxation of the Shareholders under the GITA via reporting to WM Datenservice. To facilitate the filing of relevant tax returns by Shareholders who do not hold their Shares in a German custody bank, the Manager intends to make commercially reasonable efforts to provide all relevant information for the purposes of the Shareholder taxation under the GITA via [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com).

### **Tax Risk**

The legal and fiscal treatment of the Funds by the German tax authorities may change in ways that are unforeseeable and beyond the reasonable control of the Company.

For example, where the German tax authorities undertake field audits in respect of any of the Funds, this may give rise to a re-categorisation of the relevant Fund(s) for the purposes of the GITA, which could impact the historic and future taxation of Shareholders of any such Fund(s) in an unfavourable way. Additionally, changes to the investment policy of a Fund or substantial infringements of the minimum "Equity Participation" ratio in the investment practice of a Fund might lead to such a re-categorisation.

Any such re-categorisation would result in a “fictitious” disposal of the Shares of the relevant Fund(s) and a reacquisition of the Shares in the Fund(s) on the following day. The “fictitious” disposal would take place on the day on which the investment policy of the Fund(s) is changed or the investments of the Fund(s) fell below the “Equity Participation” threshold applicable to “Equity Funds” or “Mixed Funds”, as relevant, or, if the German Shareholder provides evidence pursuant to section 20 paragraph 4 GITA only for the preceding assessment period but not for the current, at the end of the preceding assessment period (the “Breach Event”). The capital gains resulting from this “fictitious” disposal (if any) would however only be taxed at the point in time when the Shares in the Fund(s) are actually disposed of. The tax deferral would be free of interest. The capital gains from the “fictitious” disposal would be subject to the partial tax exemptions applicable to the respective Fund before the Breach Event occurred. Any capital gains from appreciations in value of the newly acquired Shares occurred after the “fictitious” disposal would be subject to the partial tax exemptions applicable to the Fund(s) after the re-categorisation (if any).

## **STATUTORY AND GENERAL INFORMATION**

### **1. Incorporation, Registered Office and Share Capital**

The Company was incorporated in Ireland under its original name Lazard Brothers Global Equity Fund plc on 10 April 1996 as an investment company with variable capital with limited liability under registration number 247292. The name of the Company was changed to Lazard Global Active Funds plc on 16 November 2001.

- (a) The registered office of the Company is currently at 6<sup>th</sup> Floor, 2 Grand Canal Square, Dublin 2, D02 A342, Ireland.
- (b) On incorporation the authorised share capital of the Company was Stg£40,000 divided into 40,000 Subscriber Shares of a par value of Stg£1 each and 500,000,000,000 Participating Shares of no par value. The 40,000 Subscriber Shares formerly held by the Manager/its nominees have now been redeemed. The number of shares in issue shall not be less than such number as is required by law (currently two) nor more than 40,000 Subscriber Shares and 500,000,000,000 Participating Shares.
- (c) The Shares do not carry pre-emption rights.

### **2. Share Rights**

The holders of Shares shall:

- (a) on a vote taken on a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per whole Share;
- (b) be entitled to such dividends as the Directors may from time to time declare; and
- (b) in the event of a winding up or dissolution of the Company, have the entitlements referred to under “Distribution of Assets on a Liquidation” below.

### **3. Voting Rights**

This is dealt with under the rights attaching to the Shares referred to at 2 above. Shareholders who are individuals may attend and vote at general meetings in person or by proxy.

Shareholders who are corporations may attend and vote at general meetings by appointing a representative or proxy.

Subject to any special terms as to voting upon which any Shares may be issued or may for the time being be held, at any general meeting on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by duly authorised representative shall have one vote. On a poll every such holder present as aforesaid or by proxy shall have one vote for every Share held.

To be passed, ordinary resolutions of the Company in a general meeting will require a simple majority of the votes validly cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the votes validly cast by Shareholders present in person or by proxy in general meetings is required in order to pass a special resolution including a resolution to (i) rescind, alter or amend an Article or make a new Article and (ii) wind up the Company.

#### **4. Memorandum**

The Memorandum of the Company provides that the sole object for which the Company is established is the collective investment in transferable securities and/or other liquid financial assets referred to in the Regulations, of capital raised from the public and which operates on the principle of spreading investment risk in accordance with the Regulations. The object of the Company is set out in full at Clause 3 of the Memorandum which is available for inspection at the registered office of the Company.

#### **5. Articles**

The following section is a summary of the principal provisions of the Articles of the Company not previously summarised in this Prospectus.

##### *Alteration of share capital*

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

##### *Issues of Shares*

The Shares shall be at the disposal of the Directors and they may (subject to the provisions of the Act) allot, offer or otherwise deal with or dispose of them to such persons, at such times and on such terms as they may consider in the best interests of the Company.

##### *Variation of rights*

Whenever the share capital is divided into different classes of Shares, the rights of any class may be varied or abrogated with the consent in writing of the holders of three quarters of the issued and outstanding Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of that class of Shares and the necessary quorum shall be (other than an adjourned meeting) two persons holding shares issued in that class

(and at the adjourned meeting the necessary quorum shall be one person holding Shares of that class or his proxy).

The special rights attaching to any Shares of any class shall not (unless the conditions of issue of such class of Shares expressly provide otherwise) be deemed to be varied by the creation or issue of other Shares ranking *pari passu* therewith.

#### Directors

- (a) Each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve. The Directors may also be paid, inter alia, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company. Any Director who devotes special attention to the business of the Company may be paid such extra remuneration as the Directors may determine (see the section headed "Fees and Expenses" above in relation to Directors' fees).
- (b) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company on such terms as the Directors may determine.
- (c) Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof;
  - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company thereof is otherwise interested; and
  - (iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- (d) A Director shall not generally be permitted to vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote. A Director shall be entitled to vote (and be counted in the quorum) in respect of resolutions concerning certain matters in which he has an interest including any proposal concerning any other company in which he is interested, directly or indirectly provided that he is not the holder of or beneficially interested in 10% or more of the issued shares of any class of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived).
- (e) There is no provision in the Articles requiring a Director to retire by rotation or by reason of any age limit and no share qualification for Directors.
- (f) The number of Directors shall not be less than two provided that a majority of Directors shall not be resident in the United Kingdom.

- (g) The quorum for meetings of Directors may be fixed by the Directors and unless so fixed shall be two provided that if a majority of the Directors present are resident in the United Kingdom the Directors present, irrespective of their number shall not constitute a quorum.
- (h) The office of a Director shall be vacated in any of the following circumstances, if:
  - (i) he ceases to be a Director by virtue of any provisions of the Act or becomes prohibited by law from being a Director;
  - (ii) the Central Bank has issued a prohibition notice in respect of such Director;
  - (iii) he becomes a bankrupt or makes any arrangement or composition with his creditors generally;
  - (iv) in the opinion of a majority of the Directors he becomes incapable by reason of mental disorder of discharging his duties as a Director;
  - (v) he resigns from his office by notice to the Company;
  - (vi) he is convicted of an indictable offence and the Directors determine that as a result of such conviction he should cease to be a Director;
  - (vii) a majority of the Directors are satisfied on reasonable grounds that he no longer complies with any standards of fitness and probity in a code issued by the Central Bank from time to time;
  - (viii) by a resolution of his co-Directors he is requested to vacate office;
  - (ix) the Company by ordinary resolution so determines;
  - (x) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors pass a resolution that he has by reason of such absence vacated office; or
  - (xi) subsequent to his appointment he becomes resident in the United Kingdom and as a result thereof a majority of the Directors are resident in the United Kingdom.

A Director shall comply immediately with any suspension notice issued by the Central Bank in respect of such Director and shall accordingly cease performing any or all of the functions of his office as may be specified in the notice. For so long as a suspension notice is in force, any Director, the subject of such notice, shall not attend any meetings of the Directors and shall not be counted in the quorum thereat.

The Company may also, as a separate power, in accordance with and subject to the provisions of the Act, by ordinary resolution of the Shareholders, remove any Director (including a Managing Director or other executive director) before the expiry of his period of office notwithstanding anything to the contrary contained in the Articles or in any agreement between the Company and any such Director.



### Borrowing powers

The Directors may exercise all borrowing powers on behalf of the Company and mortgage or charge its undertaking, property and assets or any part thereof and to issue debentures, debenture stock or other securities whether outright or as collateral security for any debts or obligations only in accordance with the provisions of the Regulations.

### Dividends

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends on a class or classes of Shares, but no dividends shall exceed the amount recommended by the Directors. If the Directors so resolve and in any event on the winding up of the Company or on the total redemption of Shares, any dividend which has remained unclaimed for six years shall be forfeited and become the property of the Company.

### Distribution of assets on a liquidation

- (a) If the Company shall be wound up, the liquidator shall, subject to the provisions of the Act, apply the assets of the Company on the basis that any liability incurred or attributable to a Fund shall be discharged solely out of the assets of that Fund.
- (b) The assets available for distribution among the members shall then be applied in the following priority:
  - (i) firstly, in the payment to the holders of Shares of each class of the Fund a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at the prevailing rate of exchange) to the Net Asset Value of the Shares held by such Shareholders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made recourse shall be had to the assets of the Company (if any) not comprised within any of the Funds and not (save as provided in the Act) to the assets comprised within any of the Funds;
  - (ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (b)(i) above. In the event that there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be had to the assets comprised within any of the Funds;
  - (iii) thirdly, in the payment to the holders of each class of Shares of any balance remaining in the relevant Fund, such payment being made in proportion to the numbers of Shares held;
  - (iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion to the number of Shares held in each class;

### Indemnities

The Directors (including alternates), Secretary and other officers of the Company shall be indemnified by the Company against losses and expenses which any such person may become liable to by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of negligence or wilful misconduct).

### The assets of the Company and the calculation of the Net Asset Value of the Shares

- (a) The Net Asset Value of a Fund shall be determined (except in the case of suspension) as at each Valuation Point and shall be the value of all the assets comprised in a Fund less all the liabilities attributable to the Fund calculated in accordance with the Regulations.
- (b) The assets of the Company shall be deemed to include (a) all cash in hand, on deposit, or on call including any interest accrued thereon and all accounts receivable; (b) all bills, demand notes, certificates of deposit and promissory notes; (c) all bonds, forward currency transactions, time notes, shares, stock, units of or participation in collective investment schemes/mutual funds, debentures, debenture stock, subscription rights, warrants, futures contracts, options contracts, swap contracts, fixed rate securities, floating rate securities, securities in respect of which the return and/or redemption amount is calculated by reference to any index, price or rate, financial instruments and other investments and securities owned or contracted for by or in respect of the Company, other than rights and securities issued by it; (d) all stock and cash dividends and cash distributions to be received in respect of the Fund and not yet received by the Company but declared to stockholders on record on a date on or before the day as of which the net asset value is being determined; (e) all interest accrued on any interest-bearing securities attributed to the Company except to the extent that the same is included or reflected in, the principal value of such security; (f) all other Investments of the Company; (g) the establishment costs attributable to the Company and the cost of issuing and distributing Shares of the Company in so far as the same have not been written off; and (h) all other assets of the Company of every kind and nature including prepaid expenses as valued and defined from time to time by the Directors.
- (c) The valuation principles to be used in valuing the Company's assets are as follows:
  - (i) the Directors shall be entitled to value the Shares of any Fund using the amortised cost method of valuation, whereby the Investments of such Fund are valued at their cost of acquisition adjusted for amortisation of premium or accretion of discount on the Investments rather than at the current market value of the Investments. This method of valuation will only be used in accordance with Central Bank Requirements and, where the Fund is a money market fund, only with respect to securities with a maturity at issuance or residual term to maturity of 397 days or less or securities that undergo regular yield adjustments at least every 397 days and provided the Fund also maintains a weighted average maturity of 60 days or less. Where the Fund is not a money market fund and it is not the intention to apply the amortised cost method of valuation to the Fund's portfolio as a whole, money market instruments within such a Fund's portfolio may be valued on an amortised cost basis provided that the money market instruments have a residual maturity of less than three months and have no specific sensitivity to market parameters, including credit risk;
  - (ii) the value of an Investment which is quoted, listed or normally dealt in on a Regulated Market, shall (save in the specific cases set out in paragraph (i) above

or in the relevant paragraphs below) be based on the last traded price where the Investment in question is an equity security and, where the Investment in question is not an equity security, on the mid-market price (or last quoted price where the mid-market price is not available) for such Investment last available to the Directors at the relevant Valuation Point, provided that:

- A. if an Investment is quoted, listed or normally dealt in on more than one Regulated Market, the Directors may (with the approval of the Depositary), in their absolute discretion, select any one of such markets for the foregoing purposes (provided that the Directors have determined that such market constitutes the main market for such Investment or provides the fairest criteria for valuing such securities) and once selected a market shall be used for future calculations of the Net Asset Value unless the Directors otherwise determine;
  - B. in the case of any Investment which is quoted, listed or normally dealt in on a Regulated Market but in respect of which for any reason, prices on that market may not be available at any relevant time, or, in the opinion of the Directors, may not be representative, the value therefor shall be the probable realisation value thereof estimated with care and in good faith certified by a person, firm or association making a market in such Investment approved by the Depositary and/or any other person qualified, in the opinion of the Directors (and with the approval of the Depositary) to provide such a certificate; and
  - C. in the case of any Investment which is quoted, listed or normally dealt in or on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant Regulated Market, the Investment may be valued taking into account the level of premium or discount at the date of the valuation. The Depositary must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the Investment.
- (iii) the value of any Investment which is not quoted, listed or normally dealt in on a Regulated Market shall be the probable realisable value therefor ascertained as hereinafter provided with the concurrence of the Depositary:
- A. the probable realisable value of such Investment shall be such value as shall be estimated by the Directors acting in good faith and with due care and approved by the Depositary; and
  - B. there shall be taken into account interest on interest bearing Investments;
- (iv) units or shares in open-ended collective investment schemes will be valued at the latest available net asset value. Units or shares in collective investment schemes may, if quoted, listed or normally dealt in on a Regulated Market, be valued in accordance with the provisions of paragraph (c)(ii) above;
- (v) the value of any cash in hand, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof unless in any case the Directors are 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 Directors (with the approval of the

Depository) may consider appropriate in such case to reflect the true value thereof;

- (vi) deposits shall be valued at their principal amount plus accrued interest from the date on which the same were acquired or made;
- (vii) treasury bills shall be valued at the middle market dealing price on the market on which same are traded or admitted to trading as at the Valuation Point, provided that where such price is not available, same shall be valued (with the approval of the Depository) on the basis of their market yield taking into account currency and date of maturity;
- (viii) bonds, notes, debenture stocks, certificates of deposit, bank acceptances, trade bills and similar assets shall be valued at the last available mid-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 Directors the principal market on which the assets in question are quoted or dealt in) plus any interest accrued thereon from the date on which same were acquired;
- (ix) forward foreign exchange contracts will be valued by reference to the price at the Valuation Point at which a new forward contract of the same size and maturity could be undertaken;
- (x) the value of any futures contracts and options which are dealt in on a Regulated Market shall be calculated by reference to the price appearing to the Directors to be the settlement price as determined by the market in question, provided that where it is not the practice of the relevant market to quote a settlement price or if such settlement price is not available for any reason or is unrepresentative, same shall be valued at the probable realisation value estimated with care and good faith by a competent person (approved for the purpose by the Depository);
- (xi) the value of any over-the-counter derivative contracts shall be
  - A. the quotation from the counterparty provided that such quotation is provided on at least a daily basis and verified at least weekly by a person independent of the counterparty and who is approved for the purpose by the Depository; or
  - B. an alternative method of valuation as the Directors may determine in accordance with the requirements of the Central Bank. This may be calculated by the Company or an independent pricing vendor (which may be a party related to but independent of the counterparty which does not rely on the same pricing models employed by the counterparty) provided that where an alternative valuation is used (i.e. a valuation that is provided by a competent person appointed by the Manager or Directors and approved for that purpose by the Depository (or a valuation by any other means provided that the value is approved by the Depository)), the valuation principles employed must follow best international practice established by bodies such as IOSCO (International Organisation of Securities Commission) and AIMA (the Alternative Investment Management Association) and any such valuation shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise on the monthly reconciliation, these will be promptly investigated and explained;

- (xii) notwithstanding any of the foregoing sub-paragraphs, the Directors with the approval of the Depositary may adjust the value of any Investment if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof;
  - (xiii) if in any case a particular value is not ascertainable as above provided or if the Directors 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 Directors shall decide with the approval of the Depositary;
  - (xiv) the Directors may, in order to comply with any applicable accounting standards, present the value of any assets of the Company in financial statements to Shareholders in a manner different to that set out in paragraphs (i) to (xiii) above.
- (d) Any certificate as to Net Asset Value of Shares given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Directors shall be binding on all parties.

#### General Provision on Valuation

Any assets held, including funds on deposit and amounts payable to the Company and any liabilities and amounts payable by the Company in respect of any Fund in a currency other than that in which that Fund is designated shall be translated into the currency of the relevant Fund at such rate of exchange as the Directors may think fit.

#### Notices

Any relevant notice or document required to be given, served or delivered by the Company shall be in writing and served in accordance with the provisions specified in the Company's Constitution.

### **6. Money Laundering**

The Directors of the Company, the Manager and the Administrator have a responsibility to regulators for compliance with anti-money laundering regulations around the world and, for that reason, existing Shareholders, potential subscribers for and transferees of Shares may be asked for proof of identity and/or to fulfil other requirements. Until satisfactory proof of identity is provided and/or those requirements are fulfilled, the Directors reserve the right to withhold issuance redemption and approval of transfers of Shares.

In case of delay or failure to provide satisfactory proof of identity, the Company and the Manager may take such action as they see fit including the right to redeem issued Shares compulsorily.

### **7. Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

- (a) The Management Agreement. 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 180 days' written notice although in certain

circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other. The Management Agreement contains indemnities in favour of the Manager other than for matters arising by reason of its fraud, bad faith, wilful misconduct, wilful misfeasance or negligence in the performance of its duties and obligations, and provisions regarding the Manager's legal responsibilities.

- (b) The Depositary Agreement. The Depositary Agreement provides that the appointment of the Depositary 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 (e.g. the appointment of a receiver or examiner to either party, unremedied breach after notice, etc.) the Agreement may be terminated forthwith by notice in writing from either party to the other. The Depositary Agreement contains provisions regarding the Depositary's legal responsibilities and indemnities in favour of the Depositary other than for matters arising by reason of the negligence, fraud, bad faith, breach of contract, wilful default or recklessness of the Depositary in the performance of its duties or the loss of Financial Instruments Held in Custody pursuant to clause 12.01 of the Depositary Agreement.
- (c) The Administration Agreement. The Administration Agreement provides that the appointment of the Administrator will continue in force unless and until terminated at any time and for any reason by the Administrator providing 6 months' prior written notice to the Manager, or by the Manager or the Company providing 60 days' prior written notice to the Administrator, although in certain circumstances (e.g. the insolvency of any party, unremedied breach after notice, etc.) the agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement contains provisions regarding the Administrator's legal responsibilities and indemnities in favour of the Administrator other than for matters arising by reason of the negligence, fraud, bad faith, recklessness or wilful default of the Administrator or its permitted delegates, servants or agents in the performance or non-performance of the Administrator's duties under the Administration Agreement. The Administration Agreement also provides that the Administrator shall not be liable for any loss of any nature whatsoever suffered by the Manager or the Shareholders in connection with the performance of the Administrator's obligations under the Administration Agreement, except where that loss results directly from negligence, fraud, recklessness, bad faith or wilful default on the part of the Administrator, its officers, directors, employees or delegates in the performance or non-performance of the Administrator's obligations and duties under the Administration Agreement and, additionally that, notwithstanding any other provision of the Administration Agreement, the Administrator shall not be liable for any indirect, special or consequential loss howsoever arising out of or in connection with the Administration Agreement.
- (d) The Promoter and Distributor Agreement. The Promoter and Distributor Agreement provides that the appointment of Lazard Asset Management Limited in its role as Promoter/Distributor will continue in force unless and until terminated by any party giving to the other not less than 90 days' written notice. The Promoter and Distributor Agreement contains provisions regarding Lazard Asset Management Limited's legal responsibilities pursuant to the agreement and indemnities in favour of Lazard Asset Management Limited other than for matters arising by reason of its fraud, bad faith, wilful default or negligence in the performance of its duties and obligations;
- (e) The Marketing Agreement. The Marketing Agreement provides that the appointment of Lazard Asset Management (Deutschland) GmbH as Distributor will continue in force unless and until terminated by either party giving to the other not less than one month's written notice. The Marketing Agreement contains indemnities in favour of Lazard Asset Management (Deutschland) GmbH in its role as Distributor other than in respect of

matters arising by reason of its fraud, negligence or breach in the performance of its duties and obligations, and provisions regarding its legal responsibilities.

- (f) The Lazard UK IMA. The Lazard UK IMA provides that the appointment of Lazard Asset Management Limited as investment manager to certain of the Funds will continue in force unless and until terminated by the Company and the Manager giving to the Lazard Asset Management Limited or vice versa not less than 180 days' written notice although in certain circumstances the Lazard UK IMA may be terminated forthwith by notice in writing from the Company and the Manager to Lazard Asset Management Limited or vice versa. The Lazard UK IMA contains provisions regarding Lazard Asset Management Limited's legal responsibilities and indemnities in favour of Lazard Asset Management Limited other than in respect of matters arising by reason of its fraud, bad faith, wilful misconduct, wilful misfeasance or negligence in the performance of its duties and obligations.
- (g) The Lazard US IMA. The Lazard US IMA provides that the appointment of Lazard Asset Management LLC as investment manager to certain of the Funds will continue in force unless and until terminated by the Company and the Manager giving to Lazard Asset Management LLC or vice versa not less than 180 days' written notice although in certain circumstances the Lazard US IMA may be terminated forthwith by notice in writing from the Company and the Manager to Lazard Asset Management LLC or vice versa. The Lazard US IMA contains provisions regarding Lazard Asset Management LLC's legal responsibilities and indemnities in favour of Lazard Asset Management LLC other than in respect of matters arising by reason of its fraud, bad faith, wilful misconduct, wilful misfeasance or negligence in the performance of its duties and obligations.
- (h) The Lazard Japan IMA. The Lazard Japan IMA provides that the appointment of Lazard Japan Asset Management K.K. as investment manager will continue in force unless and until terminated by the Company and the Manager giving to Lazard Japan Asset Management K.K. or vice versa not less than 3 months' written notice although in certain circumstances the Lazard Japan IMA may be terminated forthwith by notice in writing from the Company and the Manager to Lazard Japan Asset Management K.K. or vice versa. The Lazard Japan IMA contains provisions regarding Lazard Japan Asset Management K.K.'s legal responsibilities and indemnities in favour of Lazard Japan Asset Management K.K. other than in respect of matters arising by reason of its fraud, bad faith, wilful default or negligence in the performance of its duties and obligations.
- (i) The Lazard Pacific IMA. The Lazard Pacific IMA provides that the appointment of Lazard Asset Management Pacific Co. will continue in force unless and until terminated by the Manager giving to Lazard Asset Management Pacific Co. or vice versa not less than 90 days' written notice although in certain circumstances the Lazard Pacific IMA may be terminated forthwith by, notice in writing by the Manager to Lazard Asset Management Pacific Co. or vice versa. The Lazard Pacific IMA contains provisions regarding Lazard Asset Management Pacific Co.'s legal responsibilities and indemnities in favour of Lazard Asset Management Pacific Co. other than in respect of matters arising by reason of the fraud, bad faith, wilful default, recklessness or of Lazard Asset Management Pacific Co., its employees, officers, agents or subcontractors (which, for the avoidance of doubt, shall not include brokers or dealers used by Lazard Asset Management Pacific Co.

- (j) The Lazard Deutschland IMA. The Lazard Deutschland IMA provides that the appointment of Lazard Asset Management (Deutschland) GmbH will continue in force unless and until terminated by any of the parties giving to the others not less than 90 days' written notice although in certain circumstances the Lazard Deutschland IMA may be terminated forthwith by notice in writing from any of the parties to the others. The Lazard Deutschland IMA contains provisions regarding Lazard Asset Management (Deutschland) GmbH's legal responsibilities and indemnities in favour of Lazard Asset Management (Deutschland) GmbH other than in respect of matters arising by reason of the fraud, bad faith, wilful default, recklessness or negligence of Lazard Asset Management (Deutschland) GmbH, its employees, officers, agents or subcontractors (which, for the avoidance of doubt, shall not include brokers or dealers used by Lazard Asset Management (Deutschland) GmbH).
- (k) The Lazard Dubai IMA. The Lazard Dubai IMA provides that the appointment of Lazard Gulf Limited will continue in force unless and until terminated by any of the parties giving to the others not less than 90 days' written notice although in certain circumstances the Lazard Dubai IMA may be terminated forthwith by notice in writing from any of the parties to the others. The Lazard Dubai IMA contains provisions regarding Lazard Gulf Limited's legal responsibilities and indemnities in favour of Lazard Gulf Limited other than in respect of matters arising by reason of the fraud, bad faith, wilful default, recklessness or negligence of Lazard Gulf Limited, its employees, officers, agents or subcontractors (which, for the avoidance of doubt, shall not include brokers or dealers used by Lazard Gulf Limited).
- (l) Currency Management Agreement. The Currency Manager has been appointed by the Manager, pursuant to the Currency Management Agreement. The Company in consideration for the services to be provided by the Currency Manager or its delegates has joined the Currency Management Agreement for the sole purpose of paying the fees of the Currency Manager. The Currency Management Agreement will continue in force until terminated by either party to that agreement giving to the other party not less than 60 days' written notice or such lesser period of notice as the parties may agree in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by any of the parties to the others. The Currency Management Agreement contains provisions regarding the Currency Manager's legal responsibilities and indemnities in favour of the Currency Manager other than in respect of matters arising by reason of its fraud, wilful misconduct or negligence in the performance of its duties and obligations.

Certain contracts referred to at (a), (e), (f) and (g) above were entered into by the Company, under its then current name "Lazard Brothers Global Equity Fund plc", by the Manager under its then current name "Lazard Brothers Investment Funds Limited", by Lazard Asset Management Limited under its then current name "Lazard Brothers Asset Management Limited", by Lazard Asset Management LLC as successor to its parent company "Lazard Frères & Co., LLC" and by Lazard Asset Management (Deutschland) GmbH as successor in title to "Lazard Fondsmarketing GmbH".

## 8. Inspection of Documents

Copies of the following documents will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) free of charge at the registered office of the Company in Dublin:



- (a) the Constitution of the Company;
- (b) the Prospectus; and
- (c) the latest annual and semi-annual reports of the Company.

The documents listed at (b) and (c) may be obtained, on request free of charge, from the Administrator. The documents listed at (a) may be obtained, on request free of charge, from the registered office of the Company in Dublin.

## **9. Facilities Agent in the United Kingdom**

The Company is domiciled in the Republic of Ireland and is Authorised by the Central Bank of Ireland. The Company is recognised in the UK under the Overseas Funds Regime but is not a UK authorised Fund.

The Company has appointed Lazard Asset Management Limited as its facilities agent ("**Facilities Agent**") to maintain the facilities required of a recognised collective investment scheme pursuant to the rules contained in the part of the Financial Conduct Authority's Handbook of Rules and Guidance governing recognised collective investment schemes.

The facilities are located at the offices of Lazard Asset Management Limited at 20 Manchester Square, London, W1U 3PJ, United Kingdom. At these facilities, any person may:

- (a) inspect and obtain copies (in English) (free of charge) of:
  - (i) the Constitution of the Company;
  - (ii) the latest version of the Prospectus;
  - (iii) the latest version of the KIIDs/KIDs; and
  - (iv) the Company's latest annual and half-yearly reports;
- (b) obtain information (in English) about the price of Shares; and
- (c) make a complaint about the operation of the Company, the Manager or the Depositary, which the Facilities Agent will transmit to the Manager.

Further, any Shareholder may redeem or arrange for the redemption of Shares and obtain payment at the offices of the Facilities Agent.

## **10. Complaints Handling Policy**

Shareholders may file a complaint in relation to the Company with the Manager in the official language or one of the official languages of their member state of the European Union.

Shareholders may address written complaints to:

The Designated Person for Regulatory Compliance  
Lazard Fund Managers (Ireland) Limited  
6th Floor  
2 Grand Canal Square  
Dublin 2  
Ireland

Shareholders may file their complaints with the Manager and obtain information regarding the complaints handling procedures free of charge and on request.

Shareholders have the right to refer any complaint to the Central Bank and the Financial Services Ombudsman. The contact details of the Financial Services Ombudsman are:

Address: 3rd Floor, Lincoln House, Lincoln Place, Dublin 2, D02 VH29

Telephone: 1890 88 20 90

Email: [enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie)

#### **11. Circumstances of a Winding up**

The Company shall be wound up, inter alia, in the following circumstances:

- (i) by the passing of a special resolution for a winding up;
- (ii) where the Company suspends its business for a year;
- (iii) where the number of members falls below the statutory minimum of 2;
- (iv) where the Company is unable to pay its debts and a liquidator has been appointed;
- (v) where the appropriate court in Ireland is of the opinion that the Company's affairs and the powers of the Directors have been exercised in a manner oppressive to members;
- (vi) where the appropriate court in Ireland is of the opinion that it is just and equitable that the Company should be wound up.

## APPENDIX I

### Stock Exchanges and Regulated Markets

With the exception of permitted investment in unlisted securities, the Company will only invest in those securities and derivative instruments listed or traded on a stock exchange or market (including derivative markets) which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) and which is listed in the Prospectus or in any supplement thereto or revision thereof. These stock exchanges and markets are listed in accordance with the requirements of the Central Bank, it being noted that the Central Bank does not issue a list of approved markets and exchanges:

1. All stock exchanges of the Member States (except Malta), Australia, Canada, Hong Kong, Iceland, Japan, New Zealand, Norway, Switzerland, the United Kingdom and the United States.

2. The following stock exchanges:

|               |                                                                             |
|---------------|-----------------------------------------------------------------------------|
| in Argentina  | Bolsa de Comercio de Buenos Aires<br>Mercado Abierto Electronico S.A.       |
| in Bahrain    | the Bahrain Bourse                                                          |
| in Bangladesh | the Dhaka Stock Exchange<br>Chittagong Stock Exchange Ltd.                  |
| in Bermuda    | the Bermuda Stock Exchange                                                  |
| in Botswana   | the Botswana Stock Exchange                                                 |
| in Brazil     | B3 S.A. – Brasil, Bolsa, Balcão                                             |
| in Chile      | Bolsa de Santiago<br>Bolsa Electronica de Chile                             |
| in China      | the Shanghai Stock Exchange<br>the Shenzhen Stock Exchange<br>Stock Connect |
| in Colombia   | Bolsa de Valores de Colombia                                                |
| in Costa Rica | Bolsa Nacional de Valores                                                   |
| in Croatia    | the Zagreb Stock Exchange                                                   |
| in Egypt      | the Egyptian Exchange                                                       |
| in Ghana      | the Ghana Stock Exchange                                                    |
| in India      | the National Stock Exchange of India (NSE)<br>BSE                           |
| in Indonesia  | the Indonesia Stock Exchange                                                |

|                          |                                                                      |
|--------------------------|----------------------------------------------------------------------|
| in Israel                | the Tel Aviv Stock Exchange                                          |
| in Ivory Coast           | Bourse Régionale des Valeurs Mobilières                              |
| in Jordan                | the Amman Stock Exchange                                             |
| in Kazakhstan            | the Kazakhstan Stock Exchange                                        |
| in Kenya                 | the Nairobi Securities Exchange                                      |
| in the Republic of Korea | the Korea Exchange                                                   |
| in Kuwait                | the Boursa Kuwait                                                    |
| in Malaysia              | Bursa Malaysia                                                       |
| in Mauritius             | the Stock Exchange of Mauritius                                      |
| in Mexico                | Bolsa Mexicana de Valores                                            |
| in Morocco               | Bourse de Casablanca                                                 |
| in Nigeria               | the Nigerian Stock Exchange                                          |
| in Oman                  | the Muscat Securities Market                                         |
| in Pakistan              | Pakistan Stock Exchange Limited                                      |
| in Peru                  | Bolsa de Valores de Lima                                             |
| in Philippines           | the Philippines Stock Exchange                                       |
| in Qatar                 | the Qatar Stock Exchange                                             |
| in Russia                | Moscow Exchange                                                      |
| in Saudi Arabia          | the Saudi Stock Exchange (Tadawul)                                   |
| In Serbia                | The Belgrade Stock Exchange                                          |
| in Singapore             | Singapore Exchange Limited<br>CATALIST                               |
| in South Africa          | JSE Limited                                                          |
| in Sri Lanka             | the Colombo Stock Exchange                                           |
| in Thailand              | the Stock Exchange of Thailand<br>Market for Alternative Investments |
| in Taiwan                | the Taiwan Stock Exchange<br>the Taipei Exchange                     |
| in Tunisia               | Bourse de Tunis                                                      |

|                           |                                                               |
|---------------------------|---------------------------------------------------------------|
| in Turkey                 | Borsa Istanbul                                                |
| in the U.A.E. - Abu Dhabi | the Abu Dhabi Securities Exchange                             |
| in the U.A.E. - Dubai     | the Dubai Financial Market                                    |
|                           | the United Arab Emirates Dubai International Financial Center |
| in Uruguay                | Bolsa de Valores de Montevideo                                |
|                           | Bolsa Electrónica de Valores del Uruguay SA                   |
| in Vietnam                | the Ho Chi Minh Stock Exchange                                |
|                           | the Hanoi Stock Exchange                                      |
|                           | Unlisted Public Companies Market (UPCOM)                      |
| in Zambia                 | the Lusaka Stock Exchange                                     |
| in Zimbabwe               | the Zimbabwe Stock Exchange                                   |

3. The following regulated markets:

- (a) derivative markets approved in a member state of the European Economic Area ("EEA") and any derivative markets approved in the United Kingdom;
- (b) the Alternative Investment Market regulated and operated by the London Stock Exchange Limited;
- (c) the market in the UK conducted by the "listed money market institutions" as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives markets" "(The Grey Paper)";
- (d) the French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable debt instruments);
- (e) NASDAQ (the electronic inter-dealer quotation system of America operated by the Financial Industry Regulatory Authority ("FINRA"));
- (f) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- (g) the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
- (h) the market organised by the International Securities Markets Association;
- (i) the over-the-counter markets in the United States regulated by FINRA and the MSRB;
- (j) Moscow Exchange;

- (k) the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.
  - (l) the ASX Trade24 (Australia/New Zealand);
  - (m) the Chicago Board Options Exchange (CBOE) and the CBOE Futures Exchange;
  - (n) the Chicago Mercantile Exchange (CME);
  - (o) NASDAQ International Securities Exchange (USA);
  - (p) ICE Futures U.S. (USA);
  - (q) the New York Mercantile Exchange (NYMEX);
  - (r) the Hong Kong Exchanges and Clearing Limited (HKEx);
  - (s) the Osaka Exchange;
  - (t) the Tokyo Financial Exchange;
  - (u) ICE Futures Singapore;
  - (v) Bursa Malaysia;
  - (w) Mercado Mexicano de Derivados;
  - (x) South African Futures Exchange;
  - (y) Thailand Futures Exchange;
  - (z) Taiwan Futures Exchange;
  - (aa) Borsa Istanbul Derivatives Market (VIOP); and
  - (bb) the China Interbank Bond Market.
4. For the purposes of investment in FDI, a Fund will only invest in FDI, dealt in Regulated Markets in the EEA referred to above or in any of the other non-EEA markets referred to above.
  5. Investment in Russia, if any, will only be made in securities that are listed or traded on the Open Joint Stock Company Moscow Exchange MICEX-RTS (MICEX-RTS).

The above markets are listed in accordance with regulatory criteria as defined by Central Bank Requirements, it being noted the Central Bank does not issue a list of approved markets or stock exchanges.

## **APPENDIX II**

### **Efficient Portfolio Management Techniques and Instruments and the use of FDI, for Direct Investment Purposes**

#### **A. General**

The Company may, on behalf of each Fund and subject to the Regulations and to conditions imposed by the Central Bank, employ techniques and instruments relating to transferable securities and money market instruments. The use of these techniques and instruments should be in line with the best interests of the Fund. The use of these techniques and instruments may be for hedging purposes (to protect an asset of a Fund against, or minimise liability from, fluctuations in market value or foreign currency exposures) or for efficient portfolio management purposes (with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to the Fund provided such transactions are not speculative in nature).

Instruments used for efficient portfolio management may include investments in exchange-traded or OTC FDI, such as futures, currency forwards, index futures, swaps, warrants and rights. Further information in relation to the types, underlying reference assets and commercial purpose of the FDI in which a Fund may invest will be set out in the Supplement for the relevant Fund. A Fund may also invest in FDI for direct investment purposes as part of its investment strategy where such intention is disclosed in the Fund's investment policy. Investment in FDI, whether for direct investment purposes or for efficient portfolio management purposes, must comply with Central Bank Requirements, in addition to complying, where relevant, with the collateral policy set out below under the heading "Collateral Policy". Techniques used for efficient portfolio management include the use of repurchase/reverse repurchase agreements and securities lending as detailed further below.

The Company shall employ a risk management process to enable it to accurately measure, monitor and manage on a continuous basis, the risk of all open derivative positions and their contribution to the overall risk profile of a Fund's portfolio. The Company will, on request, provide supplemental 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 investment.

The Company should only invest assets of the relevant fund in FDI if (a) the FDI do not expose the Fund to risks which the Fund could not otherwise assume; (b) the FDI do not cause the relevant Fund to diverge from its investment objectives as disclosed in this Prospectus and (c) the FDI are dealt in on a regulated market or alternatively the conditions in paragraph D. 1 below are satisfied.

Where the Company, on behalf of a relevant fund, enters into a total return swap or invests in other FDI with similar characteristics the assets held by the Company on behalf of the relevant Fund shall comply with Regulations 70 to 74 of the Regulations.

The conditions and limits for the use of FDI in relation to each Fund are as follows:

1. a Fund's global exposure relating to FDI must not exceed its total Net Asset Value;
2. position exposure to the underlying assets 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 Central Bank Requirements (although 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 Central Bank Requirements);

3. a Fund may invest in FDI dealt in OTC provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank; and
4. investments in FDI are subject to the conditions and limits laid down by the Central Bank which include cover requirements, calculation of exposure requirements and stress-testing requirements.

#### ***FDI in which the Funds may invest***

A Fund may invest in FDI where disclosed in its investment policy, whether for efficient portfolio management or direct investment purposes. A description of the types of FDI or derivative-like instruments in which a Fund may invest is set out below.

#### ***Forwards***

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts can be 'closed out' by entering into a reverse contract. A Fund may use foreign exchange forwards, including non-deliverable currency forwards, to protect against fluctuations in the relative value of its portfolio positions as a result of changes in currency exchange rates and/or to benefit directly from changes in currency exchange rates.

#### ***Swaps***

Generally, a swap is a contractual agreement between two counterparties in which the cash flows from two reference assets are exchanged as they are received for a predetermined time period.

A Fund may enter into total return swaps in order to gain exposure to certain asset classes, baskets of assets or markets in keeping with the investment policy of the Fund without investing directly in the reference asset. The total return swap allows one party to derive the economic benefit of owning an asset or index without buying directly that asset or index. Foreign exchange swaps may be used by a Fund to manage exchange rate/currency risk arising in the portfolio or to benefit directly from changes in currency exchange rates. A Fund may also invest in interest rate swaps in order to offset risks posed to the value of its portfolio by volatility in interest rates or to speculate on changes to interest rates.

#### ***Futures***

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. A Fund may invest in futures contracts in order to hedge against market risk, currency exchange risk or interest rate risk arising in its portfolio or to gain exposure to an underlying market or reference asset in keeping with the investment policy of the Fund without investing directly. Using futures to achieve a particular strategy instead of investing directly in the underlying security or index may result in lower transaction costs being incurred by the Fund.

#### ***Options***

An option is a contract which gives the contract buyer the right, but not the obligation, to exercise a term of the option, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). The 'writer' (seller) has the



obligation to honour the specified term of the contract. Since the option gives the buyer a right and the seller an obligation, the buyer pays the seller a premium. Put options are contracts that give the option buyer the right to sell to the seller of the option the underlying product or financial instrument at a specified price on, or before, the exercise date. Call options are contracts that give the option buyer the right to buy from the seller of the option the underlying product or financial instrument at a specified price on, or before, the exercise date. Options may also be cash settled. A Fund may buy or sell (write) exchange-traded or over-the-counter put and call options. A Fund may invest in options in order to gain exposure to certain asset classes, baskets of assets or markets in keeping with the investment policy of the Fund without investing directly in the reference assets, or in order to protect against risks arising in the Fund's portfolio.

#### *Convertible Securities*

A Fund may invest in convertible securities, which are bonds, debentures, notes or preferred stock which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but lower than the yield on non-convertible debt.

#### *Warrants*

Warrants are similar to options in that they give the holder the right but not the obligation to buy or sell stock at a set price in the future. A warrant guarantees the holder the right to buy (or sell) a specific number of shares at a specific price (the strike price) for a defined period of time. Unlike options on equity securities that are listed and trade on exchanges, warrants are usually issued by corporations through private transactions and typically trade over-the-counter.

#### *Rights*

Rights are instruments which are issued by a company to allow holders to subscribe for additional securities issued by that company.

#### *Participatory Notes ("P-Notes")*

P-Notes are financial instruments that may be used by the Funds to obtain exposure to an equity investment in a local market where direct ownership is not permitted. P-Notes generally are issued by banks or broker-dealers and are promissory notes that are designed to replicate the performance of a particular underlying equity security or market. The return on a P-Note that is linked to a particular underlying security generally is increased to the extent of any dividends paid in connection with the underlying security. However, the holder of a P-Note typically does not receive voting rights as it would if it directly owned the underlying security.

### **B. Efficient Portfolio Management - Other Techniques and Instruments**

1. In addition to the investments in FDI noted above, the Company may employ other techniques and instruments relating to transferable securities and money market instruments subject to the conditions and limits set out in Central Bank Requirements. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management, including FDI which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
  - (i) reduction of risk;
  - (ii) reduction of cost;
  - (iii) generation of additional capital or income for a Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the Regulations;
- (c) their risks are adequately captured by the risk management process of the Company; and
- (d) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

Techniques and instruments (other than FDI) which may be used for efficient portfolio management purposes are set out below and are subject to the conditions set out below.

2. Use of Repurchase/Reverse Repurchase Agreements ("Repurchase Transactions") and Securities Lending ("efficient portfolio management techniques")

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are (i) credit institutions authorised in the EEA (i.e. European Union Member States, Norway, Iceland, Liechtenstein) or (ii) credit institutions authorised within a signatory state other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or (iii) credit institutions 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 Regulation (EU) No.648/2012 (i.e. as at the date of this Prospectus: a credit institution in Argentina, Australia, Bosnia and Herzegovina, Brazil, Canada, China, Faroe Islands, Greenland, Guernsey, Hong Kong, India, Isle of Man, Japan, Jersey, Mexico, Monaco, New Zealand, North Macedonia, Saudi Arabia, Serbia, Singapore, South Africa, South Korea, Switzerland, Turkey or the USA).*

To the extent that the Company, on behalf of a Fund, engages in the use of efficient portfolio management techniques it will be subject to the following provisions:

1. Repurchase/reverse repurchase agreements and securities lending may only be effected in accordance with normal market practice.
2. Any counterparty to a repurchase/reverse repurchase agreement or securities lending arrangement shall be subject to an appropriate internal credit assessment carried out by the Company (or its delegate). Where such counterparty (a) was subject to a credit rating by an agency registered and supervised by the European Securities and Markets Authority ("ESMA") that rating shall be taken into account in the credit assessment process; and (b) is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in (a) this shall result in a new credit assessment being conducted of the counterparty without delay.

3. The Company, on behalf of a Fund, must ensure that it is able at all times to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.
4. Where the Company, on behalf of a Fund, enters into a reverse repurchase agreement, it shall ensure that it is able at all times 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 shall be used for the calculation of the Net Asset Value of the relevant Fund.
5. Where the Company, on behalf of a Fund, enters into a repurchase agreement, it shall ensure that it is able at all times to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.
6. Fixed-term repurchase or reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
7. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively of the Regulations.
8. To the extent that the Company, on behalf of a Fund, engages in efficient portfolio management techniques and to the extent that direct and indirect operational costs/fees arising from efficient portfolio management techniques are deducted from the revenue delivered to the Fund (which costs and fees should not include hidden revenue), the Company will disclose in its financial statements the identity of the entity or entities to which the direct and indirect costs and fees are paid, indicating whether or not these are related parties to the Manager or the Depositary.
9. All the revenues arising from efficient portfolio management techniques, net of direct or indirect operational costs, should be returned to the relevant Fund.
10. Any net exposure to a counterparty generated through a securities lending or repurchase agreement, where net exposure means the amount receivable by a Fund less any collateral provided by the relevant Fund, must be taken into account when calculating a Fund's compliance with relevant restrictions on issuer concentration.

**Neither the Company, the Manager or any Investment Manager currently engage in or enter securities lending arrangements on behalf of any Fund.**

**However, Repurchase Transactions may be entered into on behalf of any Fund where disclosed in the relevant Supplement.**

Repurchase transactions will only be entered into on behalf of a Fund for efficient portfolio management purposes and will only be entered into subject to the conditions and limits set out in the Central Bank UCITS Regulations and in accordance with the provisions set out in this Appendix II.

The Repurchase Transactions entered into on behalf of any Fund, unless otherwise specifically disclosed in the relevant Supplement, will constitute transactions pursuant to which the relevant Fund will acquire securities as collateral (in exchange for cash) from a counterparty who agrees, at the time of contracting, to repurchase the securities at a mutually agreed-upon date

and price, thereby determining the yield to the Fund during the term of the agreement underpinning the transaction. The price which the counterparty must pay to the Fund when repurchasing the securities will usually reflect the original purchase price plus an agreed upon market rate of interest, known as the "repo rate". In the event of default by the counterparty the relevant Fund will become entitled to the collateral, which collateral must comply with the regulatory requirements set out in Part C: Collateral Policy (below).

Apart from the Repurchase Transactions entered into on behalf of any relevant Fund, the Company does not otherwise engage, on behalf of any Fund, in Securities Financing Transactions ("SFT") (as such term is defined in this Prospectus and in the SFTR).

### **C. Collateral Policy**

1. All assets received by the Company, on behalf of a Fund, in the context of efficient portfolio management techniques and/or OTC derivative transactions should be considered as collateral and should comply with the collateral policy set out below:
  - (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: in accordance with applicable regulatory requirements, collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place.
  - (c) Issuer credit quality: collateral received should be of high quality. The Company (or its delegate) shall ensure that:
    - (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager (or its delegate) in the credit assessment process; and
    - (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in subparagraph (i) immediately above this shall result in a new credit assessment being conducted of the issuer by the Manager (or its delegate) without delay;
  - (d) Correlation: collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Investment Manager to expect that it would not display a high correlation with the performance of the counterparty; and
  - (e) Diversification (asset concentration):
    - (i) subject to subparagraph (ii) immediately below, collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the relevant Fund's Net Asset Value. When a 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;

- (ii) a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, non-Member States or public international bodies of which one or more Member States are members provided such Fund receives securities from at least 6 different issues and securities from any single issue do not account for more than 30% of the relevant Fund's Net Asset Value. The Member States, local authorities, non-Member States or public international bodies issuing or guaranteeing securities that may be accepted as collateral for more than 20% of a Fund's Net Asset Value are identified in paragraph 2.12 of Appendix III.
  - (f) Immediately available: collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
2. Risks linked to the management of collateral, such as operational and legal risks, should be identified, managed and mitigated by the risk management process.
  3. Collateral received on a title transfer basis should be held by the Depositary. For other types of collateral arrangement, the collateral may be held by a third party depositary/custodian provided that this depositary/custodian is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral.
  4. Non-cash collateral cannot be sold, pledged or re-invested.
  5. Cash collateral received by a Fund may not be invested other than in one or more of the following:
    - i. a deposit with Relevant Institutions (as defined above);
    - ii. a high-quality government bond;
    - iii. a reverse repurchase agreement provided the transaction is with Relevant Institutions and the Company on behalf of a Fund is able to recall at any time the full amount of cash on an accrued basis; or
    - iv. a short-term MMF as defined in Article 2(14) of the Money Market Funds Regulation;
    - v. a Short-Term Money Market Fund as defined in Regulation 89 of the Central Bank's UCITS Regulations where such investment is made prior to 21 January 2019.

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or with an entity that is related or connected to the counterparty. Exposures created through the reinvestment of collateral must be taken into account when calculating a Fund's compliance with UCITS restrictions on issuer concentration.

#### 6. Permitted types of collateral

Where the Company, on behalf of a Fund, receives collateral as a result of trading in OTC derivatives or as a result of engaging in efficient portfolio management techniques,

the Company intends, subject to the criteria set out at Section C. 1.(a)-(f), above, to accept collateral in the following form:

- (a) cash;
- (b) government and government agency bonds with fixed interest rate payments with a minimum rating of Aaa/AAA by Moody's, Fitch and Standard & Poor's and a maximum maturity, or remaining maturity, of 30 years.

7. Level of collateral required

The value of any collateral received by the Company, adjusted in light of the haircut policy, must be marked to market daily and must equal or exceed, in value, at all times, the value of the amount invested or securities loaned.

8. Haircut Policy

Non-cash collateral received by the Company, on behalf of a Fund, will be subject to a valuation percentage of between 90% to 99% of the value of such collateral in accordance with market standards and depending on the credit quality of the issuer, with the exception of US Treasury STRIPS which will be subject to a valuation percentage of 84%. No haircut will be applied to cash collateral.

Each decision to apply a specific haircut or to refrain from applying a haircut to any specific class of assets will be justified and documented.

9. A Fund receiving collateral for at least 30% of its Net Asset Value 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 Manager, on behalf of the Fund, to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:

- (a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- (b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (c) reporting frequency and limit/loss tolerance threshold(s); and
- (d) mitigation actions to reduce loss including haircut policy and gap risk protection.

10. Reinvested Cash Collateral Risks

Where the Company, on behalf of a Fund, reinvests cash collateral this will generate market exposure in the expectation of generating capital gain. Where the reinvestment does not achieve this aim, and, instead the reinvestment generates a loss, the Fund will bear this loss and will be obliged to return to the counterparty the full value of the cash collateral originally invested (rather than the then current value market value of the cash collateral post reinvestment).

#### **D. Eligible Counterparties**

1. The counterparty to an OTC derivative transaction or to a repurchase transaction must be one of the following:
  - (a) a credit institution authorised in the European Economic Area (EEA) (Member States, Norway, Iceland, Liechtenstein);
  - (b) a credit institution authorised within a signatory state, other than a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988;
  - (c) a credit institution 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 Regulation (EU) No.648/2012 (i.e. as at the date of this Prospectus: a credit institution in Argentina, Australia, Bosnia and Herzegovina, Brazil, Canada, China, Faroe Islands, Greenland, Guernsey, Hong Kong, India, Isle of Man, Japan, Jersey, Mexico, Monaco, New Zealand, North Macedonia, Saudi Arabia, Serbia, Singapore, South Africa, South Korea, Switzerland, Turkey or the USA);
  - (d) an investment firm, which is authorised in accordance with the Markets in Financial Instruments Directive; or
  - (e) 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.
2. Where a counterparty within the meaning of paragraph 1(d) or (e) above:
  - (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process: and
  - (b) is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) immediately above, this shall result in a new credit assessment being conducted of the counterparty without delay.
3. Where an OTC derivative is subject to a novation, the counterparty after the novation must be:
  - (a) an entity that falls within any of the categories set out in paragraphs 1(a) – (e) of this Section D; or
  - (b) a central counterparty that is:
    - (i) authorised or recognised under EMIR; or
    - (ii) pending recognition by ESMA under Article 25 of EMIR, an entity classified:
      - A. by the SEC as a clearing agency: or

- B. by the Commodity Futures Trading Commission of the United States of America as a derivatives clearing organisation.
- 4.
  - (a) Risk exposure to the counterparty shall not exceed the limits set out in Regulation 70(1)(c) of the Regulations, assessed in accordance with subparagraph (b) below.
  - (b) In assessing risk exposure to the counterparty to an OTC derivative for the purpose of Regulation 70(1)(c) of the Regulations:
    - (i) the exposure to the counterparty shall be calculated using the positive mark-to-market value of the OTC derivative with the counterparty;
    - (ii) derivative positions with the same counterparty may be netted, provided that the Company, on behalf of the relevant Fund, is able to legally enforce netting arrangements with the counterparty. For this purpose netting is permissible only in respect of OTC derivatives with the same counterparty and not in relation to any other exposures the relevant Fund has with the same counterparty;
    - (iii) collateral received by the relevant Fund may be taken into account in order to reduce the exposure to the counterparty, provided that the collateral meets with relevant Central Bank Requirements (as set out at Section C. above).

**E. When Issued, Delayed Delivery and Forward Commitment Securities**

The Company may invest in securities on a when-issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.



## APPENDIX III

### Investment and Borrowing Restrictions

Investment of the assets of the relevant Fund must comply with the Regulations. The Regulations provide:

|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b>   | <b>Permitted Investments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|            | Investments of each Fund are confined to:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>1.1</b> | Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>1.2</b> | Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>1.3</b> | Money market instruments, as defined in accordance with Central Bank Requirements, other than those dealt on a regulated market.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>1.4</b> | Units of UCITS.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>1.5</b> | Units of AIFs as set out in the Central Bank's guidance " <i>UCITS Acceptable Investment in Other Investment Funds</i> ".                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>1.6</b> | Deposits with credit institutions as prescribed by Central Bank Requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>1.7</b> | FDI as prescribed by Central Bank Requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>2</b>   | <b>Investment Restrictions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>2.1</b> | Each 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 and in accordance with Central Bank Requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>2.2</b> | Each Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain US securities known as Rule 144A securities provided that: <ul style="list-style-type: none"> <li>- the securities are issued with an undertaking to register with the SEC within one year of issue; and</li> <li>- 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.</li> </ul> |
| <b>2.3</b> | Each 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%.                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>2.4</b> | 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 a Member State and is subject by law to special                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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|             | public supervision designed to protect bond-holders. 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. To avail of this provision the prior approval of the Central Bank is required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>2.5</b>  | The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>2.6</b>  | The transferable securities and 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>2.7</b>  | <p>Investment in deposits or cash booked in accounts and held as ancillary liquidity made with the same credit institution shall not exceed 20% of the Net Asset Value of a Fund.</p> <p>Deposits, or cash booked in accounts and held as ancillary liquidity, shall only be made with a credit institution which is within at least one of the following categories:</p> <ul style="list-style-type: none"> <li>- a credit institution authorised in the EEA (i.e. European Union Member States, Norway, Iceland, Liechtenstein);</li> <li>- a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or</li> <li>- a credit institution 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 Regulation (EU) No.648/2012 (i.e. as at the date of this Prospectus: a credit institution in Argentina, Australia, Bosnia and Herzegovina, Brazil, Canada, China, Faroe Islands, Greenland, Guernsey, Hong Kong, India, Isle of Man, Japan, Jersey, Mexico, Monaco, New Zealand, North Macedonia, Saudi Arabia, Serbia, Singapore, South Africa, South Korea, Switzerland, Turkey or the USA).</li> </ul> |
| <b>2.8</b>  | <p>The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of the Net Asset Value of the Fund.</p> <p>This limit is raised to 10% in the case of a credit institution which is within at least one of the categories of credit institutions specified above in paragraph 2.7.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>2.9</b>  | <p>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 its Net Asset Value:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits; and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>2.10</b> | 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 the Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>2.11</b> | 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 its Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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| 2.12 | <p>Each Fund may invest more than 35% and 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 body of which one or more Member States are members.</p> <p>The individual issuers may be drawn from the following list:</p> <p>OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, 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 and Straight-A Funding LLC.</p> <p>Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of the Fund's Net Asset Value.</p> |
| 3    | <p><b>Investment in Collective Investment Schemes ("CIS")</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 3.1  | <p>Subject to section 3.2, investments made by a Fund in units of a UCITS or other CIS may not exceed, in aggregate, 10% of the Net Asset Value of the Fund.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3.2  | <p>Notwithstanding the provisions of section 3.1, where the Supplement of a Fund states that it may invest more than 10% of its assets in other UCITS or CIS, the following restrictions shall apply instead of the restrictions set out at section 3.1 above:</p> <ul style="list-style-type: none"> <li>a) a Fund may not invest more than 20% of its Net Asset Value in any one UCITS or other CIS;</li> <li>b) a Fund's Investments in AIFs may not, in aggregate, exceed 30% of a Fund's Net Asset Value;</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 3.3  | <p>A Fund may not invest in a UCITS or other CIS which is not itself prohibited from investing more than 10% of its net asset value in other open-ended CIS.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 3.4  | <p>When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Fund's management company or by any other company with which the Fund's management 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3.5  | <p>Where by virtue of investment in the units of another investment fund, the Manager, an investment manager or an investment adviser receives a commission on behalf of the Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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| <b>3.6</b> | <p>The following investment restrictions apply where a Fund invests in other Funds of the Company (it being noted that no Fund may invest in another Fund of the Company which is itself a "fund of funds"):</p> <ul style="list-style-type: none"> <li>• a Fund will not invest in a Fund of the Company which itself holds shares in other Funds within the Company;</li> <li>• a Fund investing in such other Fund of the Company will not be subject to subscription or redemption fees;</li> <li>• where investment is made by one Fund (the "Investing Fund") in another Fund of the Company (the "Receiving Fund"), the rate of the annual management fee which investors in the Investing Fund are charged in respect of that portion of the Investing Fund's assets invested in the Receiving Funds (whether such fee is paid directly at Investing Fund level, indirectly at the level of the Receiving Funds or a combination of both) shall not exceed the rate of the maximum annual management fee which investors in the Investing Fund may be charged in respect of the balance of the Investing Fund's assets, such that there shall be no double charging of the annual management fee to the Investing Fund as a result of its investments in the Receiving Fund. This provision is also applicable to the annual fee charged by the Investment Manager where the fee is paid directly out of the assets of the Company; and</li> <li>• investment by a Fund in another Fund of the Company will be subject to the limits set out in paragraph 3.1 above (where the investing Fund is not a fund of funds) and 3.2 above (where the investing Fund is a fund of funds).</li> </ul> |
| <b>4</b>   | <b>Index Tracking UCITS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| <b>5</b>   | <b>General Provisions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>5.1</b> | The Company, or Manager acting in connection with all of the Funds 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>5.2</b> | <p>A Fund may acquire no more than:</p> <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ul> <p>NOTE: The limits laid down in (ii), (iii) and (iv) 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>5.3</b> | <p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</p> <p>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</p> <p>(iv) shares held by a Fund in the capital of a company incorporated in a non-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-Member State complies with the limits laid down in 2.3 to 2.11, 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;</p> <p>(v) shares held by the 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 repurchase of shares at shareholders' request exclusively on their behalf.</p> |
| <b>5.4</b> | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>5.5</b> | The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12 and 3.2 for six (6) months following the date of their authorisation, provided they observe the principle of risk spreading.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>5.6</b> | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>5.7</b> | <p>Neither the Company, nor the Manager may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments<sup>*</sup>;</li> <li>- units of CIS; or</li> <li>- FDI.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>5.8</b> | A Fund may hold ancillary liquid assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>6</b>   | <b>Borrowing Restrictions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>6.1</b> | The Company may not borrow, other than borrowings which in the aggregate do not exceed 10% of the Net Asset Value of a Fund and provided that this borrowing is on a temporary basis. The Depositary may give a charge over the assets of a Fund in order to secure the borrowings attributed to it. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>6.2</b> | The Company may acquire foreign currency by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowings for the purpose of the borrowing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

<sup>\*</sup> Any short selling of money market instruments by a UCITS is prohibited.

|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | restriction in paragraph 6.1, provided that the offsetting deposit: (i) is denominated in the base currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding. However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purposes of paragraph 6.1 above.                                                                                             |
| <b>7</b>   | <b>FDI</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>7.1</b> | Each Fund's global exposure (as prescribed by Central Bank Requirements) relating to FDI must not exceed its total Net Asset Value, where relevant.                                                                                                                                                                                                                                                                                                                      |
| <b>7.2</b> | Position exposure to the underlying assets 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 prescribed by Central Bank Requirements. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria specified by Central Bank Requirements). |
| <b>7.3</b> | Each Fund may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.                                                                                                                                                                                                                       |
| <b>7.4</b> | Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.                                                                                                                                                                                                                                                                                                                                                                               |

## APPENDIX IV

### List of entities to whom safekeeping duties of the Depositary may be delegated or sub-delegated

| Market                                     | Subcustodian                                   |
|--------------------------------------------|------------------------------------------------|
| Albania                                    | Raiffeisen Bank sh.a                           |
| Argentina                                  | Citibank, N.A.                                 |
| Australia                                  | Hongkong and Shanghai Banking Corporation Ltd. |
| Austria                                    | UniCredit Bank Austria AG                      |
| Bahrain                                    | First Abu Dhabi Bank P.J.S.C.                  |
| Bangladesh                                 | Standard Chartered Bank                        |
| Belgium                                    | BNP Paribas S.A., France                       |
| Benin                                      | Standard Chartered Bank Côte d'Ivoire S.A.     |
| Bermuda                                    | HSBC Bank Bermuda Limited                      |
| Federation of Bosnia and Herzegovina       | UniCredit Bank d.d                             |
| Botswana                                   | Standard Chartered Bank Botswana Limited       |
| Brazil                                     | Citibank N.A. – São Paulo Branch               |
| Bulgaria                                   | Citibank Europe plc, Bulgaria Branch           |
|                                            | UniCredit Bulbank AD                           |
| Burkina Faso                               | Standard Chartered Bank Côte d'Ivoire S.A.     |
| Canada                                     | State Street Trust Company Canada              |
| Chile                                      | Banco de Chile                                 |
| China – A-Share Market                     | HSBC Bank (China) Company Limited              |
|                                            | China Construction Bank Corporation            |
| China – B-Share Market                     | HSBC Bank (China) Company Limited              |
| China - Shanghai - Hong Kong Stock Connect | Standard Chartered Bank (Hong Kong) Limited    |

| <b>Market</b>       | <b>Subcustodian</b>                                                      |
|---------------------|--------------------------------------------------------------------------|
| Colombia            | Cititrust Colombia, S.A. <i>Sociedad Fiduciaria</i> .                    |
| Costa Rica          | Banco BCT S.A.                                                           |
| Croatia             | Privredna banka Zagreb dd                                                |
|                     | Zagrebacka banka d.d.                                                    |
| Cyprus              | BNP Paribas, S.A., Greece                                                |
| Czech Republic      | UniCredit Bank Czech Republic and Slovakia, a.s.                         |
| Denmark             | Skandinaviska Enskilda Banken AB (publ.) Sweden                          |
| Egypt               | First Abu Dhabi Bank Misr (as delegate of First Abu Dhabi Bank P.J.S.C.) |
| Estonia             | AS SEB Pank                                                              |
| Finland             | Skandinaviska Enskilda Banken AB (Publ) (SEB)                            |
| France              | BNP Paribas S.A.                                                         |
| Republic of Georgia | JSC Bank of Georgia                                                      |
| Germany             | Deutsche Bank AG                                                         |
|                     | State Street Bank International GmbH                                     |
| Ghana               | Standard Chartered Bank Ghana Plc                                        |
| Greece              | BNP Paribas S.A.                                                         |
| Guinea-Bissau       | Standard Chartered Bank Côte d'Ivoire S.A.                               |
| Hong Kong           | The Hongkong and Shanghai Banking Corporation Limited                    |
| Hungary             | UniCredit Bank Hungary Zrt.                                              |
|                     | Citibank Europe plc Magyarországi Fióktelepe                             |
| Iceland             | Landsbankinn hf                                                          |
| India               | Citibank N.A.                                                            |
|                     | Deutsche Bank AG                                                         |
|                     | The Hongkong and Shanghai Banking Corporation Limited                    |
| Indonesia           | Deutsche Bank A.G.                                                       |
| Ireland             | State Street Bank and Trust Company                                      |
| Israel              | Bank Hapoalim B.M.                                                       |



| <b>Market</b>     | <b>Subcustodian</b>                                                                  |
|-------------------|--------------------------------------------------------------------------------------|
| Italy             | Intesa Sanpaolo (ISP) Financial Institutions - Transactions Services                 |
| Ivory Coast       | Standard Chartered Bank Côte d'Ivoire S.A.                                           |
| Japan             | Mizuho Bank, Ltd                                                                     |
| Jordan            | Standard Chartered Bank, Dubai International Financial Center branch                 |
| Kazakhstan        | JSC Citibank Kazakhstan                                                              |
| Kenya             | Standard Chartered Bank Kenya Limited                                                |
| Republic of Korea | Hongkong and Shanghai Banking Corporation Limited                                    |
|                   | Deutsche Bank AG                                                                     |
| Kuwait            | First Abu Dhabi Bank P.J.S.C.                                                        |
| Latvia            | AS SEB banka                                                                         |
| Lithuania         | AB SEB bankas                                                                        |
| Malawi            | Standard Bank PLC                                                                    |
| Malaysia          | Deutsche Bank (Malaysia) Berhad                                                      |
| Mali              | Standard Chartered Bank Côte d'Ivoire S.A.                                           |
| Mauritius         | Hongkong and Shanghai Banking Corp. Ltd.                                             |
| Mexico            | Banco Citi México, S.A., Institución de Banca Múltiple, Grupo Financiero Citi México |
| Morocco           | Citibank Maghreb S.A.                                                                |
| Namibia           | Standard Bank Namibia Limited                                                        |
| Netherlands       | BNP Paribas S.A., France                                                             |
| New Zealand       | The Hongkong and Shanghai Banking Corporation Ltd.                                   |
| Niger             | Standard Chartered Bank Côte d'Ivoire S.A.                                           |
| Nigeria           | Stanbic IBTC Bank Plc.                                                               |
| Norway            | Skandinaviska Enskilda Banken AB (publ)                                              |
| Oman              | First Abu Dhabi Bank P.J.S.C.                                                        |
| Pakistan          | Deutsche Bank A.G.                                                                   |
|                   | Citibank N.A.                                                                        |

| <b>Market</b>      | <b>Subcustodian</b>                                   |
|--------------------|-------------------------------------------------------|
| Panama             | Citibank N.A.                                         |
| Peru               | Citibank del Perú S.A                                 |
| Philippines        | Deutsche Bank AG                                      |
| Poland             | Bank Handlowy w Warszawie S.A.                        |
| Portugal           | Citibank Europe plc, Dublin, Ireland                  |
| Qatar              | HSBC Bank Middle East Limited                         |
| Romania            | Citibank Europe plc, Dublin – Romania Branch          |
| Russia             | AO Citibank                                           |
| Saudi Arabia       | FAB Capital J.S.C.                                    |
| Senegal            | Standard Chartered Bank Côte d'Ivoire S.A.            |
| Serbia             | Unicredit Bank Serbia JSC Belgrade                    |
| Singapore          | Citibank, N.A.                                        |
| Slovak Republic    | UniCredit Bank Czech Republic and Slovakia, a.s.      |
| Slovenia           | UniCredit Banka Slovenija d.d.                        |
| South Africa       | Standard Chartered Bank                               |
|                    | FirstRand Bank Limited                                |
| Spain              | Citibank Europe plc, Dublin, Ireland                  |
| Sri Lanka          | The Hongkong and Shanghai Banking Corporation Limited |
| Republic of Srpska | UniCredit Bank d.d                                    |
| Sweden             | Skandinaviska Enskilda Banken AB (publ)               |
| Switzerland        | UBS Switzerland AG                                    |
| Taiwan             | Deutsche Bank AG                                      |
| Tanzania           | Standard Chartered Bank (Tanzania) Limited            |
| Thailand           | Standard Chartered Bank (Thai) Public Company Limited |
| Togo               | Standard Chartered Bank Côte d'Ivoire S.A.            |
| Tunisia            | Union Internationale de Banques (UIB)                 |

| <b>Market</b>                                                               | <b>Subcustodian</b>                                        |
|-----------------------------------------------------------------------------|------------------------------------------------------------|
| Turkey                                                                      | Citibank A.Ş.                                              |
| Uganda                                                                      | Standard Chartered Bank Uganda Limited                     |
| Ukraine                                                                     | JSC Citibank                                               |
| United Arab Emirates -<br>Abu Dhabi Securities<br>Exchange (ADX)            | First Abu Dhabi Bank P.J.S.C.                              |
| United Arab Emirates -<br>DFM                                               | First Abu Dhabi Bank P.J.S.C.                              |
| United Arab Emirates -<br>Dubai International<br>Financial Center<br>(DIFC) | First Abu Dhabi Bank P.J.S.C.                              |
| United Kingdom                                                              | State Street Bank and Trust Company, United Kingdom branch |
| United States                                                               | State Street Bank and Trust Company                        |
| Uruguay                                                                     | Banco Itau Uruguay S.A.                                    |
| Vietnam                                                                     | HSBC Bank (Vietnam) Limited                                |
| Zambia                                                                      | Standard Chartered Bank Zambia Plc                         |
| Zimbabwe                                                                    | Stanbic Bank Zimbabwe Limited                              |

## **APPENDIX V**

### **Index Disclaimers**

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