

# **UBS (IRL) INVESTOR SELECTION PLC**

## **UBS (IRL) INVESTOR SELECTION – GLOBAL EQUITY LONG SHORT FUND**

### **UBS (IRL) INVESTOR SELECTION PLC – O'CONNOR CHINA LONG/SHORT ALPHA STRATEGIES UCITS**

#### **ESTABLISHED IN IRELAND**

#### **SINGAPORE PROSPECTUS**

This supplement (the “**Singapore Prospectus**”) is a replacement prospectus lodged pursuant to section 298 of the Securities and Futures Act 2001 of Singapore, which replaces the previous prospectus for the UBS (Irl) Investor Selection PLC registered by the Monetary Authority of Singapore on 27 June 2025.

**The Singapore Prospectus forms part of and should be read in conjunction with the Irish prospectus dated 14 February 2025 (including the Appendices and Supplements) for UBS (Irl) Investor Selection PLC and such other supplementary prospectus(es) that may be issued from time to time (together, the "Irish Prospectus").** Unless the context otherwise requires, terms defined in the Irish Prospectus shall have the same meaning when used in this Singapore Prospectus except where specifically provided for by this Singapore Prospectus.

UBS (Irl) Investor Selection PLC is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds incorporated with limited liability in Ireland under the laws of Ireland and is constituted outside Singapore. The UBS (Irl) Investor Selection PLC has appointed UBS Asset Management (Singapore) Ltd (whose details appear in the Directory of this Singapore Prospectus) as its Singapore Representative and agent for service of process.

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## TABLE OF CONTENTS

CONTENTS	PAGE
Important Information.....	1
1. THE COMPANY .....	5
2. THE SUB-FUNDS .....	5
3. MANAGEMENT AND ADMINISTRATION .....	6
4. OTHER PARTIES .....	12
5. INVESTMENT OBJECTIVE AND POLICIES .....	14
6. FEES, CHARGES AND EXPENSES.....	33
7. RISK FACTORS .....	44
8. SUBSCRIPTION FOR SHARES .....	47
9. REGULAR SAVINGS PLAN (RSP) .....	49
10. REDEMPTION OF SHARES .....	50
11. CONVERSION OF SHARES.....	53
12. OBTAINING PRICE INFORMATION IN SINGAPORE .....	53
13. TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND ISSUE, CONVERSION AND REDEMPTION OF SHARES .....	53
14. PERFORMANCE OF THE SUB-FUNDS.....	53
15. SOFT DOLLAR COMMISSIONS / ARRANGEMENTS .....	56
16. CONFLICT OF INTERESTS .....	56
17. REPORTS .....	57
18. OTHER MATERIAL INFORMATION.....	57
19. QUERIES AND COMPLAINTS .....	59

## IMPORTANT INFORMATION

The collective investment schemes offered in this Singapore Prospectus, namely, the UBS (Irl) Investor Selection – Global Equity Long Short Fund and the UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS (each a “**Sub-Fund**” and collectively, the “**Sub-Funds**”), established as sub-funds of the UBS (Irl) Investor Selection PLC (the “**Company**”), are recognised schemes under the Securities and Futures Act 2001 of Singapore (the “**SFA**”).

A copy of the Registered Singapore Prospectus (as defined below) has been lodged with and registered by the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Singapore Prospectus. The registration of the Registered Singapore Prospectus of the Company by the Authority and lodgement of this Singapore Prospectus with the Authority do not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the Sub-Funds. **You should note that other sub-funds or other share classes referred to in the Irish Prospectus but which are not listed or described in Paragraph 2 of this Singapore Prospectus are not available for subscription by retail investors in Singapore. Such references are not and should not be construed as an offer of shares in such other sub-funds and share classes to retail investors in Singapore.**

This Singapore Prospectus is a replacement prospectus lodged with the Authority on 20 August 2025. This Singapore Prospectus replaces the previous Singapore Prospectus for the Company that was registered with the Authority on 27 June 2025 (the “**Registered Singapore Prospectus**”). This Singapore Prospectus shall be valid for a period of 12 months from the date of registration of the Registered Singapore Prospectus (up to and including 26 June 2026) and shall expire on 27 June 2026.

The Company is structured as an umbrella fund consisting of different sub-funds, each representing a separate portfolio of assets. The assets of each sub-fund will be invested separately on behalf of each sub-fund in accordance with the investment objective and policies of each sub-fund. Each sub-fund may be further sub-divided into “classes” to denote differing characteristics attributable to particular shares of a sub-fund. Please note that only the classes listed or described in Paragraph 2.2 in respect of the Sub-Funds are available to retail investors in Singapore.

The Directors have taken all reasonable care to ensure that the facts stated in this Singapore Prospectus are true and accurate in all material respects and that there are no other material facts the omission of which makes any statement of fact or opinion in this Singapore Prospectus misleading. The Directors accept responsibility accordingly.

The distribution of this Singapore Prospectus and the offering of shares of the Sub-Funds may be restricted in certain jurisdictions. This Singapore Prospectus is not an offer or solicitation in any jurisdiction where such offer or solicitation is unlawful, where the person making the offer or solicitation is not authorised to make it or a person receiving the offer or solicitation may not lawfully receive it.

You should be aware of (a) the legal requirements within your own country for the purchase of the shares, (b) any foreign exchange restrictions which may be applicable, and (c) the income and other tax consequences of purchase, conversion and redemption of the shares.

You are advised to carefully consider the risk factors set out in the Irish Prospectus and under Paragraph 7 of this Singapore Prospectus. **The Investment Manager shall, in respect of and for the benefit of the Sub-Funds, have the power to employ financial derivative techniques and instruments for the purposes of investment (optimising returns) and/or efficient portfolio management, in each case subject to the limits laid down by the Central Bank of Ireland and subject to the terms of the relevant supplements for the respective Sub-Funds to the Irish Prospectus.**

You should note that the UBS (Irl) Investor Selection – Global Equity Long Short Fund and the UBS (Irl) Investor Selection PLC - O'Connor China Long/Short Alpha Strategies UCITS use alternative investment strategies and the risks inherent in these Sub-Funds are not typically encountered in traditional funds. Accordingly, these Sub-Funds are only suitable for investors who understand the complexity of the alternative strategies employed and are willing to accept those risks, including the risk of capital loss. You are advised to consider your own financial circumstances and the suitability of these Sub-Funds as part of their investment portfolio. You should read this Singapore Prospectus and obtain professional advice before subscribing to any of these Sub-Funds.

If you are in any doubt about the contents of this Singapore Prospectus, you should consult your stockbroker or other independent financial adviser. Shares are offered on the basis of the information contained in this Singapore Prospectus and the documents referred to in this Singapore Prospectus. No person is authorised to give any information or to make any representations concerning the Company or the Sub-Funds other than as contained in this Singapore Prospectus. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Singapore Prospectus will be solely at the risk of the purchaser.

The delivery of this Singapore Prospectus or the issue of shares in the Sub-Funds shall not, under any circumstances, create any implication that the affairs of the Company and/or the Sub-Funds have not changed since the date of this Singapore Prospectus. To reflect material changes, this Singapore Prospectus may be updated from time to time and you should investigate whether any more recent Singapore Prospectus is available.

You may wish to consult an independent financial adviser about the suitability of the Sub-Funds for your investment needs.

The shares of the Sub-Funds are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**IMPORTANT: PLEASE READ AND RETAIN THIS SINGAPORE PROSPECTUS FOR FUTURE REFERENCE**

## **DIRECTORY**

### **DIRECTORS**

Naomi Daly

Claire Cawley

Julie Broadbent

Thomas Stokes

### **REGISTERED OFFICE OF THE COMPANY**

5 Earlsfort Terrace, Dublin 2, Ireland

### **MANAGER**

UBS Fund Management (Ireland) Limited, 1st Floor, College Park House, South Fredrick Street, Dublin 2, Ireland

### **INVESTMENT MANAGER FOR UBS (IRL) INVESTOR SELECTION – GLOBAL EQUITY LONG SHORT FUND**

UBS Asset Management (UK) Ltd., 5 Broadgate, London, EC2M 2QS, England

### **INVESTMENT MANAGER FOR UBS (IRL) INVESTOR SELECTION PLC – O'CONNOR CHINA LONG/SHORT ALPHA STRATEGIES UCITS**

UBS Asset Management (Americas) LLC, One North Wacker Drive, Chicago, IL 60606, U.S.A.

### **DEPOSITARY**

J.P. Morgan SE – Dublin Branch, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin 2, Ireland

### **ADMINISTRATOR AND TRANSFER AGENT**

MUFG Alternative Fund Services (Ireland) Limited, Ormonde House, 12-13 Lower Leeson Street, Dublin 2, Ireland

**COMPANY SECRETARY**

Dechert Secretarial Limited, 5 Earlsfort Terrace, Dublin 2, Ireland

**SINGAPORE REPRESENTATIVE AND AGENT FOR SERVICE OF PROCESS IN SINGAPORE**

UBS Asset Management (Singapore) Ltd, Company Registration No. 199308367C, whose operating office is at 9 Penang Road, Singapore 238459

**AUDITOR**

Ernst & Young, Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland

**LEGAL ADVISERS AS TO IRISH LAW**

Dechert, 5 Earlsfort Terrace, Dublin 2, Ireland

**LEGAL ADVISERS AS TO SINGAPORE LAW**

Allen & Gledhill LLP, One Marina Boulevard, #28-00, Singapore 018989

## 1. THE COMPANY

- 1.1 The Company is an open-ended umbrella investment company with variable capital, incorporated in Ireland on 1 December 2009 under the laws of Ireland with registration number 478169. The Company has been authorised by the Central Bank of Ireland as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended.
- 1.2 The Company is structured as an umbrella fund consisting of different sub-funds, each representing interests in a defined portfolio of assets and liabilities managed in accordance with its specific investment objective and policies. Each sub-fund may further be divided into separate classes of shares.
- 1.3 You may inspect copies of the memorandum and articles of association of the Company, free of charge, at the operating office of the Singapore Representative, during normal Singapore business hours. You may also obtain, free of charge, copies of the latest semi-annual accounts and annual accounts, semi-annual reports and annual reports of the Company from the Singapore Representative upon request.
- 1.4 Full details of the Company are set out in the “IMPORTANT INFORMATION”, “THE COMPANY” and “GENERAL INFORMATION” sections of the Irish Prospectus.

## 2. THE SUB-FUNDS

- 2.1 The sub-funds under the Company currently offered in Singapore pursuant to this Singapore Prospectus are (each a “**Sub-Fund**” and, collectively, the “**Sub-Funds**”):

<u>Sub-Fund</u>	<u>Base Currency</u>
UBS (Irl) Investor Selection – Global Equity Long Short Fund	Euro
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	U.S. Dollar

- 2.2 One or more share classes may be offered within each Sub-Fund. As of the date of this Singapore Prospectus, you may be able to subscribe for shares in the following classes of shares in respect of each Sub-Fund:

Sub-Fund	Class	Currency Denomination of the Class	Use of earnings
UBS (Irl) Investor Selection – Global Equity Long Short Fund	(EUR) I-A1-PF-acc	Euro	Accumulating

Sub-Fund	Class	Currency Denomination of the Class	Use of earnings
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	(USD) P-PF-acc	U.S. Dollar	Accumulating
	(SGD hedged) P-PF-acc	Singapore Dollar	Accumulating

- 2.3 The Company and/or the Manager may in its discretion from time to time and in respect of any Sub-Fund, make available for subscription in Singapore any other existing share classes (with the relevant additional characteristics referenced in the Irish Prospectus) in addition to the classes listed in the table above or may close any class to new subscriptions. The list of classes which may be available to you for subscription may therefore change from time to time. You may wish to contact your Singapore Approved Distributor for the latest list of available classes. Classes available for subscription in Singapore pursuant to this Singapore Prospectus shall be referred to as the “**Classes**” and shares within such Classes shall be referred to as “**Shares**”.
- 2.4 Shares issued will be in registered form. A separate portfolio of assets is not maintained for each Class.
- 2.5 Characteristics of the respective Classes are set out in Section 4 of the Irish Prospectus headed “THE SHARES” and under the section headed “CLASSES OF SHARES” in relevant supplements for the respective Sub-Funds to the Irish Prospectus.
- 2.6 The Company and/or the Manager may from time to time, subject to obtaining the relevant regulatory approvals, establish additional classes in respect of the Sub-Funds and may offer such additional classes or any other existing classes in Singapore.

### 3. MANAGEMENT AND ADMINISTRATION

#### 3.1 Directors of the Company

The Directors have delegated the day to day management of the Company in accordance with policies approved by the Directors to the manager of the Company.

**The list of directors of the Company may be changed from time to time without notice.**

#### **Naomi Daly**

Naomi Daly has over 24 years of experience in asset management, including prime brokerage, hedge fund consulting, distribution, managed account platforms and governance. Naomi serves as a Chair and independent non-executive Director to Irish regulated entities, having previously been CEO, executive director and head of business development at MPMF Fund Management. Prior to MPMF, she spent a decade at Goldman Sachs in London as an Executive Director. Naomi started as a business analyst at AIB. Ms. Daly holds a Bachelor of Arts Degree (Hons) in Business Studies and an MSc in International Business, from the U.C.D. Michael Smurfit Graduate School of Business.



### **Claire Cawley**

Ms. Cawley, FCA, is an independent director with over 15 years' experience in the asset management and investment funds industry, having held senior executive and board positions in UBS, Mercer and KB Associates. Ms. Cawley currently serves on the board of a range of investment funds, investment management companies and fund service providers. Her previous executive roles entailed coverage of a wide range of investment management, structuring, governance, business development and regulatory responsibilities. Her most recent executive role included responsibility for the development and management of the global UBS Asset Management Alternative product shelf including representation of UBS on investment fund boards. Prior to her position at UBS, Ms. Cawley held positions at Mercer Global Investments and at KB Associates, a consulting firm which specialised in providing services to the investment management sector. Ms. Cawley trained as a Chartered Accountant in the financial services assurance division of KPMG in Dublin. Ms. Cawley has a Bachelor of Arts (Economics & Finance) from University of Dublin, Trinity College and she is a fellow of the Institute of Chartered Accountants in Ireland.

### **Julie Broadbent**

Julie Broadbent serves as the Head of Platform Management for Alternative Products in UBS, based in London. With 23 of industry experience, Ms. Broadbent joined UBS in 2006. There Ms. Broadbent held roles in Operations and Investments before joining the newly established Business Risk Management team. Her areas of expertise include the design and implementation of operational risk and compliance frameworks across the asset management business. In addition to this Ms. Broadbent held a cross divisional role as the European Head of Business Continuity Management and Crisis Management. She left UBS in 2022 to join Credit Suisse Asset Management as the global Head of Business Risk Management where her responsibilities included extensive strategic regulatory remediation and risk management oversight. In 2023 Ms. Broadbent returned to UBS to work in Alternatives Products. Ms. Broadbent has previously served as a board member on the UBS Asset Management Funds Limited and Securities Industry Business Continuity Management Group boards.

### **Thomas Stokes**

Mr. Stokes is a non-executive director with twenty three years' experience in the financial services industry where he held senior positions (as a Managing Director) in the investment bank, wealth management and asset management divisions of UBS AG. He has served as director to a number of Irish authorised fund structures and an Irish UCITS management company. Prior to his position at UBS, Mr. Stokes worked for West Merchant Bank. His previous executive roles at UBS Investment bank include leading the global structured funds business (while in Dublin) and trading on the alternative investment strategies structured products desk (while in London). At UBS Wealth Management, he worked within the Investment, Product and Services (IPS) area in Zurich, leading teams for the advisory business globally. At UBS Asset Management in Zurich, he established and led a white-label financial technology offering called UBS Partner developed for third party Banks. Mr. Stokes holds a BSc Finance from University College Cork and is a passed finalist of Chartered Institute of Management Accountants (CIMA).

Further details on the Directors are set out in Section 2 of the Irish Prospectus headed “MANAGEMENT AND ADMINISTRATION” under the sub-heading “DIRECTORS”.

## **3.2 Manager and its Directors and Key Executives**

### **3.2.1 Manager**

The Company has appointed UBS Fund Management (Ireland) Limited (the “**Manager**”) to act as manager to the Company and each Sub-Fund with power to delegate one or more of its functions subject to the overall supervision and control of the Company. The Manager is a private limited company. It was incorporated in Ireland on 1 December 2005 and is a wholly owned subsidiary of UBS AG. The Manager is authorised and regulated by the Central Bank.

The Manager has been managing collective investment schemes since 2006.

If the Manager becomes insolvent, a liquidator will be appointed and will organise the liquidation of the Manager. The liquidator will take day-to-day management decisions in replacement of the board of directors of the Manager. The assets of the Manager are always separated from the assets of the funds under its management.

Further details on the Manager are set out in Section 2 of the Irish Prospectus headed “MANAGEMENT AND ADMINISTRATION” under the sub-heading “The Manager”.

### **3.2.2 Directors and Key Executives of the Manager**

**Naomi Day is also a director of the Manager. The remaining directors and key executives of the Manager are described below. The list of directors and key executives of the Manager may be changed from time to time without notice.**

#### **Deirdre Gormley**

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 organizations. 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 is 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 Ms. Gormley held various senior management posts with JPMorgan 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.

#### **Hannah Vinci**

Ms. Vinci is Head of Platform Solutions and Credit Structuring in EMEA at UBS, with responsibility for identifying and delivering credit based and other investment solutions for a

wide variety of institutional clients, including banks, asset managers, insurance companies and pension funds, family offices and private wealth organisations. Ms. Vinci joined UBS in September 2014 and has over 19 years' experience obtained between working in the legal and financial services industries. Prior to joining UBS, Ms. Vinci worked at Bank of America Merrill Lynch in the Credit Trading and Correlation Trading/Structuring businesses, and previous to that, she qualified as a solicitor into the Derivatives & Structured Finance department at Allen & Overy LLP. Ms. Vinci holds a BA in Philosophy from Birmingham University, and a Postgraduate Diploma in Law from College of Law, London. She completed her Legal Practice Course at Oxford Law School.

#### **Tom Payne**

Mr. Payne is a Managing Director at UBS AG and EMEA Head of Global Markets Structuring with responsibility for developing and structuring products linked to FX, Rates, Credit, Equities, Commodities and Funds, including UCITS funds managed by the Manager, for a wide variety of institutional clients. Mr. Payne joined UBS AG in October 2005 and has over 19 years' experience in the financial services industry. Prior to joining UBS AG, Mr. Payne worked at Goldman Sachs International in the Fixed Income, Currencies and Commodities Structuring division. Mr. Payne holds a Master of Engineering (Honours) in Engineering, Economics and Management from the University of Oxford.

#### **Ian Fitzpatrick**

Ian Fitzpatrick is an Executive Director with UBS Asset Management, based in Dublin, and is the CEO of UBS Fund Management (Ireland) Limited. Prior to this he managed a team of global product managers that covered the hedge fund & private market products on the UBS Asset Management alternative product shelf. He has also worked with UBS Wealth Management in Dublin and UBS Investment Bank in Sydney, Australia. Mr Fitzpatrick trained as a Chartered Accountant in the audit and advisory division of Deloitte, Dublin. He holds a Bachelor of Accounting & Finance and a Master of Accounting, both from Dublin City University, and completed the Chartered Tax Adviser qualification with the Irish Tax Institute.

#### **Valérie Bernard**

Valérie Bernard is conducting officer and deputy CEO of UBS Asset Management (Europe) S.A, a UBS management company domiciled in Luxembourg, managing UBS investment funds and white labelling business. She has joint responsibility for setting the firm's strategic direction, as well as leading day to day management and governance of the business. Ms Bernard joined UBS in January 1997 and has over 31 years' experience in the financial services industry. Before joining UBS Asset Management (Europe) S.A, in June 2013, Ms Bernard had management responsibilities within UBS Fund Services Luxembourg where she acted as Product Control Head and subsequently as Head NAV Administration. Prior to joining UBS, Ms Bernard began her professional career as an external auditor at Deloitte Luxembourg. Mrs Bernard holds a Master in Business Administration from the University of Liege (B) and a post-graduate diploma in European business from the Northampton University.

#### **William Kennedy**

William Kennedy (Irish Resident) is an international finance professional with over 25 years' experience in financial services and in the wider UBS group. Mr. Kennedy joined UBS investment bank in 1993 and held a variety of positions before being appointed as head of European Derivative Sales and Structuring in 2005. He acted as Head of European Equities from 2008 to 2010 before moving to UBS wealth management division in Zurich as Head of Investment Products and Services in 2011. In 2015, he transferred to the UBS asset management division in Switzerland and held a number of positions, including Head of Distribution and latterly, Head of Products and Platforms. Mr. Kennedy holds a Bachelor of Commerce from the University of Galway and a Masters in Business Studies (MBS) from the U.C.D. Michael Smurfit Graduate School of Business.

Further details on the Manager are set out in Section 2 of the Irish Prospectus headed "MANAGEMENT AND ADMINISTRATION" under the sub-heading "The Manager".

### 3.3 Investment Managers

Sub-Fund	Investment Manager
UBS (Irl) Investor Selection – Global Equity Long Short Fund	UBS Asset Management (UK) Ltd.
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	UBS Asset Management (Americas) LLC

**The list of Investment Managers may be changed from time to time without notice.**

The Manager has appointed an investment manager ("**Investment Manager**") in respect of each Sub-Fund with discretionary powers pursuant to an investment management agreement as amended, and as may be further amended, supplemented or replaced from time to time (each an "**Investment Management Agreement**").

Under the terms of each Investment Management Agreement, the relevant Investment Manager is responsible, subject to the overall supervision and control of the Manager, for managing the assets and investments of the Sub-Funds in accordance with each Sub-Fund's investment objective and policies. Each Investment Manager shall have the power to delegate its duties in accordance with the requirements of the Central Bank.

UBS Asset Management is a business division of UBS AG. UBS Asset Management provides a diverse range of traditional, alternative, real estate, infrastructure and private equity investment solutions to private clients, financial intermediaries and institutional investors around the globe.

#### 3.3.1 UBS Asset Management (UK) Ltd.

UBS Asset Management (UK) Ltd. is a subsidiary of UBS Asset Management AG. UBS Asset Management (UK) Ltd was incorporated in England on 19 February 1981 and is authorised and regulated in the United Kingdom in the conduct of financial services and investment management activities by the UK Financial Conduct Authority. UBS Asset Management (UK) Ltd (through predecessor entities) began managing its first external pension fund in 1952.

### **3.3.2 UBS Asset Management (Americas) LLC**

UBS Asset Management (Americas) LLC (formerly known as UBS Asset Management (Americas) Inc.) was incorporated in the United States of America and has been managing collective investment schemes and discretionary funds since 1989. UBS Asset Management (Americas) LLC is regulated by the U.S. Securities and Exchange Commission.

If any one of the Investment Managers becomes insolvent, a liquidator will be appointed and will organise the liquidation of the Investment Manager. The liquidator will take day-to-day management decisions in replacement of the board of directors of the Investment Manager. The assets of the Investment Managers are always separated from the assets of the funds under their management.

Further details on the Investment Managers are set out in Section 2 of the Irish Prospectus headed “MANAGEMENT AND ADMINISTRATION” under the sub-heading “INVESTMENT MANAGER” and the sections headed “INVESTMENT MANAGER” and “MATERIAL CONTRACTS” in the relevant supplements for the respective Sub-Funds to the Irish Prospectus.

### **3.4 Sub-Investment Manager of the UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS**

UBS Asset Management (Singapore) Ltd (the "**Sub-Investment Manager**") has been appointed by UBS Asset Management (Americas) LLC in accordance with the requirements of the Central Bank to provide discretionary sub-investment management services to UBS Asset Management (Americas) LLC.

### 3.4.1 UBS Asset Management (Singapore) Ltd.

UBS Asset Management (Singapore) Ltd., a subsidiary of UBS Asset Management AG, was incorporated in Singapore and is regulated by the Monetary Authority of Singapore.

UBS Asset Management (Singapore) Ltd. has been managing collective investment schemes and discretionary funds since 1993.

***Past performance of the Investment Managers, the Sub-Investment Manager or their affiliates and subsidiaries is not necessarily indicative of their future performance or of the Sub-Funds.***

## 4. OTHER PARTIES

### 4.1 The Singapore Representative and Agent for Service of Process

**4.1.1** UBS Asset Management (Singapore) Ltd has been appointed by the Company as the representative for the Sub-Funds in Singapore (the "**Singapore Representative**") for the purposes of performing administrative and other related functions relating to the offer of Shares in the Sub-Funds under Section 287 of the SFA and such other functions as the Authority may prescribe.

**4.1.2** Key functions carried out by the Singapore Representative in respect of the distribution of the Sub-Funds in Singapore include:

- (i) facilitating:
  - (a) the issue and redemption of Shares in the Sub-Funds;
  - (b) the publishing of the issue and redemption prices of Shares in the Sub-Funds;
  - (c) the sending of reports of the Sub-Funds to Singapore shareholders;
  - (d) the furnishing of such books relating to the sale and redemption of Shares in the Sub-Funds as the Authority may require;
  - (e) the inspection of instruments constituting the Company and the Sub-Funds; and
- (ii) maintaining for inspection in Singapore a subsidiary register of shareholders who subscribed for or purchased their shares in Singapore ("**Singapore Participants' Records**<sup>1</sup>") or maintaining in Singapore any other facility that enables the inspection or extraction of the equivalent information.

**4.1.3** The Singapore Participants' Records are available for inspection by Singapore shareholders at the operating office of the Singapore Representative during normal business hours in Singapore.

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<sup>1</sup> Commonly referred to in Singapore as a "Singapore Subsidiary Register".

**4.1.4** The Singapore Representative has also been appointed by the Company to act as the Company's local agent in Singapore to accept service of process on behalf of the Company.

## **4.2 The Administrator and Transfer Agent**

The Manager has appointed MUFG Alternative Fund Services (Ireland) Limited (the “**Administrator**”) as the administrator of the Company. The Administrator provides to the Company fund administration and accounting services including the calculation of the net asset value per share of the Company, as well as registration, transfer agency and related shareholder services. The Administrator also acts as the Company's registrar.

Further details on the Administrator are set out in Section 2 of the Irish Prospectus headed “MANAGEMENT AND ADMINISTRATION” under the sub-heading “ADMINISTRATOR”.

## **4.3 Company Secretary**

The Company has appointed Dechert Secretarial Limited (“**Dechert**”) as the company secretary of the Company. Dechert shall provide at its address in Ireland the registered office of the Company, company secretarial assistance to the Company and perform a number of services, including but not limited to the maintenance of the minute book and registers, preparation and filing of annual returns and financial statements, preparation and distribution of AGM and EGM meeting packages and minutes, and preparation and distribution of board meeting packages and minutes. For the avoidance of doubt Dechert shall not hold the office of secretary of the Company.

## **4.4 The Depositary**

The Company has appointed J.P. Morgan SE – Dublin Branch (the “**Depositary**”) as the depositary of all its assets pursuant to the Depositary Agreement dated 28 April 2017 (the “**Depositary Agreement**”). The Depositary is an Irish banking company licensed by the Central Bank of Ireland.

The duty of the Depositary is to provide safekeeping, oversight and asset verification services in respect of the assets of the Company and the Sub-Funds in accordance with the provisions of the UCITS Regulations. The Depositary will also provide cash monitoring services in respect of each Sub-Fund's cash flows and subscriptions.

The Depositary will be obliged, amongst other things, to ensure that the sale, issue, repurchase and cancellation of shares in the Company is carried out in accordance with the UCITS Regulations and the memorandum and articles of association of the Company.

If the Depositary becomes insolvent, a liquidator will be appointed and will organise the liquidation of the Depositary. The liquidator will take day-to-day management decisions in replacement of the board of directors of the Depositary. The assets of the Depositary are always separated from the assets of the funds under its custody.

Further details on the Depositary are set out in Section 2 of the Irish Prospectus headed “MANAGEMENT AND ADMINISTRATION” under the sub-heading “DEPOSITARY”. You should also refer to Section 1 of the Irish Prospectus under the sub-heading “RISK FACTORS – DEPOSITARY INSOLVENCY” for information relating to the insolvency, administration, liquidation or other formal protection from creditors of the Depositary.

#### 4.5 The Distributor

The Company has appointed UBS Asset Management Switzerland AG (the “**Distributor**”) to act as distributor of the Shares of each Sub-Fund pursuant to a distribution agreement (“**Distribution Agreement**”). The Distribution Agreement permits the Distributor to appoint sub-distributors for the distribution of Shares in different countries in accordance with local regulations governing the sale of shares in investment funds. The Distributor will be responsible for any fees payable to any such sub-distributors.

### 5. INVESTMENT OBJECTIVE AND POLICIES

The investment objective and policies of the Sub-Funds are described in the relevant supplements for the respective Sub-Funds to the Irish Prospectus. You should also refer to Section 1 of the Irish Prospectus headed “THE COMPANY” under the sub-heading “INVESTMENT OBJECTIVE AND POLICIES” for further information. For easy reference, part of the investment objectives and policies of the Sub-Funds on offer in Singapore has been extracted from the relevant supplements for the respective Sub-Funds to the Irish Prospectus and is reproduced below. **You should review the full investment objectives and policies of the Sub-Funds as set out in the relevant supplements for the respective Sub-Funds to the Irish Prospectus.**

#### 5.1 ESG Integration

Unless otherwise stated in the relevant supplements for the respective Sub-Funds, the Investment Manager aims to achieve investors’ financial objectives while incorporating sustainability into the investment process. The Investment Manager defines sustainability as the ability to leverage the ESG factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers (“**Sustainability**”). The Investment Manager believes that consideration of these factors will deliver better informed investment decisions.

In addition to the binding exclusion factors outlined in the investment policies of a Sub-Fund, further restrictions are applied on all actively managed funds and are captured in the Sustainability Exclusion Policy. For instance, the Investment Manager does not invest in companies violating the United Nations Global Compact. Also, a Sub-Fund does not invest into companies that generate significant revenues from controversial business activities as defined in the Sustainability Exclusion Policy.

ESG integration by the Investment Manager is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilises the ESG material issues framework which identifies the financially relevant factors per sector which can impact investment decisions. This orientation toward financial materiality ensures which analysts focus on sustainability factors that can impact the financial performance of the issuer and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the issuers ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the issuers financial performance. The Investment Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify issuers with material ESG risks. An ‘actionable risk signal’ highlights ESG risks to the Investment Manager for incorporation in their investment



decision making process. For non-corporate issuers, the Investment Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.

## **5.2 Sustainability Exclusion Policy**

The Sustainability Exclusion Policy of the Investment Manager outlines the exclusions applied to the investment universe of the Sub-Funds.

<https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>

## **5.3 Sustainability Annual Reporting**

The ‘UBS Sustainability Report’ is the medium for the Investment Manager’s sustainability disclosures. Published annually, the report aims to openly and transparently disclose the Investment Manager’s sustainability approach and activities, consistently applying UBS’ information policy and disclosure principles. The UBS Sustainability Report is available at [www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html](https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html).

## **5.4 ESG Focus/Impact Funds**

UBS Asset Management categorizes certain sub-funds as ESG focus/impact funds. ESG focus/impact funds promote ESG characteristics or have a specific sustainability or impact objective which is defined in the investment policy.

## **5.5 Engagement Program**

The engagement program aims to prioritize/select companies where UBS Asset Management has identified concerns or thematic topics on particular ESG factors. These companies are selected from across the universe of companies in which UBS Asset Management invests using a top-down approach in accordance with our principles, as outlined in the Global Stewardship Policy. The prioritization process determines if and when engagement with a company is required. If a company is selected for the Engagement Program, engagement dialogue will generally last for at least two years. This is not an indication that sustainability related engagement has taken place with respect to companies in this portfolio during any given time period or that the companies in this portfolio were chosen with the goal to actively engage. Information on UBS Asset Management’s selection of companies, engagement activities, prioritization process and understanding of concerns can be found in the UBS Asset Management Stewardship Annual Report and Stewardship Policy.

<https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing/stewardship-engagement.html>.

## **5.6 Voting**

UBS will actively exercise voting rights based on the principles outlined in the UBS Asset Management Proxy Voting policy and UBS Asset Management Stewardship policy, with two fundamental objectives:

1. To act in the best financial interests of our clients to enhance the long-term value of their investments.
2. To promote best practice in the boardroom and encourage strong sustainability practices.

This is not an indication that voting on sustainability related topics has taken place with respect to companies held by a sub-fund during any given time period. For information about voting activities with specific companies please refer to the UBS Asset Management Stewardship Annual Report.

<https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing/stewardship-engagement.html>.

## 5.7 The Sub-Funds and their Investment Objective and Policies

### 5.7.1 UBS (Irl) Investor Selection – Global Equity Long Short Fund

The Sub-Fund seeks to deliver a positive return, over a three year timeframe, by exploiting mispriced stocks in equity markets around the world, including emerging markets. The Sub-Fund aims to demonstrate low correlation with, and less volatility than, equity markets.

There can be no guarantee that the Sub-Fund will be able to achieve its investment objective.

It is intended that the Sub-Fund will seek to achieve its investment objective by utilising a long-short equity strategy (varying in range from 25% net short to 75% net long) and by exploiting short- and mid-term stock price anomalies predominantly in equity securities of companies in global equity markets based on the Morgan Stanley Capital International ("**MSCI**") All Country World Index (the "**Reference Index**"), but not necessarily including or limited to all countries or stocks in that classification, via over-the-counter or exchange-traded derivatives, with reference to such equities. Appendix II to the Irish Prospectus lists the exchanges or markets on which such equity securities are listed or traded. The Reference Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. It includes a collection of stocks and securities from 45 countries. Investment will predominantly be made directly in equity securities and equity related securities (as set out below) and in derivatives which reference equity securities and equity indices including but not limited to the use of equity Total Return Swaps (where the economic performance of a single equity security, a basket of securities or an equity index over a specific period of time is obtained by the Sub-Fund in exchange for a physical cash payment by the Sub-Fund to the counterparty), contracts for difference and equity futures (as further described in Appendix III to the Irish Prospectus).

The Sub-Fund is actively managed. The Investment Manager may use the Reference Index for security selection and uses the Cash Rate for performance comparison and performance fee calculation purposes.

The Sub-Fund complies with Article 6 of the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") As such it does not consider principal adverse impacts on sustainability factors due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)). The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (TR Art. 7).

The Sub-Fund may invest in and have direct access to certain eligible China A Shares listed on the Shanghai Stock Exchange via the Shanghai-Hong Kong Stock Connect Scheme and the Shenzhen-Hong Kong Stock Connect (as further described in the sub-section headed "Investment in Hong Kong and Shenzhen Stock Connect Schemes" below). Exposure to China A Shares through the Shanghai-Hong Kong and Shenzhen Stock Connect Schemes will not be more than 10% of the Sub-Fund's Net Asset Value.

The Sub-Fund may invest up to 10% of its Net Asset Value in equity securities listed or traded on Russian markets. Any such investment will only be made on Recognised Exchanges included in Appendix III to the Irish Prospectus. The use of exchange traded and over-the-counter equity derivatives forms an important part of the investment approach of the Sub-Fund and will result in the Sub-Fund being leveraged. Market risk exposure is monitored through the use of VaR as described below.

Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments and shall be calculated as the sum of the notionals of the derivatives used. Under normal market conditions, the Sub-Fund will not be leveraged in excess of 300% of the Net Asset Value of the Sub-Fund, with gross long positions not exceeding 150% of the Net Asset Value of the Sub-Fund and gross short positions not exceeding 150% of the Net Asset Value of the Sub-Fund. However in exceptional circumstances leverage and levels of long and short positions may exceed this level at times. Furthermore the periodic resetting of positions obtained using derivatives may temporarily, significantly increase gross leverage and gross levels of long and short positions, although this resetting will not impact overall market exposure of the Sub-Fund. The types of exchange traded derivative investments which the Sub-Fund may use are outlined further below. The Sub-Fund may also invest directly in common and preferred stock, warrants, convertible and fixed rate bonds, Real Estate Investment Trusts ("**REITs**"), equity linked participation notes, American Depositary Receipts ("**ADRs**") and Global Depositary Receipts ("**GDRs**") (as further described in Appendix III to the Irish Prospectus where relevant) where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market. REITs are a type of pooled investment vehicle which invests in real property or real property related loans or interests listed, traded or dealt in on Recognised Exchanges. They are established effectively as a "pass through" entity, the effect of which is to transfer the income and gains of the business through the company exempt of tax to investors who will then assume the tax liabilities. Tax treatment is not identical in each country. In relation to participation notes, these will be listed or traded on Recognised Exchanges worldwide and the Sub-Fund's exposure will be

to the issuer (which will be regulated), rather than the referenced securities that the participation notes relate to. Equity linked participation notes are OTC products which are used to access markets where there is no local custody network in place. The exposure is primarily to the underlying security but as the participation notes are issued by a broker there will also be an element of counterparty risk.

The OTC counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager. In this regard, where the Sub-Fund enters into Total Return Swaps (or invests in other financial derivative instruments with the same characteristics) it will only do so on behalf of the Sub-Fund with counterparties which shall be entities which satisfy the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and set out in the Irish Prospectus under the heading “Securities Financing Transactions” in Appendix III and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager has full discretion as to the appointment of counterparties when entering into Total Return Swaps in furtherance of the Sub-Fund’s investment objective and policies. It is not possible to comprehensively list in Supplement 3 to the Irish Prospectus all the counterparties as they have not, as of the date of issue of Supplement 3 to the Irish Prospectus, been selected and they may change from time to time. The Sub-Fund may not enter into such a swap or other derivative transaction where (1) the counterparty is permitted to have discretion over the composition or management of the Sub-Fund’s portfolio or over the underlying of financial derivative instruments used by the Sub-Fund or (2) counterparty approval is required in relation to any investment decision made by the Sub-Fund.

Risks associated with the use of Total Return Swaps, are detailed in the Irish Prospectus under the heading “Risk Factors”. The use of Total Return Swaps, in particular shall be subject to the requirements of the Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No. 648/2012 (“**SFTR**”).

ADRs and GDRs are certificates issued by a depository bank, representing shares held by the bank, usually by a branch or correspondent in the country of issue of the shares, which trade independently from the shares. Investment can also be made, up to a maximum of 10% of the Sub-Fund’s net assets, in open-ended collective investment schemes, including exchange traded funds, including UCITS domiciled in the EU (including, but not limited to, Austria, Belgium, France, Germany, Ireland, Italy, Luxembourg and the UK). As part of this 10% limit, the Sub-Fund may also invest in regulated open-ended AIFs, which will primarily be AIFs domiciled in the EU, and which fall within the requirements set out in the Central Bank Rules and the level of protection of which is equivalent to that provided to unitholders of a UCITS. As part of this 10% limit, the Sub-Fund may invest in other Sub-Funds of the Company and funds that are managed by affiliates of the Investment Manager. Investment is not permitted in Sub-Funds of the Company which in turn invest in other Sub-Funds of the Company. Where the Sub-Fund invests in a collective investment scheme linked to the Investment Manager, the

manager of the underlying collective investment scheme cannot charge subscription, conversion or redemption fees on account of the investment. The Sub-Fund will not charge an annual Investment Management fee in respect of that portion of its assets invested in other Sub-Funds of the Company. The Sub-Fund will invest in such schemes primarily when the investment focus of such schemes is consistent with the Sub-Fund's primary investment focus. Investment in other funds is not a primary investment focus of the Sub-Fund. The Sub-Fund may also use derivatives including, but not limited to, options on single stocks and equity indices for the purpose of generating income and capturing money making opportunities through stock, sector or market mispricings and for efficient portfolio risk management.

Any investment in open-ended exchange traded funds will be in accordance with the investment limits for collective investment schemes and any investment in close-ended exchange traded funds will be in accordance with the investment limits for transferable securities, as set out under the heading "Permitted Investments and Investment Restrictions" in the Irish Prospectus.

The Investment Manager expects the Sub-Fund's volatility to be lower than a fund with a long equity strategy. The Investment Manager anticipates the volatility of the Sub-Fund to be typically below 10% over a 5 year market cycle. This volatility is indicative only and does not constitute an investment restriction by which the Investment Manager will be bound. The Investment Manager has a focused stock-picking methodology. The Investment Manager will not restrict the investments to a particular capitalisation range. The Investment Manager will assess whether the Sub-Fund should hold long or short positions in stocks. The Investment Manager will take long positions in stocks which it anticipates, based on the analysis described below, are undervalued by the market and will rise in value and short positions in stocks which it anticipates are overvalued by the market and will fall in value. Portfolios are constructed primarily from the bottom up utilising predominately in-house research sources. The Investment Manager will select companies largely based on fundamental research augmented by some quantitative inputs. This research provides the Investment Manager with a picture of the stock price anomalies and investment opportunities.

Fundamental analysis is usually approached on a company specific or "bottom up" basis. The bottom up approach involves analysing specific industries, in addition to company specific fundamentals. As at the date of Supplement 3 to the Irish Prospectus, the Investment Manager has six global sector analysts that work with analysts around the world in order to assess the fundamental value of a company based on free cash flow ("**FCF**") and cash flow return on capital invested. FCF is a measure of financial performance calculated as operating cash flow minus capital expenditures and represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base.

The Investment Manager employs a risk management system, which aims to accurately measure, monitor and manage the risk generated by individual positions, sectors and countries. Risk management for the Investment Manager starts at the individual company level, by analysing company management, balance sheets and

cash flows. The Investment Manager may employ spot foreign exchange transactions (as further described in Appendix III to the Irish Prospectus) to convert subscription proceeds into the relevant currency and in order to pay fees in a particular currency. The Investment Manager may employ forward foreign exchange contracts and currency futures (as further described in Appendix III to the Irish Prospectus) for the purpose of hedging the foreign exchange exposure of the assets of the Sub-Fund in order to neutralise, so far as possible, the impact of fluctuations in the relevant exchange rates, however the Sub-Fund may have foreign exchange exposure which is reflective of the global markets in which it is investing. When seeking to neutralize the foreign exchange exposure of the assets of the Sub-Fund, the Investment Manager may use such spot foreign exchange transactions, forward foreign exchange contracts and currency futures to sell the currency in which a particular asset is denominated against the Base Currency of the Sub-Fund, or against another currency, as determined by the Investment Manager in its discretion. The Sub-Fund intends to use derivatives as a significant part of its investment policies. The Investment Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of a Value At Risk ("**VaR**") measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a one-tailed 99% confidence level and the historical observation period will not be less than one year. The use of derivatives entails certain risks to the Sub-Fund including those set out under "Risk Factors" in Supplement 3 to the Irish Prospectus. Investors are also encouraged to read Appendix III of the Irish Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

As the use of derivatives is an important part of the approach of the Sub-Fund, the Sub-Fund may at any one time have significant cash balances to invest. Such cash balances may be invested in money market funds and money market instruments, including, but not limited to, certificates of deposit, fixed or floating rate notes and fixed or variable rate commercial paper (which are considered investment grade or above as rated by the principal rating agencies) and in cash deposits denominated in such currency or currencies as the Investment Manager may determine and in fixed or floating rate bonds (including notes, bills and other fixed and variable-rate secured and unsecured investments) issued by corporations, governments and supranationals (which are considered above investment grade by the principal rating agencies). The Sub-Fund's assets may also be invested in sight, term and time deposits of banks (which are considered investment grade or above by the principal rating agencies). The residual maturity of each investment described in this paragraph may not exceed one year. Such investment is made in order to manage the cash held by the Sub-Fund which is required for investment in derivatives outlined above. For example, investing in long and short equity swaps

in equal measure leaves a cash balance which needs to be invested so that there is no drag on the performance of the Sub-Fund and it is for this purpose that these instruments will be used. Though investment in money market funds and money market instruments is not a primary investment focus of the Sub-Fund, the Sub-Fund may at times be significantly invested in these assets in order to manage the cash held by the Sub-Fund.

It is expected that the total gross long position will not exceed 150% of the Net Asset Value of the Sub-Fund and the total gross short position will not exceed 150% of the Net Asset Value of the Sub-Fund. However, the total gross long positions and the total gross short positions may exceed or fall below these percentages depending on changes in the Investment Manager's investment strategy.

The Company shall not make any change to the investment objectives of the Sub-Fund, or any material change to the investment policy of the Sub-Fund, unless the shareholders have, in advance, on the basis of a simple majority of votes cast at a general meeting of the shareholders or with the prior written approval of shareholders of the Sub-Fund (in accordance with the Articles of Association), approved such change(s). In accordance with the requirements of the Central Bank UCITS Regulations, "material" shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of the Sub-Fund. In the event of a change of the investment objective and/or material change to the investment policy of the Sub-Fund, on the basis of a simple majority of votes cast at a general meeting of the shareholders, shareholders in the Sub-Fund will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

The Sub-Fund may use repurchase/reverse repurchase agreements and securities lending (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR and the Central Bank Rules. Any type of assets that may be held by the Sub-Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The Sub-Fund may also use Total Return Swaps and apply these to certain types of assets held by the Sub-Fund as disclosed in the section "Investment Policies" above. There is no restriction on the proportion of assets that may be subject to Total Return Swaps which at any given time is expected to be between 40% and 90% of the Net Asset Value of the Sub-Fund. The proportion of assets that may be subject to Securities Financing Transactions is 100% of the Net Asset Value of the Sub-Fund. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the Sub-Fund's assets the amount of Sub-Fund assets subject to Securities Financing Transactions and Total Return Swaps. In addition, shareholders should note the leverage limits of the Sub-Fund as disclosed further above.

Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby the Sub-Fund purchases securities from a counterparty and

simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. For example, the Investment Manager may enter into repurchase agreements to enhance income earned in the Sub-Fund, or to manage interest rate exposure of fixed rate bonds more precisely than via the use of interest rate futures.

Transaction costs may be incurred in respect of Securities Financing Transactions and efficient portfolio management techniques in respect of the Sub-Fund. The Company shall ensure that all revenues arising from Securities Financing Transactions and efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund. Any direct and indirect operational costs/fees arising from Securities Financing Transactions and efficient portfolio management techniques do not include hidden revenue and will be paid to such entities as outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

Information on the collateral management policy for the Sub-Fund is set out under the heading "Collateral Management Policy" in the Irish Prospectus.

Investors should consult the sections of the Irish Prospectus entitled "Risk Factors-Counterparty Risk", "Risk Factors - Derivatives and Securities Financing Transactions and Techniques and Instruments Risk" and "Conflicts of Interest" for more information on the risks associated with efficient portfolio management.

#### *Investment in Hong Kong and Shenzhen Stock Connect Schemes*

The Sub-Fund may invest in certain eligible China A Shares through the Shanghai-Hong Kong Stock Connect Scheme and the Shenzhen-Hong Kong Stock Connect Scheme (the "**Connect Schemes**"). The Connect Scheme are securities trading and clearing links program developed by, amongst others, The Stock Exchange of Hong Kong Limited ("**SEHK**"), Shanghai Stock Exchange ("**SSE**") (the Shenzhen Stock Exchange in the case of the Shenzhen-Hong Kong Stock Connect Scheme), Hong Kong Securities Clearing Company Limited ("**HKSCC**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between mainland China and Hong Kong and Shenzhen. In the initial phase, the SSE-listed China A Shares eligible for trading by Hong Kong and overseas investors under the Connect Schemes include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on the SEHK, except the following:

- (a) SSE-listed shares which are not traded in Renminbi ("**RMB**"); and
- (b) SSE-listed shares which are included in the "risk alert board".

The term "China A Shares" means domestic shares in the PRC incorporated companies listed on either the SSE or the Shenzhen Stock Exchange, the prices of which are quoted in RMB and which are available to such investors as approved by the China Securities Regulatory Commission ("**CSRC**").



In addition to those risk factors set out in relation to the People's Republic of China ("**PRC**") investment, a number of the key risks of investing in selective China A Shares listed on the SSE via the Connect Scheme are set out in the section entitled "Risk Factors".

For full details on the investment policies and processes as well as the types of investments that may be made by the Sub-Fund, you should refer to the section headed "INVESTMENT POLICIES" in Supplement 3 to the Irish Prospectus.

#### **5.7.2 UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS**

The Sub-Fund seeks to achieve capital growth by investing in an equity portfolio focused on the alpha opportunities (meaning opportunities that provide an active return on investment) in the Chinese equity markets.

There can be no guarantee that the Sub-Fund will be able to achieve its investment objective or be profitable.

The Sub-Fund's portfolio will comprise equity, equity derivatives and equity index derivatives of corporates predominantly listed in China, Hong Kong, Taiwan and the US with an expected net beta adjustment of 30% of the Sub-Fund's NAV. 'Beta adjustment' means using a measure of the risk arising from exposure to market movements as an adjustment factor to look at overall portfolio exposure. The Fund may gain exposure to Chinese companies listed on the US stock exchanges or markets set out in Appendix II of the Irish Prospectus. The portfolio will utilize a combination of equity hedge strategies as well as relative value, as further described below. Equity Hedge strategies will invest in publicly traded equities using fundamental research to generate alpha from exceptional stock picking. Portfolio construction is based primarily on fundamental bottom-up research combined with a top-down macro analysis. Relative Value covers non-directional strategies that use arbitrage to exploit valuation discrepancies and other opportunities between different stocks in the same sector or those listed in different countries.

The Sub-Fund may gain exposure to China A Shares ("**A Shares**") through the trading counterparties' approved status under the regimes operated by the government of the PRC to include the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect ("**Stock Connect**") as well as the Qualified Foreign Institutional Investor ("**QFII**") regimes, UCITS or other AIFs exposed to Chinese A shares and/or entry products such as ETFs, subject to any applicable regulatory limits.

The Sub-Fund is actively managed without reference to a benchmark index. The Sub-Fund complies with Article 6 of SFDR. As such it does not consider principal adverse impacts on sustainability factors due to its investment strategy and the nature of the underlying investments (SFDR Art. 7(2)). The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (TR Art. 7). Sustainability risks are not systematically integrated due to the limited nature of available instruments.

Sustainability risks are not expected to have a significant impact on the Sub-Fund's return.

The Investment Manager (or Sub-Investment Manager) may, where local market conditions allow, seek to gain access to specific markets or market segments directly by investing in underlying instruments. Alternatively, the Investment Manager or Sub-Investment Manager will gain access to these markets or market segments through the use of derivatives, as further outlined below.

Investment will predominantly be made in derivatives which reference equity securities and equity indices via equity portfolio swaps ("**Portfolio Swaps**") or Total Return Swaps (where the economic performance of a single equity security, a basket of securities or an equity index over a specific period of time is obtained by the Sub-Fund in exchange for a physical cash payment by the Sub-Fund to the counterparty), equity futures (as further described in Appendix III to the Irish Prospectus) and volatility index derivatives as further described below. The use of exchange traded and over-the-counter equity derivatives forms an important part of the investment approach of the Sub-Fund and will result in the Sub-Fund being leveraged. Market risk exposure is monitored through the use of VaR as described below. Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments and shall be calculated as the sum of the notionals of the derivatives used. Under normal market conditions, the Sub-Fund will not be leveraged in excess of 300% of the Net Asset Value of the Sub-Fund and in exceptional circumstances leverage may reach 400% of the Net Asset Value of the Sub-Fund, with gross long positions not exceeding 150% of the Net Asset Value of the Sub-Fund and gross short positions not exceeding 150% of the Net Asset Value of the Sub-Fund. However, in exceptional circumstances (i.e. market movements) leverage and levels of long and short positions may exceed this level at times. The types of exchange traded derivative investments which the Sub-Fund may use are outlined further below.

Although investment will predominantly be made in derivatives which reference equity securities as set out above, the Sub-Fund may also invest directly in common and preferred stock and other equity-related securities such as warrants (received passively following corporate actions), Real Estate Investment Trusts ("**REITs**"), American Depositary Receipts ("**ADRs**") and Global Depositary Receipts ("**GDRs**") (as further described in Appendix III to the Irish Prospectus where relevant) where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market. ADRs and GDRs are certificates issued by a depository bank, representing shares held by the bank, usually by a branch or correspondent in the country of issue of the shares, which trade independently from the shares. REITs are a type of pooled investment vehicle which invests in real property or real property related loans or interests. REITs are used for portfolio diversification purposes and to provide yield income. They are established effectively as a "pass through" entity, the effect of which is to transfer the income and gains of the business through the company exempt of tax to investors who will then assume the tax liabilities. Tax treatment is not identical in each country. REITs

in which the Sub-Fund shall invest will be listed, traded or dealt in on Recognised Exchanges. The Sub-Fund may invest up to 5% of its Net Asset Value in REITs.

The OTC counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager or Sub-Investment Manager. In this regard, where the Sub-Fund enters into Portfolio Swaps and Total Return Swaps it will only do so on behalf of the Sub-Fund with counterparties which shall be entities which satisfy the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and set out in the Irish Prospectus under the heading "Securities Financing Transactions" in Appendix III and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager or Sub-Investment Manager has full discretion as to the appointment of counterparties when entering into Portfolio Swaps or Total Return Swap in furtherance of the Sub-Fund's investment objective and policies. It is not possible to comprehensively list in Supplement 6 to the Irish Prospectus all the counterparties as they have not, as of the date of issue of Supplement 6 to the Irish Prospectus, been selected and they may change from time to time. The Sub-Fund may not enter into such a swap or other derivative transaction where (1) the counterparty is permitted to have discretion over the composition or management of the Sub-Fund's portfolio or over the underlying of financial derivative instruments used by the Sub-Fund or (2) counterparty approval is required in relation to any investment decision made by the Sub-Fund. Risks associated with the use of Portfolio Swaps and Total Return Swaps, are detailed in the Irish Prospectus under the heading "Risk Factors". The use of Total Return Swaps, in particular shall be subject to the requirements of SFTR.

Investment can also be made, up to a maximum of 10% of the Sub-Fund's net assets, in open-ended collective investment schemes, including exchange traded funds, including UCITS domiciled in the EU (including, but not limited to, Austria, Belgium, France, Germany, Ireland, Italy and Luxembourg) and the UK). As part of this 10% limit, the Sub-Fund may also invest in regulated open-ended AIFs, which will primarily be AIFs domiciled in the EU, and which fall within the requirements set out in the Central Bank Rules and the level of protection of which is equivalent to that provided to unitholders of a UCITS. As part of this 10% limit, the Sub-Fund may invest in other Sub-Funds of the Company and funds that are managed by affiliates of the Investment Manager and or the Sub-Investment Manager. Investment is not permitted in Sub-Funds of the Company which in turn invest in other Sub-Funds of the Company. Where the Sub-Fund invests in a collective investment scheme linked to the Investment Manager or Sub-Investment Manager, the manager of the underlying collective investment scheme cannot charge subscription, conversion or redemption fees on account of the investment. The Sub-Fund will not charge an annual Investment Management fee in respect of that portion of its assets invested in other Sub-Funds of the Company. The Sub-Fund will invest in such schemes primarily when the investment focus of such schemes is consistent with the Sub-Fund's primary investment focus. Investment in other funds is not a primary investment focus of the Sub-Fund. The Sub-Fund may also use options on equity indices for the purpose of generating income and capturing money making

opportunities through stock, sector or market mispricings and for efficient portfolio risk management.

Any investment in open-ended exchange traded funds will be in accordance with the investment limits for collective investment schemes and any investment in close-ended exchange traded funds will be in accordance with the investment limits for transferable securities, as set out under the heading "Permitted Investments and Investment Restrictions" in the Irish Prospectus.

The Sub-Investment Manager's focused stock-picking methodology is reflected in a relatively diversified portfolio with higher concentration in positions in which the Sub-Investment Manager has a higher degree of conviction. The Sub-Investment Manager will not restrict the investments to a particular capitalisation range or industrial spread. The Sub-Investment Manager will assess whether the Sub-Fund should hold long or short positions in stocks. The Sub-Investment Manager will take long positions in stocks which it anticipates, based on the analysis described below, are undervalued by the market and will rise in value and short positions in stocks which it anticipates are overvalued by the market and will fall in value.

Portfolios are constructed primarily from the bottom up utilising both in-house and external research sources. The Sub-Investment Manager will select companies according to a combination of fundamental, quantitative and qualitative research as described below. The combination of these mutually independent information sources provides the Sub-Investment Manager with a picture of the stock price anomalies and investment opportunities. Fundamental analysis is usually approached either on a macroeconomic or "top-down" basis or a company specific or "bottom up" basis. The top-down approach involves an analysis of global, regional and/or national economic factors. The bottom up approach involves analysing specific businesses. The Sub-Investment Manager uses internal analysts and selected external analysts in order to assess the fundamental value of a company using different approaches depending on the company and/or Industry in focus. Quantitative analysis involves data-driven analysis at individual stock level. This analysis includes valuation characteristics (for example, the market price of a stock compared to its book value, price to earnings multiples), momentum characteristics (for example, the rate at which earnings are increasing or decreasing and the rate at which the market price of stocks is increasing or decreasing) and qualitative characteristics (for example, changes in return on equity and changes in working capital). Qualitative information is obtained from on a network of sources including, but not limited to sell side investment analysts and strategists, expert networks, corporate meetings, on the ground due diligence and attending Industry Conferences. The Sub-Investment Manager avails of the services of expert networks and analysts in local jurisdictions to provide certain advisory services. Any such expert network or analyst will not have discretionary investment powers in respect of the Fund (these powers rest with the Investment Manager and Sub-Investment Manager).

The Manager employs a risk management system, which aims to accurately measure, monitor and manage the risk generated by individual positions, sectors and countries. Risk management for the Manager starts at the individual company

level, by analysing company management, balance sheets and cash flows. The Sub-Investment Manager may employ spot foreign exchange transactions (as further described in Appendix III to the Irish Prospectus) to convert subscription proceeds into the relevant currency and in order to pay fees in a particular currency. The Sub-Investment Manager may employ forward foreign exchange contracts and currency futures (as further described in Appendix III to the Irish Prospectus) for the purpose of hedging the foreign exchange exposure of the assets of the Sub-Fund in order to neutralise, so far as possible, the impact of fluctuations in the relevant exchange rates, however the Sub-Fund may have foreign exchange exposure which is reflective of the global markets in which it is investing. When seeking to neutralise the foreign exchange exposure of the assets of the Sub-Fund, the Sub-Investment Manager may use such spot foreign exchange transactions, forward foreign exchange contracts and currency futures to sell the currency in which a particular asset is denominated against the Base Currency of the Sub-Fund, or against another currency, as determined by the Sub-Investment Manager in its discretion.

The Sub-Fund intends to use derivatives as a significant part of its investment policies. The Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Sub-Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of VaR measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a 99% confidence level and the historical observation period will not be less than one year. The Sub-Investment Manager is satisfied that the Absolute VaR methodology can cope adequately with the complexity of variance and volatility derivatives set out above. The use of derivatives entails certain risks to the Sub-Fund including those set out under "Risk Factors" in Supplement 6 to the Irish Prospectus. Investors are also encouraged to read Appendix III of the Irish Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

As the use of derivatives is an important part of the approach of the Sub-Fund, the Sub-Fund may at any one time have significant cash balances to invest. Such cash balances may be invested in money market funds and money market instruments, including, but not limited to, certificates of deposit, fixed or floating rate notes and fixed or variable rate commercial paper (which are considered investment grade as rated by the principal rating agencies) and in cash deposits denominated in such currency or currencies as the Sub-Investment Manager may determine and in fixed or floating rate bonds (including notes, bills and other fixed and variable-rate secured and unsecured investments) issued by corporations, governments and supranationals (which are considered investment grade by the principal rating agencies). The Sub-Fund's assets may also be invested in sight, term and time deposits of banks (which are considered investment grade or above by the principal rating agencies). The residual maturity of each investment described in this

paragraph may not exceed one year. Such investment is made in order to manage the cash held by the Sub-Fund which is required for investment in derivatives outlined above. For example, investing in long and short equity swaps in equal measure leaves a cash balance which needs to be invested so that there is no drag on the performance of the Sub-Fund and it is for this purpose that these instruments will be used. Though investment in money market funds and money market instruments is not a primary investment focus of the Sub-Fund, the Sub-Fund will at times be significantly invested in these assets in order to manage the cash held by the Sub-Fund.

The Sub-Fund may use repurchase/reverse repurchase agreements and securities lending (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR and the Central Bank Rules. Any type of assets that may be held by the Sub-Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The Sub-Fund may also use Portfolio Swaps and Total Return Swaps and apply these to certain types of assets held by the Sub-Fund as disclosed in the section "Investment Policies" above. There is no restriction on the proportion of assets that may be subject to Portfolio Swaps or Total Return Swaps which at any given time is expected to be between 100% and 300% of the Net Asset Value of the Sub-Fund. The maximum proportion of assets that may be subject to Securities Financing Transactions is 300% of the Net Asset Value of the Sub-Fund. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the Sub-Fund's assets the amount of Sub-Fund assets subject to Securities Financing Transactions, the Portfolio Swaps and Total Return Swaps. In addition, shareholders should note the anticipated leverage ranges of the Sub-Fund as disclosed further above.

In this regard, the Sub-Fund may lend stocks that it has bought to generate additional income. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby the Sub-Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. For example, the Sub-Investment Manager may enter into repurchase agreements when interest rates are low to enhance income earned in the Sub-Fund, or to manage interest rate exposure of fixed rate bonds more precisely than via the use of interest rate futures.

Transaction costs may be incurred in respect of Securities Financing Transactions and efficient portfolio management techniques in respect of the Sub-Fund. The Company shall ensure that all revenues arising from Securities Financing Transactions and efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund. Any direct and indirect operational costs/fees arising from Securities Financing Transactions and efficient portfolio management techniques do not include hidden

revenue and will be paid to such entities as outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

In the event of a change to the investment strategy of the Sub-Fund, the supplement will be updated accordingly.

Information on the collateral management policy for the Sub-Fund is set out under the heading "Collateral Management Policy" in the Irish Prospectus.

Investors should consult the sections of the Irish Prospectus entitled "Risk Factors-Counterparty Risk", "Risk Factors- Derivatives and Securities Financing Transactions and Techniques and Instruments Risk" and "Conflicts of Interest" for more information on the risks associated with efficient portfolio management.

#### *Financial Indices*

As outlined above, the Sub-Fund may use certain derivative instruments to invest in financial indices which provide exposure to the asset classes listed above. Further information relating to same is contained at the section of the Irish Prospectus entitled "Appendix III – Financial Derivative Instruments for the Purpose of Investment and/or Efficient Portfolio Management".

For full details on the investment policies and processes as well as the types of investments that may be made by the Sub-Fund, you should refer to the section headed "INVESTMENT POLICIES" in Supplement 6 to the Irish Prospectus.

***The Net Asset Value of the Sub-Funds may have high volatility due to its investment policy and/or management techniques.***

***The use of derivatives entails certain risks to the Sub-Funds including those set out in Section 1 of the Irish Prospectus under the sub-heading "RISK FACTORS" and under the heading "RISK FACTORS" in the supplements for the respective Sub-Funds to the Irish Prospectus.***

***No guarantee can be given that the Sub-Funds will be able to achieve its investment objective or be profitable.***

***You should consider carefully and understand the risks of investing in the Sub-Funds. An investment in the Sub-Funds should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. You should read the risk factors set out in paragraph 7 headed "RISK FACTORS" below, before making an investment decision.***

## **5.8 Typical Investor Profile**

### **5.8.1 UBS (Irl) Investor Selection – Global Equity Long Short Fund**

The actively managed Sub-Fund is aimed at risk-conscious investors who are looking to invest for the medium to long term in a diversified fund and are prepared to accept fluctuations in the value of their capital, including capital loss, and who are also prepared to accept the possibility of paying income and capital gains tax on returns.

## 5.8.2 UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS

The actively managed Sub-Fund is aimed at risk-conscious investors who are looking to invest for the medium to long term in a diversified fund and are prepared to accept fluctuations in the value of their capital, including capital loss.

**You should consult your financial advisers if in doubt whether this product is suitable for you.**

## 5.9 Permitted Investments and Investment Restrictions

Details on the investments that may be made by the Sub-Funds as well as the investment restrictions on such investments are set out in Appendix I of the Irish Prospectus (read with Section 1 of the Irish Prospectus and the section headed “INVESTMENT POLICIES” in the relevant supplements for the respective Sub-Funds to the Irish Prospectus).

### 5.7.1 Investments in financial derivative instruments

The Investment Manager shall, in respect of and for the benefit of the Sub-Funds, have the power to employ financial derivative techniques and instruments for the purposes of investment (optimising returns) and/or efficient portfolio management, in each case subject to the limits laid down by the Central Bank of Ireland and subject to the terms of relevant supplements for the respective Sub-Funds to the Irish Prospectus. Further information is set out in Appendix III of the Irish Prospectus.

You should also take note of the sections in the Irish Prospectus in Section 1 of the Irish Prospectus under the sub-headings “EFFICIENT PORTFOLIO MANAGEMENT” and “FINANCIAL DERIVATIVE INSTRUMENTS”.

The Manager will ensure that the risk management and compliance procedures are adequate and have been or will be implemented and that it has the necessary expertise to manage the risk relating to the use of financial derivative instruments.

You may obtain supplementary information relating to the risk management methods employed by the Sub-Funds, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments from the Singapore Representative (whose contact details are set out in the Directory of this Singapore Prospectus) upon request.

### 5.7.2 Use of repurchase agreements, reverse repurchase agreements and securities lending agreements

Subject to the requirements of SFTR and the Central Bank Rules and in accordance with normal market practice, the Sub-Funds may use repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Sub-Fund is permitted to engage in (“**Securities Financing Transactions**”) for efficient portfolio management purposes. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the Sub-Funds including to generate income or profits in order to increase portfolio returns or to reduce



portfolio expenses or risks. The maximum portion of any Sub-Fund's assets which may be subject to such Securities Financing Transactions is 100% of the Net Asset Value of the relevant Sub-Fund. In practice, the expected portion of a Sub-Fund's asset subject to such transactions is expected to vary between 0% and 50% of the Net Asset Value of each relevant Sub-Fund.

Details of Securities Financing Transactions in respect of the Sub-Funds are disclosed under the heading "INVESTMENT POLICIES" in Supplement 2 to the Irish Prospectus.

The following requirements apply to Securities Financing Transactions:

1. Any counterparty to a Securities Financing Transaction shall be subject to an appropriate internal credit assessment carried out by the Company, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where such counterparty (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Company without delay.
2. The Company must be able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.
3. When the Company enters into a reverse repurchase agreement it must ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Sub-Funds. Fixed-term 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.
4. When the Company enters into a repurchase agreement it must ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase 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.

5. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively. Repurchase/reverse repurchase agreements and securities lending agreements may only be effected in accordance with normal market practice.
6. All the revenues arising from Securities Financing Transactions and other efficient portfolio management techniques, net of direct and indirect operational costs/fees, will be returned to the Sub-Funds.
7. Any direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Sub-Funds must not include hidden revenue. Such direct and indirect operational costs/fees will be paid to the entities outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

The Manager and Investment Manager currently do not expect conflicts of interest to arise in relation to such Securities Financing Transactions. However, should any potential conflicts of interest arise, such conflicts of interest will be managed in accordance with Paragraph 16 of this Singapore Prospectus.

You should refer to Section 1 of the Irish Prospectus headed “THE COMPANY” under the sub-heading “EFFICIENT PORTFOLIO MANAGEMENT” and Appendix III of the Irish Prospectus under the heading “Securities Financing Transactions” for more information.

As at the date of this Singapore Prospectus, the Manager intends to lend the securities of the Sub-Funds to its related corporations.

## 6. FEES, CHARGES AND EXPENSES

A summary of the fees and charges applicable to the Classes on offer are set out below:

Fees and charges payable by you in respect of each Class*	
<b>Subscription Charge<sup>2**</sup></b>	Up to 3% of the subscription amount.
<b>Redemption Fee (or redemption charge)**</b>	Nil
<b>Conversion Fee<sup>3</sup> (or switching fee)**</b>	It is not the current intention of the Directors and/or the Manager to charge a conversion fee, unless set out in relevant supplements for the respective Sub-Funds to the Irish Prospectus.

\*You may have to pay additional fees and charges in addition to the Subscription Charge, Redemption Fee and Conversion Fee to the Approved Singapore Distributors depending on the specific nature of services provided to you by the Approved Singapore Distributors. You should check with the Approved Singapore Distributors to confirm the applicable fees and charges (including any additional taxes or commissions, where applicable) incurred in Singapore on the issuance, redemption or conversion of Shares.

\*\*Any Subscription Charge, Redemption Fee or Conversion Fee is currently paid to and retained by the Approved Singapore Distributors. In addition to the Redemption Fee, if you request for an in specie redemption, if the Directors and/or the Manager are requested to sell the assets on your behalf, you will have to bear the cost of such sale. You should refer to Section 4 of the Irish Prospectus headed “THE SHARES” under the heading “REDEMPTION OF SHARES – IN SPECIE REDEMPTION” for more information.

Fees and charges payable by each Sub-Fund			
Sub-Fund	Classes	Aggregate of Investment Management Fee <sup>4</sup> and Administrative Costs <sup>5</sup> as a % of the Net Asset Value of the Sub-Fund shall be:	Performance Fee
UBS (Irl) Investor	Classes with both “I-A1”	0.95%	20% of the Net Outperformance

<sup>2</sup> “**Subscription Charge**” means a charge in respect of a subscription for Shares which may be deducted from the gross subscription amount and paid to the Approved Singapore Distributors

<sup>3</sup> “**Conversion Fee**” means a charge in respect of a conversion of Shares into those of another Class within the Sub-Funds which may be deducted from the gross subscription amount and paid to the Approved Singapore Distributors.

<sup>4</sup> The Investment Manager shall be responsible for discharging, from the management fees payable to it, the fees of any sub-investment manager, provided that the Investment Manager and any such provider of services shall be entitled to reimbursement by the Sub-Funds of all reasonable out-of-pocket expenses incurred by it in the performance of their respective obligations.

<sup>5</sup> Administrative Costs refers to the aggregate administrative fees and expenses, being, generally, the fees of the Manager, Depositary and the Administrator together with auditors’ fees, legal fees, registration fees and Directors’ fees. The Administrative Costs charged to each Class of the Sub-Funds shall be 0.30% of the Net Asset Value of the Sub-Funds. Other costs associated with acquisition or disposal of any of the Sub-Fund’s assets do not form part of the Administrative Costs. For the avoidance of doubt, where Administrative Costs exceed 0.30% any deficit is paid by the Investment Manager. For the UBS (Irl) Investor Selection – Global Equity Long Short Fund, where Administrative Costs are less than 0.30% any surplus

Fees and charges payable by each Sub-Fund			
Sub-Fund	Classes	Aggregate of Investment Management Fee <sup>4</sup> , and Administrative Costs <sup>5</sup> as a % of the Net Asset Value of the Sub-Fund shall be:	Performance Fee
Selection – Global Equity Long Short Fund	and “PF” in their name	<p>(a) Paid by Manager to Distributor (trailer fee) <sup>Note 1</sup>: 18% of the Aggregate of Investment Management Fee and Administrative Costs</p> <p>(b) Retained by Manager and Investment Manager: 65% of the Aggregate of Investment Management Fee and Administrative Costs</p> <p>(c) Paid by the Sub-Fund directly or indirectly to other service providers, including Depositary, Administrator and Transfer Agent: 17% of the Aggregate of Investment Management Fee and Administrative Costs</p>	of the Net Asset Value per Share over the High Water Mark*
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	Classes with only “P” in their name	2.30%	-
	Classes with both “P” and “PF” in their name	<p>(a) Paid by Manager to Distributor (trailer fee) <sup>Note 1</sup>: 55% of the Aggregate of Investment Management Fee and Administrative Costs</p> <p>(b) Retained by Manager and Investment Manager: 39% of the Aggregate of Investment Management Fee and Administrative Costs</p> <p>(c) Paid by the Sub-Fund directly or indirectly to other service providers, including Depositary, Administrator and Transfer Agent : 6% of the Aggregate of Investment Management Fee and Administrative Costs</p>	20% of the Net Outperformance of the Net Asset Value per Share over the High Water Mark*

may be paid to the Investment Manager, subject to the maximum aggregate Investment Management Fee and Administrative Costs percentage. For the UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS, where Administrative Costs are less than 0.30%, a surplus will not be charged, meaning only actual costs incurred will be charged.

\* The Investment Manager may be entitled to receive a Performance Fee payable out of the assets of the Sub-Funds. You should refer to the section headed "Performance fee" below for further information.

Notes:

1. The Manager has appointed UBS Asset Management Switzerland AG (the "**Distributor**") to act as distributor of the Shares of the Sub-Funds. This figure may change from time to time without prior notice depending on the agreement between the Manager and the Distributor. The Distributor may appoint sub-distributors for the distribution of Shares in different countries. Your financial adviser is required to disclose to you the amount of trailer fee it receives from the Manager/Distributor.

#### Performance fee

**The Sub-Funds are recognised schemes established in Ireland and the mechanism used to calculate the performance fees charged by the Sub-Funds is in accordance with the European Securities and Markets Authority Guidelines on performance fees in UCITS and certain types of AIFs (ESMA34-39-992). You should note that the mechanism used to calculate performance fees charged by the Sub-Fund may not be identical to the performance fee methodologies set out in the Code on Collective Investment Schemes issued by the Authority, which only apply to Singapore constituted authorised schemes.**

#### *Performance fee calculation for the UBS (Irl) Investor Selection – Global Equity Long Short Fund*

Performance fee paying Classes will have a designation "PF" in their name as per the following example: (CAD hedged) I-A1-PF-qdist.

The Performance Fee will be calculated and accrued as at each Valuation Point. The Performance Fee will crystallise annually. The Performance Fee will be calculated in respect of a "Calculation Period".

For each Calculation Period, the Performance Fee payable will be equal to 20% of the Net Outperformance of the Net Asset Value per Share (prior to the deduction of the Performance Fee) over the High Water Mark per Share, multiplied by the number of Shares in issue, as adjusted for any subscriptions, conversions and redemptions as well as dividend distributions during the Calculation Period. The "Net Outperformance" is defined as the return on the Net Asset Value per Share in excess of the Hurdle Rate, accumulated from the start of the Calculation Period. The "Hurdle Rate" is the appropriate Cash Rate, an appropriate measure of the short term cash returns of the respective currencies and will be reset at the beginning of a new Calculation Period only if performance fees were payable at the end of the previous Calculation Period. The return of the Hurdle Rate will be at least equal to 0. Where applicable, the negative performance of the hurdle rate will not be considered in the performance fees calculation. The Hurdle Rate applied shall always be the greater of 0 and the respective Cash Rate.

The "High Water Mark" shall be the previous Net Asset Value per Share (prior to the deduction of the Performance Fee) of the relevant Class at the end of any previous

Calculation Period for the relevant Class on which the performance fee was paid. For the purposes of the first calculation of the Performance Fee, the starting point for the relevant Net Asset Value per Share is the Initial Price. No performance fee will be paid until the Net Asset Value per Share exceeds the High Water Mark or the Initial Price, as appropriate, and such fee is only payable on the Net Outperformance of the Net Asset Value per Share over the High Water Mark as described above.

Any under-performance in a Calculation Period will be recovered before a Performance Fee becomes due in subsequent Calculation Periods. No performance fee is accrued or paid until the net asset value per share exceeds the previous highest net asset value per share on which the performance fee was paid or accrued, or the initial offer price, if higher. The Initial Price will be taken as the starting price for this calculation.

The performance reference period is the time horizon over which the performance is measured and compared with that of the reference indicator, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset.

The performance reference period is not reset and thus corresponds to the whole life of the Class.

An illustration of how the performance fee is calculated is set out below:

		<b>1<sup>st</sup> Period</b>	
		<u>Scenario 1</u>	<u>Scenario 2</u>
		<b>PM has positive performance</b>	<b>PM has negative performance</b>
Initial asset allocation to PM sub-account (High Water Mark)	<b>A</b>	1000	1000
<b>Performance of the Investment Manager sub-account</b>			
Hurdle Rate		1%	1%
Period performance after deduction of management fees and hurdle rate (if applicable)	<b>B</b>	5%	-5%
Net New Appreciation	<b>G</b> = C – A	50	-50
<b>Performance Fee @ 20% *</b>	<b>H</b> G > 0, 20%*G	<b>10</b>	<b>0</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1040	1000
<b>Performance Fee @ 20% *</b>	<b>H</b> G > 0, 20%*G	<b>10</b>	<b>0</b>

\* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted.

## 2nd Period

		<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
		<b>PM has negative performance</b>	<b>PM has positive performance, but below HWM</b>	<b>PM has positive performance above HWM</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1120	1000	1000
Net Asset Value after 1 <sup>st</sup> Period	<b>J</b>	1120	800	800
<b>Performance of the Investment Manager sub-account</b>				
Period performance after deduction of management fees	<b>K</b>	-15%	+10%	+50%
Total Net Assets of the PM sub-account	<b>L = J * (1 + K)</b>	<u>952</u>	<u>880</u>	<u>1200</u>
Net New Appreciation	<b>M = L – I</b>	-168	-120	200
<b>Performance Fee @ 20% MIN (IF L&gt;I; L&gt;I)*</b>	<b>N M &gt; 0, 20%*M</b>	<b>0</b>	<b>0</b>	<b>40</b>
High Water Mark after 2nd Period		1120	1000	1160

- \* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted.
- The Performance Fee could reduce the Net Asset Value per Fund Share and may fall below the HWM per Share.



No equalisation methodology is employed in respect of the performance fee calculation. As a result, the methodology used in calculating the performance fees (as described above) may result in inequalities between shareholders in relation to the payment of performance fees (with some investors paying disproportionately higher performance fees in certain circumstances) and may also result in certain shareholders having more of their capital at risk at any time than others.

Furthermore, shareholders who purchase Shares during a Calculation Period may benefit from an increase in the Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an individual shareholder level.

For Classes where Investment Management Fees are charged based on a written agreement between UBS Asset Management Switzerland AG or one of its authorised distribution partners where costs are charged based on the agreements, the Performance Fee is calculated based on the Net Asset Value of the respective Class. For the avoidance of doubt, the Net Asset Value of such Classes does not include any costs which are charged in accordance with the provisions of those written agreements.

The Sub-Fund will not apply an equalization per share method or a series accounting method. Consequently, there can be no guarantee that the performance fee applicable to the Sub-Fund will be equitably borne by the shareholders in the Sub-Fund and the rateable performance fee to be borne by the shareholders may be greater than or lesser than the performance fee borne by other shareholders depending on, among other things, the performance of the Sub-Fund and the payment periods.

*Performance fee calculation for the UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS*

The Investment Manager will be entitled to a Performance Fee. Performance fee paying Classes will have a designation "PF" in their name as per the following example: (CAD hedged) I-A1-PF-qdist. No 'PF' share class shall be launched other than in base currency or on a 'hedged' basis.

The Performance Fee will be calculated and accrued as at each Valuation Point. The Performance Fee will crystallise annually. The Performance Fee will be calculated in respect of a "Calculation Period".

For each Calculation Period, the Performance Fee payable will be equal to 20% of the Net Outperformance of the Net Asset Value per share (prior to the deduction of the Performance Fee) over the High Water Mark NAV, as adjusted for any subscriptions, conversions and redemptions since the last payment of a Performance Fee at the end of a Calculation Period. The "Net Outperformance" is defined as the excess gain of the Net Asset Value per share (prior to deduction of any Performance Fee) over the High Water Mark, accumulated from the end of the Calculation Period where performance fees were last paid. The "High Water Mark NAV" shall be the last Net Asset Value per share where a Performance Fee was paid at the end of a Calculation Period. For the purposes of the first calculation of the Performance Fee, the starting point for the relevant High Water Mark NAV is the Initial Price.

For distributing Classes, the High Water Mark is adjusted for dividend distributions. A Performance Fee will be paid only if the Net Asset Value per share exceeds the High Water Mark. Any under-performance in a Calculation Period will be recovered before a Performance Fee becomes due in subsequent Calculation Periods. No performance fee is accrued or paid until the net asset value per share exceeds the previous highest net asset value per share on which the performance fee was paid or accrued, or the initial offer price, if higher. The Initial Price will be taken as the starting price for this calculation. The performance fee is only payable or paid on the increase of the net asset value per share over the High Water Mark or the Initial Price, whichever is higher.

The performance reference period is the time horizon over which the performance is measured and compared with that of the reference indicator, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset.

The performance reference period is not reset and thus corresponds to the whole life of the Class.

An illustration of how the performance fee is calculated is set out below:

		<b>1<sup>st</sup> Period</b>	
		<u>Scenario 1</u>	<u>Scenario 2</u>
		<b>PM has positive performance</b>	<b>PM has negative performance</b>
Initial asset allocation to PM sub-account (High Water Mark)	<b>A</b>	1000	1000
<b>Performance of the Investment Manager sub-account</b>			
Period performance after deduction of management fees	<b>B</b>	15%	-20%
Total Net Assets of the PM sub-account	<b>C</b> = $A * (1 + B)$	<u>1150</u>	<u>800</u>
Net New Appreciation	<b>G</b> = $C - A$	150	-200
<b>Performance Fee @ 20% *</b>	<b>H</b> $G > 0, 20\% * G$	<b>30.00</b>	<b>0</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1120.	1000

\* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted.

- The Performance Fee could reduce the Net Asset Value per Fund Share and may fall below the HWM per Share.

## 2nd Period

		<u>Scenario 3</u>	<u>Scenario 4</u>	<u>Scenario 5</u>
		<b>PM has negative performance</b>	<b>PM has positive performance, but below HWM</b>	<b>PM has positive performance above HWM</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1040	1000	1000
Net Asset Value after 1 <sup>st</sup> Period	<b>J</b>	1040	950	950
<b>Performance of the Investment Manager sub-account</b>				
<b>Hurdle Rate</b>		1%	1%	1.00%
Period performance after deduction of management fees and hurdle rate (if applicable)	<b>K</b>	-10%	2%	12%
Net Assets of the PM sub-account (after deduction of management fees and hurdle rate subject to Performance Fee calculation rate if applicable)	<b>L</b> = $J * (1 + K)$	<u>936</u>	<u>969</u>	<u>1064</u>
Net New Appreciation	<b>M</b> = $L - I$	-104	0	64
<b>Performance Fee @ 20% MIN(IF L&gt;I; L&gt;I)*</b>	<b>N</b> $M > 0, 20\%*M$	<b>0</b>	<b>0</b>	<b>12.8</b>
High Water Mark after 2nd Period		1040	1000	1051.2

\* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted.

No equalisation methodology is employed in respect of the Performance Fee calculation. As a result, the methodology used in calculating the Performance Fees (as described above) may result in inequalities between shareholders in relation to the payment of Performance Fees (with some shareholders paying disproportionately higher performance fees in certain circumstances) and may also result in certain shareholders having more of their capital at risk at any time than others.

Furthermore, shareholders who purchase Shares during a Calculation Period may benefit from an increase in the Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an individual shareholder level. The Sub-Fund will not apply an equalisation per share method or a series accounting method. Consequently, there can be no guarantee that the Performance Fee applicable to the Sub-Fund will be equitably borne by the shareholders in the Sub-Fund and the rateable Performance Fee to be borne by the shareholders may be greater than or lesser than the Performance Fee borne by other shareholders depending on, among other things, the performance of the Sub-Fund and the payment period.

Please refer to the section headed “FEES AND EXPENSES – PERFORMANCE FEE” in relevant supplements for the respective Sub-Funds to the Irish Prospectus for more information.

#### Other fees

You should note that to the extent that the Sub-Funds invests in other collective investment schemes, the Sub-Funds shall bear all fees payable in respect of such investments including, without limitation, subscription, redemption, management, performance, distribution, administration and/or custody fees.

The Sub-Funds shall also bear (i) the fees and expenses relating to its registration for sale in various markets and (ii) its attributable portion of the fees and operating expenses of the Company.

**A more detailed description of the fees and charges payable by the Sub-Funds is set out in Section 3 of the Irish Prospectus headed “FEES AND EXPENSES” and relevant supplements for the respective Sub-Funds to the Irish Prospectus under the heading “FEES AND EXPENSES”. You should read these sections carefully for further information on the fees and charges payable by the Sub-Funds.**

You should also note that under certain circumstances and unless otherwise provided in relevant supplements for the respective Sub-Funds to the Irish Prospectus, the Directors and/or the Manager have the power to adjust the Net Asset Value per Share applicable to the issue price as described under Section 4 of the Irish Prospectus under the sub-heading “SWING PRICING”.

“Swing pricing” is the method the Directors and/or the Manager may use to adjust the price of Shares to minimise the impact of “dilution” on shareholders’ interests. Dilution occurs when the cost of purchasing or selling the assets of the Sub-Funds is greater than the value of these assets due to taxes, dealing charges or any spread between the buying and selling of these assets. If the aggregate subscriptions and redemptions exceed a threshold then the Net Asset Value used to process all deals in the Sub-Funds is adjusted to reflect by a

swing factor. The partial swing pricing applied by the Directors and/or the Manager in respect of the Sub-Funds means that the Net Asset Value would be adjusted only if the threshold is exceeded and an existing shareholder's shareholding may be diluted when aggregate subscriptions or redemptions are below the threshold. In any case, the adjustments to the Net Asset Value per Share applicable at any Valuation Point shall be identical for all issues dealt with as of that Business Day.

The swing factor, which shall not exceed 2%, and the threshold are set by the Directors and/or the Manager. For the purpose of calculating any expenses of the Sub-Funds which are based on the Net Asset Value of the Sub-Funds, the Administrator will continue to use the un-swung Net Asset Value.

You should note that the Sub-Funds' performance is calculated based on the published net asset value which may be partially swung, and the use of swung prices to calculate performance returns may increase the variability of the Sub-Funds' returns. Apart from the underlying investments of the Sub-Funds, the returns of the Sub-Funds may be influenced by the level of subscription or redemption activity which may result in the application of swing pricing.

## **7. RISK FACTORS**

### **7.1 General**

You should consider and understand the risks of investing in the Sub-Funds. Investments in the Sub-Funds may go up or down due to changing economic, political or market conditions that impact the price of the Sub-Funds' investments. There can be no assurance that the Sub-Funds will achieve their investment objective. The value of the Shares and income, if any, from them may rise and fall and, accordingly, you may not get back the full amount you invested.

***The difference at any one time between the sale price (to which may be added a subscription charge or commission) and the redemption price (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term.***

### **7.2 Exchange rate risks for Singapore investors**

You should note that the Sub-Funds are not denominated in Singapore Dollars and the Classes may not be denominated in Singapore Dollars. With the exception of the SGD hedged Class, the Investment Manager currently does not intend to hedge against currency fluctuations between the Singapore Dollar and that of the Base Currency of the Sub-Funds and between the Singapore Dollar and that of the denominated currency of the Classes.

You may therefore be exposed to this exchange rate risk if your reference currency is Singapore Dollars.

### **7.3 Risks associated with securities lending and repurchase transactions**

#### **7.3.1 Securities lending transactions**

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such

transaction will be called upon. The value of the collateral will generally be maintained to equal or exceed the value of the securities transferred. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In the event of the bankruptcy or similar proceedings of the borrower to the securities lending transaction or its failure to return the securities as agreed, the Sub-Fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending agreement. There is a further risk, in such circumstances of default by the borrower, that the Sub-Fund will lose the opportunity to sell the securities at a desirable price. In addition, as the Sub-Funds may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, it will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

The Company's ability to exercise voting rights on behalf of certain investments of the Sub-Fund may be impacted because of such transactions, although investors should note that loans may be terminated and securities recalled, in order to exercise associated voting rights where this has been determined to be material to the interests of the relevant Sub-Fund and its shareholders.

### **7.3.2 Repurchase transactions**

The Sub-Funds may enter into repurchase arrangements. Accordingly, the Sub-Funds will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Sub-Funds is delayed or prevented from exercising its rights to dispose of the underlying securities. The Sub-Funds will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Sub-Funds seeks to assert its right to them. The risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

Reverse repurchase agreements and similar transactions involve the risk that the market value of the securities purchased by a Sub-Fund with the cash proceeds received may decline below the price of the securities which such Sub-Fund sold but is obligated to repurchase under the agreement. In the event the buyer of securities under a reverse repurchase agreement or similar transaction files for bankruptcy or becomes insolvent, a Sub-Fund's use of the proceeds from the sale of its securities may be restricted pending a determination by the other party or its trustee or receiver whether to enforce such Sub-Fund's obligation to repurchase the securities. A Sub-Fund's use of reverse repurchase agreements also subjects such Sub-Fund to interest costs based on the difference between the sale and repurchase price of a security involved in such a transaction.

You should refer to Section 1 of the Irish Prospectus under the sub-headings "RISK FACTORS – COUNTERPARTY RISK" and "RISK FACTORS – DERIVATIVES AND SECURITIES FINANCING TRANSACTIONS AND TECHNIQUES AND INSTRUMENTS RISK" and under the heading "CONFLICTS OF INTEREST" for information on the inherent risks of the securities lending and repurchase agreements and reverse repurchase agreements.

## **7.4 Liquidity risks associated with the redemption of Shares**

The Sub-Funds are not listed in Singapore and there is no secondary market for the Sub-Funds in Singapore. Therefore, you can only redeem your Shares on Redemption Days by submitting your redemption request as described in Paragraph 10 of this Singapore Prospectus. In addition, if redemption requests are received for redemption of Shares representing in aggregate more than 10% of the total number of Shares representing interests in the Sub-Funds then in issue, redemption requests may be reduced rateably and pro rata and the redemption of Shares may be carried forward to the next following Redemption Day (please refer to Paragraph 10.3 below for further details). The Directors and/or the Manager also reserve the right to suspend redemptions under certain circumstances as described in Paragraph 13 below.

## 7.5 Risks associated with the use of financial derivative instruments

The Sub-Funds use the following approaches in determining their exposure to financial derivatives instruments:

Sub-Fund	Global risk calculation method	Expected range of leverage	Reference portfolio
UBS (Irl) Investor Selection – Global Equity Long Short Fund	Absolute Value At Risk (“VaR”)	No greater than 20% of the Net Asset Value of the Sub-Fund	N/A
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	Absolute Value At Risk (“VaR”)	No greater than 20% of the Net Asset Value of the Sub-Fund	N/A

The absolute VaR approach used in determining the Sub-Funds’ exposure to financial derivative instruments is as described in the Committee of European Securities Regulators’ guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS, i.e. CESR/10-788.

Further information relating to the Sub-Funds’ use of financial derivative instruments is contained at the section of the Irish Prospectus entitled “Appendix III – Financial Derivative Instruments for the Purpose of Investment and/or Efficient Portfolio Management”.

## 7.6 Other risks

The general approach taken by the Company to help manage the liquidity of the Sub-Funds is to activate liquidity management tools, such as swing pricing, the imposition of redemption gates and the suspension of dealings if necessary and as described in Paragraphs 6, 10.3 and 13 of this Singapore Prospectus. The activation of the last two liquidity management tools may have an adverse impact on your ability to place redemptions from the Sub-Funds. For instance, the suspension of dealings as described in Paragraph 13 of this Singapore Prospectus will mean that you will not be able to redeem from the Sub-Funds during the suspension period and the postponement of redemptions under certain circumstances



(redemption gate) as referred to in Paragraph 10.3 of this Singapore Prospectus may mean you may not be able to redeem from the Sub-Funds on that Dealing Day.

Other risks on the Sub-Funds' investments are detailed in Section 1 of the Irish Prospectus under the sub-heading "RISK FACTORS" and relevant supplements for the respective Sub-Funds to the Irish Prospectus under the heading "RISK FACTORS" and risks that may be specific to a Class are detailed in Section 4 of the Irish Prospectus under the sub-heading "AVAILABLE CLASSES".

**The above should not be considered to be an exhaustive list of the risks which you should consider before investing into the Sub-Funds. You should be aware that an investment in the Sub-Funds may be exposed to other risks of an exceptional nature from time to time.**

## **8. SUBSCRIPTION FOR SHARES**

### **8.1 Subscription Procedure**

You may purchase Shares through approved Singapore distributors appointed by the Company (or its agents) ("**Approved Singapore Distributors**").

Your subscription for Shares should be made on a share application form as may be prescribed by the Company and/or the Manager or the relevant Approved Singapore Distributor and sending the share application form, together with the payment for the Shares as may be advised by the relevant Approved Singapore Distributor, to any Approved Singapore Distributor.

The Administrator (or its delegate) on behalf of the Company and/or the Manager may reject any application in whole or in part without giving any reason for such rejection. The Administrator (or its delegate) and the Company or the Manager acting on its behalf each reserve the right to request any such information as is necessary at the time of application to verify the identity of an investor and where applicable the beneficial owner of an investor.

The Directors and/or the Manager, in their sole and absolute discretion, may accept payment for subscriptions in specie upon such terms as set out in Section 4 of the Irish Prospectus under the sub-heading "METHOD OF PAYMENT".

Subscriptions using Supplementary Retirement Scheme ("**SRS**") monies are currently available in respect of UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS, through certain Approved Singapore distributors only. You should contact the relevant Approved Singapore distributors to check on the availability of such subscriptions. If you intend to purchase Shares of the UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS using monies in your SRS account, you should instruct the relevant SRS operator bank for monies to be withdrawn from your SRS account to pay for the Shares.

Full details on the subscription procedure are set out in Section 4 of the Irish Prospectus under the sub-headings "OFFER" and "APPLICATION FOR SHARES" and in the relevant supplements for the respective Sub-Funds to the Irish Prospectus under the headings "OFFER" and "APPLICATION FOR SHARES".

### **8.2 Minimum Subscription and Minimum Subsequent Subscription**

While the Company and the Manager do not currently impose any requirements on the minimum initial subscription amount or minimum subsequent amount for Classes with “P” and “1-A1” in their name, Approved Singapore Distributors may impose certain requirements on their clients. You should check with the relevant Approved Singapore Distributor whether any such requirements are imposed.

### 8.3 Subscription Deadline and Pricing Basis

Shares shall be issued on a forward pricing basis. Accordingly, the issue price of Shares shall not be ascertainable at the time of application. The issue price of Shares of the Classes will vary from day to day in line with the Net Asset Value of the relevant Class.

You may place orders for subscription through the Approved Singapore Distributors. In order to subscribe for Shares on a Subscription Day, a properly completed share application form, together with any relevant supporting documents and subscription monies must be received by the Approved Singapore Distributor before 12.30 p.m. Irish time on a Singapore Subscription Day<sup>6</sup> (“**Singapore Cut Off Time**”). An Approved Singapore Distributor may impose an earlier Singapore Cut Off Time, and you should confirm the applicable Singapore Cut Off Time with the relevant Approved Singapore Distributor.

The Approved Singapore Distributor shall collect all orders it receives on or before the Singapore Cut Off Time and will forward such orders directly to the Administrator for processing. Orders received by the Approved Singapore Distributors before the applicable Singapore Cut Off Time will, if accepted by the Administrator prior to the Subscription Deadline for the Subscription Day as specified in relevant supplements for the respective Sub-Funds to the Irish Prospectus, be processed on that Subscription Day.

Orders received by the Approved Singapore Distributors after the Singapore Cut Off Time or at any time on a day which is not a Singapore Subscription Day shall be deemed as having been received by the Approved Singapore Distributor before the Singapore Cut Off Time on the next Singapore Subscription Day.

**Approved Singapore Distributors may impose additional requirements on supporting documents and payment of cleared funds. You should confirm the applicable dealing procedures with the relevant Approved Singapore Distributor.**

The Net Asset Value per Share shall be calculated as at the Valuation Point on or with respect to each Subscription Day by dividing the Net Asset Value of the Sub-Funds or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Sub-Funds or Class at the relevant Valuation Point and rounding the resulting total to 2 decimal places (or where the currency of denomination of the relevant Class is Japanese Yen, the resulting total shall be rounded to the nearest Japanese Yen).

Details of determining the Net Asset Value are set out in Section 4 of the Irish Prospectus under the sub-headings “NET ASSET VALUE AND VALUATION OF ASSETS” and “SWING PRICING”.

<sup>6</sup> “**Singapore Subscription Day**” means a Singapore Business Day which is also a Subscription Day as specified in relevant supplements for the respective Sub-Funds to the Irish Prospectus and a “**Singapore Business Day**” means any day other than Saturday or Sunday on which commercial banks in Singapore are generally open for business.

Fractions of shares will be issued provided however that fractions shall not be less than 0.001 of a Share (or, at the Directors' and/or the Manager's discretion in respect of one or more Classes, and as provided for in Section 4 of the Irish Prospectus under the sub-heading "AVAILABLE CLASSES", 0.10 of a Share). Fractions of Shares do not carry voting rights.

#### 8.4 Numerical Example of How Shares are Allotted

The following is an illustration of the number of Shares that will be issued based on an initial subscription amount of \$1,000, a notional issue price of \$100.00 per Share and a notional Subscription Charge of 3%. The notional issue price is for illustrative purposes only, and the actual issue price will fluctuate according to the Net Asset Value of the relevant Class as well as the applicable Subscription Charge:

<u>\$1,000</u>	-	<u>\$30</u>	=	<u>\$970</u>	/	<u>\$100.00</u>	=	<u>9.7</u>
<i>Initial</i>		<i>Notional</i>		<i>Net</i>		<i>Notional</i>		<i>Shares</i>
<i>Subscription</i>		<i>Subscription</i>		<i>Subscription</i>		<i>Issue</i>		<i>Shares</i>
<i>Amount</i>		<i>Charge of</i>		<i>Amount</i>		<i>Price</i>		<i>Issued</i>
		3%						

\*The Subscription Charge is currently up to 3% in respect of the Classes currently offered in Singapore pursuant to this Singapore Prospectus.

#### 8.5 Trade Confirmations

Following settlement, a trade confirmation will be sent by the Administrator to the Approved Singapore Distributor normally 2 Singapore Business Days following the Administrator's receipt of the Share allocation from the Company. You should contact your Approved Singapore Distributor for the details on when you may expect to receive the trade confirmations confirming ownership of the number of Shares issued to you as the trade confirmation policy may vary amongst the Approved Singapore Distributors. The trade confirmation will provide full details of the transaction.

#### 8.6 Cancellation of Subscription

You should note that the Company and the Manager generally do not offer a right to cancel subscriptions into the Sub-Funds.

### 9. REGULAR SAVINGS PLAN (RSP)

An Approved Singapore Distributor may, at its discretion, allow you to invest in one or more Classes offered in respect of the Sub-Funds by way of a regular savings plan ("**RSP**").

You should check with the relevant Approved Singapore Distributor on whether any such RSP is offered and the terms and conditions on which such RSP may be offered (including the minimum amount of periodic contributions, when monies will be deducted from your account and when Shares subscribed are allotted to you each month).

You may cease your participation in the RSP, without suffering any penalty, by giving written notice to the relevant Approved Singapore Distributor as may be required by that Approved Singapore Distributor provided that the required notice period is not longer than the period between your regular subscriptions.

## **10. REDEMPTION OF SHARES**

### **10.1 Redemption Orders and Redemption Procedure**

Shares may be redeemed on any Redemption Day as specified in relevant supplements for the respective Sub-Funds to the Irish Prospectus. You must however redeem your Shares via the same Approved Singapore Distributor through whom you originally purchased your Shares. You may therefore only place redemption orders on Singapore Redemption Days<sup>7</sup>.

Your orders for redemption of your Shares should be made on a share redemption form as may be prescribed by the Company and/or the Manager or the relevant Approved Singapore Distributor and sending it, together with such documents as may be required by the Company and/or the Manager or the Administrator, to the relevant Approved Singapore Distributor before the Singapore Cut Off Time (as set out in Paragraph 8.3 above). The Directors and/or the Manager may, subject to the consent of the individual shareholders, satisfy any request for redemption of Shares by the transfer in specie to those shareholders of assets of the Sub-Funds having a value equal to the redemption price for the Shares redeemed as if the redemption proceeds were paid in cash less any other expenses of the transfer provided that any Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale, the costs of which shall be borne by the relevant Shareholder.

Full details on the redemption procedure are set out in Section 4 of the Irish Prospectus under the sub-heading “REDEMPTION OF SHARES” and in relevant supplements for the respective Sub-Funds to the Irish Prospectus under the heading “REDEMPTION OF SHARES”.

### **10.2 Minimum Holding Amount and Minimum Redemption Amount**

The Company and the Manager do not currently impose any requirements on the minimum holding amount or minimum redemption amount for the Classes with “P” in their names.

You should note that Approved Singapore Distributors may impose certain requirements on their clients. You should check with the relevant Approved Singapore Distributor whether any such requirements are imposed.

### **10.3 Redemption Deadline and Pricing Basis**

The redemption price per Share is calculated on a forward pricing basis. Therefore, the redemption price of Shares will not be ascertainable at the time of the redemption request. The redemption price for the Shares shall be calculated as at the Valuation Point on or with respect to the relevant Redemption Day by dividing the Net Asset Value of the Sub-Funds or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Sub-Funds or Class at the relevant Valuation Point and rounding the resulting total to 2 decimal places (or where the currency of denomination of the relevant Class is Japanese Yen, the resulting total shall be rounded to the nearest Japanese Yen).

<sup>7</sup> “**Singapore Redemption Day**” means a Singapore Business Day which is also a Redemption Day as specified in relevant supplements for the respective Sub-Funds to the Irish Prospectus and a “**Singapore Business Day**” means any day other than Saturday or Sunday on which commercial banks in Singapore are generally open for business.

Details of determining the Net Asset Value are set out in Section 4 of the Irish Prospectus under the sub-headings “NET ASSET VALUE AND VALUATION OF ASSETS” and “SWING PRICING”.

You may place orders to redeem Shares of any Class up to the Singapore Cut Off Time (as set out in Paragraph 8.3 above) on any Singapore Redemption Day. An Approved Singapore Distributor may impose an earlier Singapore Cut Off Time, and you should confirm the applicable Singapore Cut Off Time with the relevant Approved Singapore Distributor.

The Approved Singapore Distributor shall collect all orders received prior to the Singapore Cut Off Time and will forward such orders directly to the Administrator for processing.

Orders received by the Approved Singapore Distributors before the applicable Singapore Cut Off Time will, if accepted by the Administrator prior to the Redemption Deadline for the Redemption Day as specified in relevant supplements for the respective Sub-Funds to the Irish Prospectus, be processed on that Redemption Day.

Orders received by the Approved Singapore Distributors after the Singapore Cut Off Time or at any time on a day which is not a Singapore Redemption Day shall be deemed as having been received by the Approved Singapore Distributor before the Singapore Cut Off Time on the next Singapore Redemption Day.

**Approved Singapore Distributors may impose additional requirements on supporting documents and timing for payment of redemption proceeds. You should confirm the applicable dealing procedures with the relevant Approved Singapore Distributor.**

If the number of Shares to be redeemed on any Redemption Day equals one tenth or more of the total number of Shares of the Sub-Funds in issue on that day the Directors and/or the Manager or their delegates may at their discretion refuse to redeem any Shares in excess of one tenth of the total number of Shares in issue as aforesaid and, if they so refuse, the requests for redemption on such Redemption Day shall be reduced pro rata and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Redemption Day until all Shares to which the original request related have been redeemed.

#### **10.4 Numerical Examples of Calculation of Redemption Proceeds**

The following is an illustration of the redemption proceeds payable based on a redemption order for 1,000 Shares and a notional redemption price of (i) \$110.00; and (ii) \$90.00 per Share. The notional redemption price is for illustrative purposes only, and the actual redemption price will fluctuate according to the Net Asset Value of the relevant Class as well as the applicable Redemption Fee\*:

$$\frac{1,000}{\text{Shares}} \times \$110.00^* = \$110,000.00 - \$0 = \$110,000.00$$

<i>Redemption request</i>	<i>Redemption Price</i>	<i>Gross Redemption Proceeds</i>	<i>Redemption Fee*</i>	<i>Net Redemption Proceeds</i>
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OR

$$\frac{1,000}{\text{Shares}} \times \$90.00^* = \$90,000.00 - \$0 = \$90,000.00$$

<i>Redemption request</i>	<i>Redemption Price</i>	<i>Gross Redemption Proceeds</i>	<i>Redemption Fee*</i>	<i>Net Redemption Proceeds</i>
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\*There is currently no Redemption Fee payable.

## 10.5 Payment of Redemption Proceeds

Shareholders will normally be repaid in the Base Currency for the Sub-Funds or in the denominated currency of the relevant Class.

Redemption proceeds will generally be paid as soon as practicable following the finalisation of the calculation of the Net Asset Value of the relevant Class<sup>8</sup> and in any event within 10 Business Days of the Redemption Deadline, provided that all the required documentation has been furnished to and received by the Administrator in original form and subject to the section headed “DEFERRAL OF REDEMPTIONS” in Section 4 of the Irish Prospectus.

If you had invested via an Approved Singapore Distributor, your redemption proceeds will normally be paid by the Company to your Approved Singapore Distributor. You will receive your redemption proceeds from your Approved Singapore Distributor in accordance with such instructions as agreed between you and your Approved Singapore Distributor. You should contact your Approved Singapore Distributor for further details (including the period within which the redemption proceeds will be paid out to you by the Approved Singapore Distributor) as the payment policy amongst the Approved Singapore Distributors may vary. The cost of any settlement by telegraphic transfer may be passed on to you.

If you had purchased your Shares with SRS monies, your redemption proceeds will be paid to you by transferring the proceeds to the relevant bank for credit to your SRS account or otherwise in accordance with the provisions of any applicable law, regulations or guidelines. Where your SRS account has been closed, your redemption proceeds will be paid to you in accordance with the provisions of any applicable law, regulations or guidelines.

## 10.6 Compulsory / Total Redemption

Shares may be compulsorily redeemed and all the Shares may be redeemed in the circumstances described in Section 4 of the Irish Prospectus under the sub-headings

<sup>8</sup> As of the date of this Singapore Prospectus, it is currently expected that redemption proceeds will normally be paid within 3 Business Days of the Redemption Deadline.

“COMPULSORY REDEMPTION OF SHARES/DEDUCTION OF TAX” and “TOTAL REDEMPTION OF SHARES”.

## 11. CONVERSION OF SHARES<sup>9</sup>

You may convert some or all of your Shares in one Class into another Class within the Sub-Funds, which shall be subject to payment of a Conversion Fee, if any (as set out in Paragraph 6 above). The same procedures apply to the submission of conversion applications as those which apply to the issue and redemption of Shares for Singapore investors.

**You should note in addition that, as a condition of your conversions, the new share class subscribed into as a result of the conversion must be available to you for subscription.**

Further details on conversion procedures are set out in the Section 4 of the Irish Prospectus under the sub-heading “CONVERSION OF SHARES”.

## 12. OBTAINING PRICE INFORMATION IN SINGAPORE

The indicative issue prices and redemption prices of the Shares are normally published in Singapore on the Singapore Representative's website at <https://www.ubs.com/sq/en/asset-management.html> within two Singapore Business Days immediately succeeding each Subscription or Redemption Day.

Please refer to the provisions under Section 1 of the Irish Prospectus under the sub-heading “PUBLICATION OF NET ASSET VALUE PER SHARE” for other sources of price information.

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

The Directors and/or the Manager may at any time and from time to time temporarily suspend the determination of the Net Asset Value of the Sub-Funds or attributable to a Class and the issue, conversion and redemption of Shares in the Sub-Funds or Class in the circumstances described in Section 4 of the Irish Prospectus under the sub-heading “SUSPENSION OF VALUATION OF ASSETS”.

## 14. PERFORMANCE OF THE SUB-FUNDS

### 14.1 Performance of the Sub-Funds (as at 30 April 2025)<sup>10</sup>

Sub-Fund / Class (in %)	One-Year	Three-Year	Five-Year	Ten-Year	Since Inception
	(average compounded return)				
UBS (Irl) Investor Selection – Global Equity Long Short Fund					

<sup>9</sup> More commonly referred to in Singapore as “switching”.

<sup>10</sup> Source: UBS AG. The performance of each of the Classes is calculated on a single pricing basis, with dividends being reinvested net of all charges payable upon reinvestment and in the currency denomination of the relevant Class. The performance of the benchmark is calculated with net dividends reinvested and, where applicable, converted at the relevant prevailing exchange rates to the currency of denomination of the relevant Class.

Sub-Fund / Class (in %)	One-Year	Three-Year	Five-Year	Ten-Year	Since Inception
(average compounded return)					
(EUR) I-A1-PF-acc (Date of inception: <b>30 January 2014</b> )					
Gross of costs and commissions*	-3.88	3.31	4.74	3.56	4.16
Net of costs and commissions **	-8.69	1.55	3.67	3.03	3.69
ESTR Index + 0.085% p.a.	3.41	2.80	1.47	0.56	0.50
<b>UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS</b>					
P-PF-acc (Date of inception: <b>16 September 2021</b> )					
Gross of costs and commissions*	2.22	5.09	n.a.	n.a.	3.86
Net of costs and commissions **	2.22	5.09	n.a.	n.a.	3.86
(SGD hedged) P-PF-acc. (Date of inception: <b>11 April 2024</b> )					
Gross of costs and commissions*	0.51	n.a.	n.a.	n.a.	-0.59
Net of costs and commissions **	0.51	n.a.	n.a.	n.a.	-0.59

\* “Gross of costs and commissions” means not taking into account any costs and commissions charged when subscribing and realising shares.

\*\* “Net of costs and commissions” means taking into account such costs and commissions charged when subscribing and realising shares (and calculated based on an issuing commission of 3% in respect of the Classes currently offered in Singapore pursuant to this Singapore Prospectus and nil redemption charge).

**Any past performance of the Classes is not necessarily indicative of their future performance.**

Other Classes available for subscription in Singapore as listed or described in Paragraph 2 above for which performance figures have not been provided in the above table have either not been inceptioned or have been inceptioned for less than one year as at **30 April 2025**. A track record of at least one year is therefore not available in respect of such Classes as at **30 April 2025**.

## 14.2 Expense Ratios and Turnover Ratios

The expense ratios of the Classes and turnover ratios of the Sub-Funds based on the Company's latest audited accounts (for the financial period ended 30 September 2024) are as follows:



Sub-Fund	Class	Expense Ratio	Turnover Ratio
UBS (Irl) Investor Selection – Global Equity Long Short Fund	(EUR) I-A1-PF-acc	0.85%	108.45%
UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS	(USD) P-PF-acc	4.80%	120.31%
	(SGD hedged) P-PF-acc	3.38% *	

Classes available for subscription in Singapore as listed or described in Paragraph 2 above for which expense ratios have not been provided in the above table have either not been incepted or have been incepted after 30 September 2024, therefore, expense ratios for such Classes based on the Company's latest audited accounts are not available.

\* Expense ratios are annualised for Share Classes which are active for less than a 12 month period.

Notes:

1. The expense ratios are calculated in accordance with the requirements in the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "**IMAS Guidelines**") and based on figures in the Company's latest audited accounts as at the date of this Singapore Prospectus. The following expenses, and such other expenses as may be set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:
  - (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
  - (b) interest expenses;
  - (c) foreign exchange gains and losses of the Share Class, whether realised or unrealised;
  - (d) front-end loads, back-end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;
  - (e) tax deducted at source or arising from income received, including withholding tax; and
  - (f) dividends and other distributions paid to shareholders.
2. The turnover ratio is calculated based on the lesser of purchases or sales of underlying investments expressed as a percentage of daily average net asset value.

## 15. **SOFT DOLLAR COMMISSIONS / ARRANGEMENTS**

The Investment Manager may make use of arrangements to enable it to obtain execution and research services which are beneficial to the Sub-Funds, both from counterparties and third parties. All transactions undertaken and the services provided under these arrangements in respect of the Sub-Funds will be subject to UK Financial Conduct Authority rules and to the fundamental rule of providing best execution to the Sub-Funds. Further details are set out in Section 2 of the Irish Prospectus under the heading "DEALING ARRANGEMENTS: COMMISSIONS".

## 16. **CONFLICT OF INTERESTS**

The Company, the Manager, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively, the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly.

Full details are set out in Section 2 of the Irish Prospectus under the heading “CONFLICTS OF INTEREST” and under the heading “DEPOSITARY”.

## **17. REPORTS**

The financial year end for the Company is 30 September.

The audited annual report and accounts will be published within four months after the end of the financial year and the semi-annual report is published within two months after the end of the period to which it is made up and may be sent to shareholders in accordance with applicable Irish laws.

Full details are set out in Section 6 of the Irish Prospectus under the heading “REPORTS AND ACCOUNTS”.

You may inspect a copy of all these reports at the operating office of the Singapore Representative during normal Singapore business hours.

## **18. OTHER MATERIAL INFORMATION**

### **18.1 Dividend Policy**

As at the date of this Singapore Prospectus, all of the Classes available for issue in respect of the Sub-Funds are accumulation and generally do not pay a dividend.

Please refer to the section headed “DIVIDEND POLICY” in Section 4 of the Irish Prospectus for further information.

### **18.2 Tax Considerations**

You should be aware that you may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or other kind of tax on distributions or deemed distributions of the Sub-Funds, capital gains within the Sub-Funds, whether or not realised, income received or accrued or deemed received within the Sub-Funds. Please note that the information provided herein is not exhaustive and does not constitute tax or legal advice. You should consult your own independent tax advisors if in doubt of your tax position.

#### **18.2.1 Certain Singapore Tax Considerations**

The following is a summary of certain Singapore income tax consequences to the investors in the Sub-Funds who are tax resident in Singapore. The discussion does not purport to be a comprehensive description of all possible Singapore tax consequences to purchasers or owners of Shares in the Sub-Funds in all circumstances. The discussion below is general in nature and is based upon applicable laws of Singapore, all as in effect on the date of this Singapore Prospectus and all of which are subject to changes or differing interpretation (possibly with a retrospective effect). You are urged to consult your own tax advisors as to all Singapore income and other tax consequences of acquiring, holding or disposing of Shares of the Sub-Funds.

Singapore adopts a quasi-territorial system of taxation whereby tax is assessed on income accruing in or derived from Singapore, or income received (or deemed to be received) in Singapore from sources outside Singapore, subject to certain exemptions. Singapore income tax is only imposed on income. There is generally no capital gains tax in Singapore.

Individuals who are tax resident in Singapore will be exempt from Singapore tax on all foreign-sourced income received in Singapore on or after 1 January 2004, other than income received through a partnership in Singapore. Accordingly, individual investors should generally be exempt from Singapore tax on income distributions received from the Sub-Funds (assuming that the Sub-Funds' investment income being distributed is not itself Singapore-sourced). You should note that income distributions from the Sub-Funds may be treated as Singapore-sourced income in the hands of an investor where the distributions constitute gains or profits from a trade or business carried on by the investor in Singapore.

You should also note that the above exemption extends to resident individuals only and not to corporates or other persons or entities. Corporates or other bodies of persons who are tax resident in Singapore will be taxed on the income distributions received from the Sub-Funds at the applicable corporate tax rates. There are certain exemptions available to Singapore-resident persons (excluding individuals) on certain foreign-sourced income received by them, subject to certain conditions being met.

Singapore generally does not impose tax on capital gains. In general, gains from the disposal of the Shares in the Sub-Funds may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which are regarded as the carrying on of a trade or business in Singapore.

Pursuant to Section 10L of the Income Tax Act 1947 of Singapore ("**ITA**"), gains received or deemed to be received in Singapore by an entity of a relevant group from the sale or disposal of any movable or immovable property outside Singapore ("**foreign assets**") will be treated as income chargeable to Singapore income tax, subject to certain exclusions. On the basis that the Shares in the Sub-Funds are regarded as such foreign assets, gains received or deemed to be received in Singapore from the sale or disposal of the Shares in the Sub-Funds may be treated as income chargeable to Singapore income tax in the hands of investors who fall within the scope of Section 10L of the ITA. Investors who may be subject to the tax treatment under Section 10L of the ITA should consult their own professional tax advisers regarding the Singapore income tax consequences of their sale or disposal of the Shares in the Sub-Funds.

In addition, investors who apply, or who are required to apply, the Singapore Financial Reporting Standard ("**FRS**") 109 or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") for the purposes of Singapore income tax may be required to recognise gains or losses (not being gains or losses in the nature of capital) in accordance with the provisions of FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of Shares in the Sub-Funds is made.

#### **18.2.2 Other Tax Considerations**

Please refer to the “TAXATION” section in Section 5 of the Irish Prospectus and in Section 4 of the Irish Prospectus under the sub-heading “TAXATION ON THE OCCURRENCE OF CERTAIN EVENTS” for a summary of other tax considerations in relation to the Company and the Sub-Funds.

#### **18.3 Liquidation of the Company and the Sub-Funds**

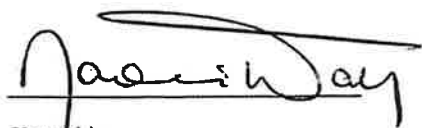
The Company or the Sub-Funds may be wound up or terminated if at any time after the incorporation of the Company or the establishment of the Sub-Funds, the total value of the Sub-Funds’ net assets falls to a level that no longer allows the Sub-Funds to be managed in an economically reasonable way in the opinion of the Directors and/or the Manager, or if in the opinion of the Directors and/or the Manager the political or economic environment changes in an adverse way, the Directors and/or the Manager may demand the liquidation of the Sub-Funds.

Please refer to Section 6 of the Irish Prospectus headed “GENERAL INFORMATION” under the sub-heading “WINDING UP” for other circumstances under which the Company or the Sub-Funds may be wound up or terminated.

#### **19. QUERIES AND COMPLAINTS**

You may contact the Singapore Representative at +65-6495 5333 or at its operating office during normal Singapore business hours to raise any queries or complaints regarding the Company or the Sub-Funds.

Signed:

A handwritten signature in black ink, appearing to read 'Naomi Daly', written over a horizontal line.

Signed by

**Naomi Daly**

Chairperson of the Board of Directors

Signed:

A handwritten signature in black ink, appearing to read 'Claire Cawley', written over a horizontal line.

Signed by

**Claire Cawley**

Member of the Board of Directors

Signed:

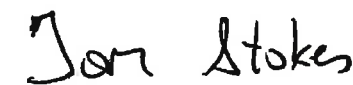
A handwritten signature in blue ink, appearing to read 'Julie Broadbent', written over a horizontal line.

Signed by

**Julie Broadbent**

Member of the Board of Directors

Signed:

A handwritten signature in black ink, appearing to read 'Tom Stokes', written over a horizontal line.

Signed by

**Thomas Stokes**

Member of the Board of Directors

## **UBS (Irl) Investor Selection PLC**

(an open-ended umbrella investment company with variable capital and segregated liability between Sub-Funds incorporated with limited liability in Ireland under the Companies Act 2014 with registration number 478169 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011. (S.I Number 352 of 2011) (as amended))

## **P R O S P E C T U S**

POTENTIAL INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS PROSPECTUS AS LEGAL, INVESTMENT, TAX OR OTHER ADVICE. EACH POTENTIAL INVESTOR MUST RELY UPON HIS OR HER OWN REPRESENTATIVES, INCLUDING HIS OR HER OWN LEGAL COUNSEL AND ACCOUNTANTS, AS TO LEGAL, ECONOMIC, TAX AND RELATED ASPECTS OF THE INVESTMENT DESCRIBED HEREIN AND AS TO ITS SUITABILITY FOR SUCH INVESTOR.

THE SHARES ARE SUITABLE ONLY FOR INVESTORS FOR WHOM AN INVESTMENT IN THE COMPANY DOES NOT CONSTITUTE A COMPLETE INVESTMENT PORTFOLIO AND WHO FULLY UNDERSTAND, AND ARE WILLING TO ASSUME, THE RISKS INVOLVED IN THE INVESTMENT OBJECTIVE AND POLICIES OF THE COMPANY.

**14 February 2025**

## IMPORTANT INFORMATION

This Prospectus should be read in conjunction with the Section entitled "Definitions".

### The Prospectus

This Prospectus describes UBS (Irl) Investor Selection PLC (the "**Company**"), an open-ended umbrella investment company with variable capital incorporated in Ireland and authorised by the Central Bank as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as amended) ("**UCITS**") with segregated liability between its Sub-Funds. The Company is structured as an umbrella fund and may comprise several portfolios of assets. The share capital of the Company ("**Shares**") may be divided into different classes of shares ("**Sub-Funds**") each representing a separate portfolio of assets and further sub-divided into "Classes" to denote differing characteristics attributable to particular Shares.

This Prospectus may only be issued with one or more Supplements each containing a description of information specific to each Sub-Fund where such information is not disclosed in the main body of the Prospectus. Details relating to Classes may be dealt with in the relevant Sub-Fund Supplement or in separate Supplements for each Class. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

The latest published annual and half yearly reports of the Company will be supplied to subscribers free of charge on request and will be available to the public as further described in the section of the Prospectus headed "Report and Accounts".

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

### Authorisation by the Central Bank

**The Company is both authorised and supervised by the Central Bank. Authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. 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.**



## **Restrictions on Distribution and Sale of Shares**

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

The Directors and/or the Manager may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the Company. Any restrictions applicable to a particular Sub-Fund or Class shall be specified in the relevant Supplement for such Sub-Fund or Class. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of any competent jurisdiction or whose holding could, in the opinion of the Directors and/or the Manager, cause the Company or any Shareholder to incur any liability to taxation or to suffer any pecuniary disadvantage which any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors and/or the Manager believe might be prejudicial to the interests of the Shareholders, shall indemnify the Company, the Manager, the Investment Manager, the Depositary, the Administrator and the Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Company. The afore-referenced indemnity shall be applied or exercised by the Directors and/or the Manager in good faith and only on reasonable grounds. It is not the intention of the Directors and/or the Manager to apply or exercise any withholding, set-off or rights of deductions pursuant to the afore-referenced provisions, save to the extent permitted by any applicable laws and regulations.

The Directors have the power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of the restrictions imposed by them as described herein.

### *United States of America*

The shares of the Company are not registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or any other applicable legislation in the United States. Shares of the Sub-Funds may not be offered, sold or delivered within the United States or to investors who are US Persons as defined under the section headed "DEFINITIONS".

THE INVESTMENT MANAGER IS EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION AS A COMMODITY POOL OPERATOR BECAUSE PARTICIPATION IN THIS POOL IS LIMITED TO CERTAIN INDIVIDUALS WHO ARE WITHIN A SUBCLASS OF QUALIFIED ELIGIBLE PERSONS ("QEPS") AND TO ENTITIES THAT ARE

EITHER QEPS OR ACCREDITED INVESTORS, RECOGNISED UNDER THE FEDERAL SECURITIES AND COMMODITIES LAWS. THEREFORE, THE INVESTMENT MANAGER IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT AND A CERTIFIED ANNUAL REPORT TO PARTICIPANTS IN THIS POOL.

These Shares have not been registered under the Securities Act nor qualified or approved under any other non-U.S., federal or state securities laws. Neither the U.S. Securities and Exchange Commission ("**SEC**") nor any other non-U.S. federal or state regulatory authority has passed on or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence. The Directors and/or the Manager do not intend at this time to list the Shares on any stock exchange. There will not be any public market for the Shares in the United States and one is not expected to develop.

These Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable non U.S. and U.S. state securities laws, pursuant to registration or exemption therefrom, and may not be sold or otherwise transferred except in accordance with the requirements and conditions set forth in this Prospectus. Shares generally may be redeemed only as provided in the Prospectus and the Application Form. The Directors and/or the Manager reserve the right to suspend redemptions under certain circumstances as outlined under "General and Statutory Information". Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

#### **Reliance on this Prospectus**

Statements made in this Prospectus and any Supplement are based on the law and practice in force in the Republic of Ireland at the date of the Prospectus or Supplement as the case may be, which may be subject to change. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares in the Company shall under any circumstances constitute a representation that the affairs of the Company have not changed since the date hereof. This Prospectus may be updated by the Company to take into account any material changes from time to time and any such amendments will be notified in advance to the Central Bank. Any information or representation not contained herein or given or made by any broker, salesperson or other person should be regarded as unauthorised and should accordingly not be relied upon.

**Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or other matters. If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability for you of investment in the Company, you should consult your stockbroker or other independent financial adviser.**

**The attention of investors is drawn to the potential for above average risk associated with an investment in the Company. Accordingly, such investment should only be undertaken by people in a position to take such a risk.**

**The price of the Shares as well as any income in the Company may fall as well as rise.**

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

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

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

#### **Risk Factors**

Investors should read and consider the section entitled "Risk Factors" before investing in the Company.

#### **Translations**

This Prospectus and any Supplements 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 and Supplements. To the extent that there is any inconsistency between the English language Prospectus/Supplements and the Prospectus/Supplement in another language, the English language Prospectus/Supplements will prevail, except to the extent (but only to the extent) required by the law of any jurisdiction where the Shares are sold.

## DIRECTORY

### UBS (Irl) Investor Selection PLC

#### Directors

Naomi Daly  
Claire Cawley  
Julie Broadbent  
Thomas Stokes

#### Manager

UBS Fund Management (Ireland) Limited  
1st Floor  
College Park House  
South Fredrick Street  
Dublin 2  
Ireland

#### Investment Manager

Details of the relevant Investment Manager(s) to each Sub-Fund are set out in the Supplement for the relevant Sub-Fund

#### Registered Office

5 Earlsfort Terrace  
Dublin 2  
Ireland

#### Depository

J.P. Morgan SE – Dublin Branch,  
200 Capital Dock  
79 Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### Administrator, Transfer Agent

MUFG Alternative Fund Services (Ireland) Limited,  
Ormonde House  
12-13 Lower Leeson Street  
Dublin 2  
Ireland  
Fax: +353 1 4363601

#### Auditors

Ernst & Young  
Ernst & Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

#### Legal Advisors as to Irish law

Dechert  
5 Earlsfort Terrace  
Dublin 2  
Ireland

#### Distributor

UBS Asset Management Switzerland AG  
Bahnhofstrasse 45  
Aeschenvorstadt 1  
CH-8001  
Zürich  
Switzerland

#### Securities Lending Agent

Mitsubishi UFJ Investor Services & Banking  
(Luxembourg) S.A  
287-289, route d'Arlon L-1150  
Luxembourg,  
Grand Duchy of Luxembourg

#### Company Secretary

Dechert Secretarial Limited  
5 Earlsfort Terrace  
Dublin 2  
Ireland

## TABLE OF CONTENTS

SECTION	PAGE
1. THE COMPANY .....	25
General .....	25
Investment Objective and Policies .....	25
Investment Restrictions .....	26
Borrowing Powers .....	26
Adherence to Investment and Borrowing Restrictions .....	27
Changes to Investment and Borrowing Restrictions .....	27
Profile of a Typical Investor .....	27
Efficient Portfolio Management .....	27
Hedged Classes .....	28
Financial Derivative Instruments .....	29
Benchmarks Regulation .....	30
References to Securitisations.....	32
Publication of Net Asset Value per Share .....	32
ESG Integration .....	32
Sustainability Annual Reporting .....	33
ESG Focus/Impact Funds .....	33
RISK FACTORS .....	35
2. MANAGEMENT AND ADMINISTRATION .....	60
Directors .....	60
The Manager .....	61
Directors .....	61
Investment Manager.....	63
Administrator .....	63
Depository .....	64
Distributor .....	65
Paying Agents/Representatives .....	65
Conflicts of Interest.....	66
Dealing arrangements: commissions .....	67
3. FEES AND EXPENSES .....	68
Establishment Expenses .....	68
Operating Expenses and Fees.....	68
Management Fees and Expenses.....	69
Investment Management Fees and Expenses.....	69
Administrator's Fees.....	71
Depository's Fees .....	71
Directors' Fees .....	72
Paying Agents Fees .....	72
Sales Charge.....	72
Conversion Fee .....	72
Anti-Dilution Measures .....	73
Allocation of Fees and Expenses .....	73
Remuneration Policy .....	73
4. THE SHARES.....	74
General.....	74
Available Classes .....	74
Offer 82	
Application for Shares .....	83
Minimum Subscription, Minimum Holding and Minimum Subsequent Subscription .....	89
Redemption of Shares.....	89
Conversion of Shares.....	93
Suspension of Dealing .....	95

Net Asset Value and Valuation of Assets .....	95
Swing Pricing .....	100
Description of the swing pricing methodology .....	100
Suspension of Valuation of Assets .....	100
Dividend Policy .....	101
Taxation on the occurrence of certain events .....	102
5. TAXATION .....	104
Investors in the United Kingdom .....	114
6. GENERAL INFORMATION .....	116
1. Incorporation, Registered Office and Share Capital .....	116
2. Variation of Share Rights and Pre-Emption Rights .....	116
3. Voting Rights .....	117
4. Meetings .....	118
5. Reports and Accounts .....	118
6. Communications and Notices to Shareholders .....	118
7. Transfer of Shares .....	119
8. Directors .....	120
9. Directors' Interests .....	122
10. Winding Up .....	122
11. Indemnities and Insurance .....	124
12. General .....	124
13. Material Contracts .....	125
14. Documents Available for Inspection .....	128
15. Information for Investors in the United Kingdom .....	128
Appendix I - Permitted Investments and Investment Restrictions .....	129
Appendix II - Exchanges .....	136
Appendix III - Financial Derivative Instruments for the Purpose of Investment and/or Efficient Portfolio Management .....	140
Appendix IV - LIST OF SUBCUSTODIANS .....	150

## DEFINITIONS

In this Prospectus the following words and phrases have the meanings set forth below:-

"Accounting Date"	means 30 September in each year.
"Accounting Period"	means a period ending on the Accounting Date and commencing, in the case of the first such period on the date of incorporation of the Company and, in subsequent such periods, on the day following expiry of the last Accounting Period.
"Accumulating Shares"	means a Share or a Class of Shares in a Sub-Fund which generally does not pay a dividend as more particularly described under "Dividend Policy".
"Act"	means the Companies Act 2014 and every amendment or re-enactment of the same.
"Administrator"	means MUFG Alternative Fund Services (Ireland) Limited or any successor thereto duly appointed in accordance with the Central Bank Rules as the administrator to the Company.
"Administration Agreement"	means the Administration Agreement made between the Company and the Administrator dated 14 December 2009, as amended (as novated by way of a novation agreement dated 01 September 2017 and as further amended and novated by way of a novation agreement dated 29 November 2022 to the Manager), as may be amended, supplemented, or replaced from time to time.
"AIF"	means an alternative investment fund as defined in regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013) and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(e) of the UCITS Regulations.
"Application Form"	means any application form to be completed by subscribers for Shares as prescribed by the Company from time to time and including the Relevant Declaration.

"Articles of Association"	means the Memorandum and Articles of Association of the Company.
"Auditors"	means the Company's auditors, Ernst & Young.
"Base Currency"	means as described in respect of a particular Sub-Fund in the relevant Supplement.
"Benchmarks Regulation"	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, as amended.
"Business Day"	means as described in the relevant Supplement.
"Central Bank"	means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the Company.
"Central Bank Rules"	means the Central Bank UCITS Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time and applicable to the Company.
"Central Bank UCITS Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended, supplemented or replaced from time to time and any related guidance issued by the Central Bank from time to time.
"Class"	means a particular division of Shares in a Sub-Fund.
"Company"	means UBS (Irl) Investor Selection Plc.
"Data Protection Legislation"	means the EU data protection regime introduced by the General Data Protection Regulation (Regulation 2016/679).



"Depositary"	means J.P. Morgan SE – Dublin Branch, which acts as depositary of the Company or any successor company approved by the Central Bank as depositary of the assets of the Company and each Sub-Fund.
"Depositary Agreement"	means the Depositary Agreement dated 28 April 2017, as may be further amended, supplemented or replaced from time to time.
"Directors"	means the directors of the Company or any duly authorised committee or delegate thereof.
"Distributing Shares"	means a Share or Class of Shares in a Sub-Fund which generally pays a dividend as more particularly described under "Dividend Policy".
"Distribution Agreement"	means the agreement dated 22 August 2014 between UBS Fund Management (Luxembourg) S.A. and the Distributor (as amended by the appendix to same dated 01 September 2017 and as further amended and novated by way of a novation agreement dated 29 November 2022 to the Manager) as may be amended, supplemented, or replaced from time to time.
"Distributor"	UBS Asset Management Switzerland AG or any successor company appointed by the Manager in accordance with the requirements of the Central Bank UCITS Regulations to make the Shares available for purchase by investors.
"EEA"	means the countries for the time being comprising the European Economic Area (being at the date of this Prospectus, European Union Member States, Norway, Iceland Switzerland, Turkey and Liechtenstein).
"Eligible Assets"	those investments which are eligible for investment by a UCITS as detailed in the Central Bank UCITS Regulations.
"ESMA"	means the European Securities and Markets Authority.

"euro" or "€"	means the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25th March 1957 (as amended by the Maastricht Treaty dated 7th February 1992).
"Eurozone"	means a geographic and economic region that consists of all the European Union countries that have fully incorporated the euro as their national currency.
"Exchange"	means the stock exchanges or markets set out in Appendix II.
"Exempt Irish Investor"	means:- <ul style="list-style-type: none"> <li>• 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;</li> <li>• a company carrying on life business within the meaning of Section 706 of the Taxes Act;</li> <li>• an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;</li> <li>• a special investment scheme within the meaning of Section 737 of the Taxes Act;</li> <li>• a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;</li> <li>• a unit trust to which Section 731(5)(a) of the Taxes Act applies;</li> <li>• a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) of the Taxes Act or section 848B of the Taxes Act and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;</li> <li>• a qualifying management company within the meaning of Section 739B of the Taxes Act;</li> <li>• an investment limited partnership within the meaning of Section 739J of the Taxes Act;</li> </ul>

- 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 held are assets of a personal retirement savings account as defined in section 787A of the Taxes Act;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Asset Management Agency;
- the National Treasury Management Agency or a Fund investment vehicle within the meaning of Section 739D(6)(kb) of the Taxes Act;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Company;
- any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A of the Taxes Act;
- an Irish resident company, within the charge to corporation tax under Section 739G(2) of the Taxes Act, but only where the Company is a money market fund; and
- the Courts Service;

provided that they have correctly completed the Relevant Declaration.

"FCA"

means the UK Financial Conduct Authority.

"Initial Offer Period"

means the initial offer period during which Shares in a Sub-Fund's particular Class are first offered, at a fixed price, as described in the relevant Supplement.

"Initial Price"

means the initial price payable for a Share during the Initial Offer Period of the relevant Class, or when a Share in the relevant Class is first issued, as applicable, as specified in the section below entitled "Available Classes" (unless otherwise

stated in the relevant Supplement) and as will be available from the Administrator upon request.

"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.

"Investment Manager"

means the person(s) specified in the Supplement for the relevant Sub-Fund who is/are duly appointed Investment Manager(s) to the relevant Sub-Fund with the prior approval of the Central Bank or any person or persons appointed as an Investment Manager in addition to or in succession to an existing Investment Manager and approved by the Central Bank to act as an investment manager of a Sub-Fund.

"Investment Management Agreement"

means the agreement made between the Manager and the relevant Investment Manager specified in the Supplement for the relevant Sub-Fund as may be amended, supplemented or replaced from time to time.

"Ireland"

means the Republic of Ireland.

"Irish Resident"

means:-

- 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.

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland:  
(1) for a period of at least 183 days in that tax year;

or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This new test takes effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised stock exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country. This exception does not apply where it would result in an Irish incorporated company that is managed and controlled in a relevant territory (other than Ireland), but would not be resident in that relevant territory as it is not incorporated there, not being resident for tax purposes in any territory.

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or

- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

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

"Manager"

means UBS Fund Management (Ireland) Limited or any successors thereto appointed by the Company to act as manager of the Company.

"Management Company Agreement"

means the agreement dated 29 November 2022 between the Company and the Manager as may be amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.

"Member"

means a Shareholder or a person who is registered as the holder of one or more non-participating shares in the Company.

"Member State"

means a member state of the European Union.

"MiFID II"

means the Markets in Financial Instruments Directive (recast) (Directive 2014/65/EU).

"MiFID II Delegated Directive"

means Commission Delegated Directive (EU) of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and

	funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits.
"Minimum Holding"	means the minimum number or value of Shares which must be held by Shareholders which is equal to the Minimum Subscription amount or another amount as may be specified in the relevant Supplement.
"Minimum Subscription"	means the minimum amount which may be subscribed for Shares as specified in the table in the section entitled "Available Classes".
"Net Asset Value"	means the Net Asset Value of a Sub-Fund or attributable to a Class (as appropriate) calculated as referred to herein.
"Net Asset Value per Share"	means the Net Asset Value of a Sub-Fund divided by the number of Shares in issue in that Sub-Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to such number of decimal places as the Directors and/or the Manager may determine.
"NOK"	means the lawful currency for the time being of Norway.
"OECD Member Country"	means each of Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States.
"Ordinarily Resident in Ireland"	means:- <ul style="list-style-type: none"> <li>• in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes;</li> </ul>

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

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2014 to 31 December 2014 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2017 to 31 December 2017.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

"OTC"

means Over-the-Counter.

"Paying Agent"

means one or more paying agents that may be appointed by the Manager in certain jurisdictions.

"Prospectus"

means the prospectus of the Company and any Supplements and addenda thereto issued in accordance with the requirements of the Central Bank.

"Recognised Clearing System"

means any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear Clearstream Banking AG, Clearstream Banking SA, and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.

"Redemption Day"

means in relation to a Sub-Fund such Business Day as shall be specified in the relevant Supplement for that Sub-Fund or such other day or days as may be determined by the Directors and/or the Manager



	and notified in advance to Shareholders provided that there shall be at least two Redemption Days in each month occurring at regular intervals.
"Redemption Deadline"	means in relation to a Sub-Fund such Business Day and/or time of day as shall be specified in the relevant Supplement for that Sub-Fund or such other day and/or time as the Directors and/or the Manager may determine and notify in advance to Shareholders, provided always that the Redemption Deadline is no later than the Valuation Point.
"Relevant Declaration"	means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act.
"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.
"Securities Financing Transactions"	means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Sub-Fund is permitted to engage in.
"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.
"SFDR RTS"	Commission Delegated Regulation (EU) 2022/2388 of 6 April 2022 supplementing SFDR with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability impacts, and the content and presentation of the information in relation to the promotion of

environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.

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

"Share" means a participating share or, save as otherwise provided in this Prospectus, a fraction of a participating share in the capital of the Company representing a Sub-Fund.

"Shareholder" means a person who is registered as the holder of Shares in the register of Shareholders for the time being kept by or on behalf of the Company.

"Specified US Person" means (i) a US citizen or resident individual, (ii) a partnership or corporation organised in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States or **excluding** (1) a corporation the stock of which is regularly traded on one or more established securities markets; (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (3) the United States or any wholly owned agency or instrumentality thereof; (4) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more

of the foregoing; (5) any organisation exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (6) any bank as defined in section 581 of the U.S. Internal Revenue Code; (7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (12) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code. This definition shall be interpreted in accordance with the US Internal Revenue Code.

"Sterling" or "£" or "GBP"

means the lawful currency for the time being of the United Kingdom.

"Sub-Investment Manager"

means any sub-investment manager appointed by the Investment Manager as described in the Section entitled "Investment Manager" and as specified in the relevant Supplement for each Sub-Fund, if applicable.

"Subscription Day"

means in relation to a Sub-Fund such Business Day as shall be specified in the relevant Supplement for that Sub-Fund or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders provided that there shall be at least two Subscription Days in each month occurring at regular intervals.

"Subscription Deadline"	means in relation to a Sub-Fund such Business Day and/or time of day as shall be specified in the relevant Supplement for that Sub-Fund or such other day and/or time as the Directors and/or the Manager may determine and notify in advance to Shareholders, provided always that the Subscription Deadline is no later than the Valuation Point.
"Sub-Fund"	means a sub-fund of the Company representing the designation by the Directors and/or the Manager of a particular Class or Classes of Shares as a sub-fund, the proceeds of issue of which are pooled separately and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the Directors and the Manager from time to time with the prior approval of the Central Bank.
"Supplement"	means a supplement to this Prospectus specifying certain information in respect of a Sub-Fund and/or one or more Classes.
"Swedish Krona" or "SEK"	means the lawful currency for the time being of Sweden.
"Taxonomy Regulation / TR"	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.
"Taxes Act"	means the Taxes Consolidation Act, 1997 (of Ireland) as amended.
"Total Return Swap"	means a derivative (and a transaction within the scope of SFTR) whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty.
"UCITS"	means an Undertaking for Collective Investment in Transferable Securities established pursuant to the UCITS Directive.

"UCITS Directive"	EC Council Directive 2009/65/EC of 13 July 2009, as amended by Directive 2014/91/EU of 23 July, 2014, as amended, consolidated or substituted from time to time.
"UCITS Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended (as may be further amended consolidated or substituted from time to time) and any regulations or notices issued by the Central Bank pursuant thereto for the time being in force.
"UK"	means the United Kingdom of Great Britain and Northern Ireland.
"United States"	means the United States of America (including the States and the District of Colombia) its territories, possessions and all other areas subject to its jurisdiction.
"US Dollar", "USD" or "US\$"	means United States Dollars, the lawful currency for the time being of the United States of America.
"US Person"	means any person who: (i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder; (ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k)); (iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv)); (iv) is in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or (v) any trust, entity or other structure formed for the purpose of allowing US Persons to invest in the Sub-Fund.
"Valuation Day"	means in relation to a Sub-Fund the Business Day determined by the Directors and/or the Manager

and specified in the relevant Sub-Fund Supplement, and/or such other day or days as the Directors and/or the Manager may from time to time determine and notify in advance to Shareholders provided that there shall be at least one Valuation Day in respect of each Subscription Day and Redemption Day.

"Valuation Point"

means such time on the Valuation Day as the Directors and/or the Manager may from time to time determine and specify in the relevant Sub-Fund Supplement.

"VAT"

means Value Added Tax.

## 1. THE COMPANY

### General

The Company is an open-ended investment company with variable capital, incorporated in Ireland on 1 December, 2009 under the Act with registration number 478169. The Company has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The Company is structured as an umbrella fund consisting of different Sub-Funds each comprising one or more Classes. Shares issued in each Sub-Fund will rank *pari passu* with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies, if any, applied to the currency of a particular Class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged or the Minimum Subscription and Minimum Holding, if applicable.

The assets of each Sub-Fund will be invested separately on behalf of each Sub-Fund in accordance with the investment objective and policies of each Sub-Fund. A separate portfolio of assets is not maintained for each Class. The investment objective and policies and other details in relation to each Sub-Fund are set out in the relevant Supplement which forms part of and should be read in conjunction with this Prospectus.

At the date of this Prospectus, the Company has established the Sub-Funds and Classes which are set out in the Supplements. Additional Sub-Funds in respect of which a Supplement or Supplements will be issued may be established by the Directors and/or the Manager with the prior approval of the Central Bank. Additional Classes in respect of which a Supplement or Supplements will be issued may be established by the Directors and/or the Manager upon notification to, and clearance in advance by, the Central Bank.

Shares of the UBS (Irl) Investor Selection - European Equity Long Short Fund and the A&Q Fundamental US Equity Long Short UCITS are no longer offered and it is intended to apply to withdraw their approval with the Central Bank.

### Investment Objective and Policies

The specific investment objective and policy of each Sub-Fund will be set out in the relevant Supplement to this Prospectus and will be formulated by the Directors and/or the Manager at the time of creation of the relevant Sub-Fund.

Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, a Sub-Fund's assets may be invested in money market instruments, including but not limited to certificates of deposit, floating rate notes and fixed or variable rate commercial paper and in cash deposits denominated in such currency or currencies as the Investment Manager may determine.

The Company shall not make any change to the investment objectives of a Sub-Fund, or any material change to the investment policy of a Sub-Fund, as set out in the relevant Supplement, unless Shareholders have, in advance, on the basis of a simple majority of votes cast at a general meeting or with the prior written approval of Shareholders of the relevant Sub-Fund (in accordance with the Articles of Association), approved such change(s). In accordance with the requirements of the Central Bank UCITS Regulations, "material" shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of a Sub-Fund. In the event of a change of the investment objective and/or material change to the investment policy of a Sub-Fund, on the basis of a simple majority of votes cast at a general meeting, Shareholders in the relevant Sub-Fund will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

The list of Exchanges on which a Sub-Fund's investments in securities and financial derivative instruments, other than permitted investments in unlisted securities and over the counter derivative instruments, will be listed or traded is set out in Appendix II.

Unless otherwise indicated in the relevant Supplement for a Sub-Fund, investments underlying a particular Sub-Fund do not take into account the EU criteria for environmentally sustainable activities.

### **Investment Restrictions**

Investment of the assets of each Sub-Fund must comply with the UCITS Regulations. The Directors and/or the Manager may impose further restrictions in respect of any Sub-Fund. The investment and borrowing restrictions applying to the Company and each Sub-Fund are set out in Appendix I. In addition the restrictions set out in Appendix I, at least 51% of the value of each Sub-Fund shall be invested in equities that are not shares of collective investment schemes and that are listed or traded on a "regulated market" as defined in Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments. Each Sub-Fund may also hold ancillary liquid assets.

### **Borrowing Powers**

The Company may only borrow on a temporary basis and the aggregate amount of such borrowings in respect of each Sub-Fund may not exceed 10% of the Net Asset Value of the relevant Sub-Fund. Subject to this limit, the Directors and/or the Manager may exercise all borrowing powers on behalf of the Company. In accordance with the provisions of the UCITS Regulations, the Company may charge its assets as security for such borrowings. A Sub-Fund may acquire foreign currency by means of a "back to back" loan agreement. The Company shall ensure that a Sub-Fund with foreign currency borrowings which exceed the value of a back-to-back deposit treats that excess as borrowings for the purpose of Regulation 103 of the UCITS Regulations.



## **Adherence to Investment and Borrowing Restrictions**

The Company will, with respect to each Sub-Fund, adhere to any investment or borrowing restrictions herein subject to the UCITS Regulations.

## **Changes to Investment and Borrowing Restrictions**

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank) to avail itself of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations. Any changes to the investment and borrowing restrictions will be disclosed in an updated Prospectus. Any change to the investment objective and any material change to the investment policy of any Sub-Fund will require the prior approval of the Shareholders of the relevant Sub-Fund.

## **Profile of a Typical Investor**

The profile of a typical investor for each Sub-Fund is set out in the Supplement for the relevant Sub-Fund.

## **Efficient Portfolio Management**

Each Sub-Fund may, subject to the requirements of the Central Bank, engage in the use of financial derivative instruments and other instruments for efficient portfolio management purposes provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set out in Appendix I. Efficient portfolio management transactions relating to the assets of the Company may be entered into with one of the following aims: i) the reduction or stabilisation of risk; ii) the reduction of cost with no increase or a minimal increase in risk; iii) the generation of additional capital or income for the Sub-Fund with a level of risk consistent with the risk profile of the Sub-Fund, subject to and in accordance with the diversification requirements as set out in the Central Bank's UCITS Regulations and as disclosed in Appendix I to the Prospectus. In relation to efficient portfolio management operations, the Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Sub-Fund. Such techniques and instruments are set out in Appendix III to this Prospectus.

The Investment Manager may also employ (subject to the conditions and within the limits laid down by the Central Bank) financial derivative instruments and other instruments intended to provide protection against exchange and/or interest rate risks in the context of the management of its assets and liabilities.

The techniques and instruments which the Company may use on behalf of any Sub-Fund include,

but are not limited to those set out in Appendix III and, if applicable to a particular Sub-Fund, those set out in the relevant Supplement.

Repurchase agreements, reverse repurchase agreements and/or stocklending arrangements will be utilised for efficient portfolio management purposes. Please see section below entitled "Securities Financing Transactions" for further details.

The Company shall ensure that all revenues arising from Securities Financing Transactions and efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Company may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Sub-Fund in accordance with normal market practice (including the transfer of daily variation margins).

### **Hedged Classes**

**For the benefit of holders of Classes of Shares that are denominated in a currency other than the Base Currency, the Investment Manager may, but is not obliged to, seek, through the use of forward foreign exchange contracts and/or currency futures contracts, to hedge the foreign exchange exposure arising as a result of fluctuations between the denominated currency of the Class and the Base Currency. Any such hedging will endeavour to hedge no less than 95 per cent of the portion of the net assets of the relevant Class of Shares which is to be hedged against currency risk. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105 per cent. of the net assets of the relevant Class of Shares. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Sub-Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above. Such review will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that any such position stays within the permitted position levels disclosed above and is not carried forward from month to month.** Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of a Sub-Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. Given that there is no segregation of liability between Classes of Shares, there is a risk that, under certain circumstances, currency hedging transactions in relation to Classes of Shares which have "hedged" in their name could result in liabilities which might affect the Net Asset Value of other Classes of Shares of the relevant Sub-Fund. Where a Class of Shares is to be hedged this will be disclosed in the Supplement for the Sub-Fund in which such Class is issued. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Sub-

Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes.

Investors should also note that, to the extent that hedging is successful, the performance of the Class is likely to move in line with the performance of the underlying assets and that investors in a hedged class will not benefit if the Class currency falls against the Base Currency and/or the currency in which the assets of the Company are denominated and that this hedging strategy may substantially limit holders of these Shares from benefiting if the Base Currency falls against the denominated currency of the Class.

In the case of an unhedged Class of Share, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. The value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency.

Each Sub-Fund's currency hedging policy will be as set out in the relevant Supplement.

### **Financial Derivative Instruments**

The Company may invest in financial derivative instruments including equivalent cash settled instruments dealt in on an Exchange and/or in OTC derivative instruments in each case under and in accordance with conditions or requirements imposed by the Central Bank. The financial derivative instruments in which the Company may invest and the expected effect of investment in such financial derivative instruments on the risk profile of a Sub-Fund are disclosed in Appendix III hereto. The purpose of any such investment will be disclosed in the Supplement for the relevant Sub-Fund. If other financial derivative instruments may be invested in for a particular Sub-Fund, such instruments and their expected effect on the risk profile of such Sub-Fund and the extent to which a Sub-Fund may be leveraged through the use of financial derivative instruments will be disclosed in the relevant Supplement.

The Manager will employ a risk management process which will enable it to measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Manager will not utilise financial derivatives which have not been included in the risk management process until such time as the revised risk management process has been updated and provided to the Central Bank. On request supplementary information are provided to Shareholders relating to the risk management methods employed by the Manager including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Where deemed appropriate, and subject to the UCITS Regulations, the Sub-Funds may employ leverage including, without limitation, by entering into derivatives transactions. Global exposure (as prescribed in the Central Bank UCITS Regulations) relating to Financial Derivative Instruments will be measured using either the commitment approach or using a sophisticated risk measurement technique known as "value-at-risk" (VaR) depending on the risk profile of the

strategies pursued by each Sub-Fund. The commitment approach calculates global exposure by measuring the market value of the underlying exposures of Financial Derivative Instruments. VaR is a statistical methodology that predicts, using historical data, the likely maximum daily loss that a Sub-Fund could suffer, calculated to a 99% confidence level. There is, therefore, a 1% statistical chance that the daily VaR limit may be exceeded. The Sub-Fund may use an "absolute" VaR model where the measurement of VaR is relative to the Net Asset Value of the Sub-Fund or the Sub-Fund may use a relative VaR model where the measurement of VaR is relative to a comparable benchmark or equivalent derivatives free portfolio (in the case of the latter, the Sub-Fund's portfolio but with the underlying positions of the Sub-Fund's Financial Derivative Instruments instead of the Financial Derivative Instruments themselves). Where an "absolute" VaR model is used, the daily VaR limit may not exceed 5% of the Net Asset Value of the Sub-Fund and the VaR limit over a 20 day holding period may not exceed 20% of the Net Asset Value of the Sub-Fund. Where a "relative" VaR model is used, the daily VaR limit may not exceed twice the VaR of the benchmark or equivalent derivatives free portfolio. The approach to the measurement of global exposure taken in respect of each Sub-Fund will be set out in the relevant Supplement.

For the purpose of providing margin or collateral in respect of transactions in financial derivative instruments, the Company may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Sub-Fund in accordance with normal market practice (including the transfer of daily variation margins).

### **Benchmarks Regulation**

Certain Sub-Funds may refer to indices within the Supplement of the relevant Sub-Fund. These indices may be referenced for various purposes including, but not limited to (i) operating as a reference benchmark which the Sub-Fund seeks to outperform; and (ii) relative VaR measurement. The particular purpose of the relevant index shall be clearly disclosed in the relevant Supplement. Where an index is used for the purposes of (i) above this will constitute use of an index within the meaning of Article 3 (1)(7)(e) of the Benchmarks Regulation. Other references to indices, including for example for the purposes of relative VaR measurement as outlined at (ii) above, may not constitute use of an index within the meaning of Article 3 (1)(7)(e) of the Benchmarks Regulation. Shareholders should note that the Company and/or its distributors may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Supplement of the Sub-Fund they are not formal benchmarks against which the Sub-Fund is managed.

The indices used as benchmarks by the Sub-Funds (as "use" is defined the Benchmarks Regulation) are, as at the date of this Prospectus, provided by:

- (i) benchmark administrators who appear on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. Updated information whether the benchmark is provided by an administrator included in the ESMA register of EU benchmark administrators and third country benchmarks is available from

<https://registers.esma.europa.eu>; and/or

- (ii) benchmark administrators authorised under the UK's Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 ("**UK Benchmark Regulation**") who qualify as benchmark administrators located in a third country within the meaning of the Benchmark Regulation and are included on a register of administrators and benchmarks maintained by the FCA available from <https://register.fca.org.uk/BenchmarksRegister>; and/or
- (iii) provided by benchmark administrators who benefit from the transitional arrangements afforded under the Benchmarks Regulation and accordingly may not appear yet on the register of administrators and benchmarks maintained by ESMA pursuant to the Benchmarks Regulation.

The transition period for benchmark administrators and deadline by which they should apply for authorisation or registration as an administrator under the Benchmarks Regulation, depends both on the classification of the relevant benchmark and the domicile of the benchmark administrator.

The Manager maintains a written plan setting out the actions that will be taken in the event that a benchmark materially changes or ceases to be provided. Such written plans may be obtained free of charge from the Manager upon request.

Benchmark use disclaimers:

FTSE Russell

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## **References to Securitisations**

Regulation EU 2017/2402 (the "**Securitisation Regulation**") applies to UCITS such as the Company from 1 January 2019. Accordingly, where a Sub-Fund is exposed to securitisations, the Investment Manager of the Sub-Fund will carry out a due diligence process before becoming exposed to a securitisation and on an ongoing basis as long as they remain exposed to a securitisation. The Investment Manager will ensure that the securitisation is risk retention compliant with the originator retaining a material net economic interest of not less than 5% in the securitisation and on an ongoing basis, the originator of the securitisation will make available to holders of a securitisation position certain information on the transaction and underlying exposures in accordance with the Securitisation Regulation.

## **Publication of Net Asset Value per Share**

The Net Asset Value per Share will be published on the following web-site [www.bloomberg.com](http://www.bloomberg.com) and updated following each calculation of the Net Asset Value per Share. In addition, the Net Asset Value per Share may be obtained from the Administrator during normal business hours.

## **ESG Integration**

Unless otherwise stated in the Supplement, the Investment Manager aims to achieve investors' financial objectives while incorporating sustainability into the investment process. The Investment Manager defines sustainability as the ability to leverage the ESG factors of business practices seeking to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ("**Sustainability**"). The Investment Manager believes that consideration of these factors will deliver better informed investment decisions.

In addition to the binding exclusion factors outlined in the investment policies of a Sub-Fund, further restrictions are applied on all actively managed funds and are captured in the Sustainability Exclusion Policy. For instance, in the case of a Sub-Fund that is categorised as an Article 8 fund pursuant to the Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088), the Investment Manager does not invest in companies violating the United Nations Global Compact. Also, a Sub-Fund does not invest into companies that generate significant revenues from controversial business activities as defined in the Sustainability Exclusion Policy.

ESG integration by the Investment Manager is driven by taking into account material ESG risks as part of the research process. For corporate issuers, this process utilises the ESG material issues framework which identifies the financially relevant factors per sector which can impact investment decisions. This orientation toward financial materiality ensures which analysts focus on sustainability factors that can impact the financial performance of the issuer and therefore investment returns. ESG integration can also identify opportunities for engagement to improve the issuers ESG risk profile and thereby mitigate the potential negative impact of ESG issues on

the issuers financial performance. The Investment Manager employs a proprietary ESG Risk Dashboard that combines multiple ESG data sources in order to identify issuers with material ESG risks. An 'actionable risk signal' highlights ESG risks to the Investment Manager for incorporation in their investment decision making process. For non-corporate issuers, the Investment Manager may apply a qualitative or quantitative ESG risk assessment that integrates data on the most material ESG factors. The analysis of material sustainability/ESG considerations can include many different aspects, such as the following among others: the carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and governance.

The Sustainability Exclusion Policy of the Investment Manager outlines the exclusions applied to the investment universe of the Sub-Funds and is available at:

<https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html> .

### **Sustainability Annual Reporting**

The “UBS Sustainability Report” is the medium for the Investment Manager’s sustainability disclosures. Published annually, the report aims to openly and transparently disclose the Investment Manager’s sustainability approach and activities, consistently applying UBS’ information policy and disclosure principles. The UBS Sustainability Report is available at

[www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html](http://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html) .

### **ESG Focus/Impact Funds**

UBS Asset Management categorizes certain sub-funds as ESG focus/impact funds. ESG focus/impact funds promote ESG characteristics or have a specific sustainability or impact objective which is defined in the investment policy.

Unless otherwise indicated in the relevant Supplement for a Fund, investments underlying a particular Fund do not take into account the EU criteria for environmentally sustainable activities.

### **Engagement Program**

The engagement program aims to prioritize/select companies where UBS Asset Management has identified concerns or thematic topics on particular ESG factors. These companies are selected from across the universe of companies in which UBS Asset Management invests using a top-down approach in accordance with our principles, as outlined in the Global Stewardship Policy. The prioritization process determines if and when engagement with a company is required. If a company is selected for the Engagement Program, engagement dialogue will generally last for at least two years. This is not an indication that sustainability related engagement has taken place with respect to companies in this portfolio during any given time period or that the companies in this portfolio were chosen with the goal to actively engage. Information on UBS Asset Management's selection of companies, engagement activities, prioritization process and understanding of concerns can be found in the UBS Asset Management Stewardship Annual Report and Stewardship Policy.

<https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing/stewardship-engagement.html>.

### **Voting**

UBS will actively exercise voting rights based on the principles outlined in the UBS Asset Management Proxy Voting policy and UBS Asset Management Stewardship policy, with two fundamental objectives:

1. To act in the best financial interests of our clients to enhance the long-term value of their investments.
2. To promote best practice in the boardroom and encourage strong sustainability practices.

This is not an indication that voting on sustainability related topics has taken place with respect to companies held by a sub-fund during any given time period. For information about voting activities with specific companies please refer to the UBS Asset Management Stewardship Annual Report.

<https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing/stewardship-engagement.html>.



## **RISK FACTORS**

### **General**

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Sub-Fund. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the Company carries with it a degree of risk. Different risks may apply to different Sub-Funds and/or Classes. Details of specific risks attaching to a particular Sub-Fund or Class which are additional to those described in this section will be disclosed in the relevant Supplement. Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective investors are advised that the value of Shares and income, if any, from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of a Sub-Fund should not be relied upon as an indicator of future performance. The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares means an investment should be viewed as medium to long term. The attention of potential investors is drawn to the taxation risks associated with investing in a Sub-Fund. Please refer to the section of the Prospectus entitled "Taxation". The securities and instruments in which a Sub-Fund invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

There can be no guarantee that the investment objective of a Sub-Fund will actually be achieved.

### ***Business Risk***

There can be no assurance that the Company will achieve its investment objective in respect of any of the Sub-Funds.

### ***Dependence on the Investment Manager***

All decisions with respect to the trading activities of the Sub-Funds are made exclusively by the Investment Manager and any sub-investment managers appointed by it. Investors will not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding a Sub-Fund's investments. Investors are dependent on the Investment Manager's judgment and abilities.

### ***Key Personnel of the Investment Manager***

The success of the Company will depend substantially on the skill and acumen of key employees

at the Investment Manager. If the Investment Manager or if any of such key employees should cease to participate in the Company's business, its ability to select attractive investments and manage the portfolio of each Sub-Fund could be impaired. Although such employees of the Investment Manager will devote as much time to the Company and its Sub-Funds as they believe is necessary to assist the Sub-Funds in achieving their investment objective, they will not devote all of their working time to the affairs of the Company and its Sub-Funds.

### ***Credit Ratings and Unrated Securities***

Rating agencies are private services that provide ratings of the credit quality of fixed income securities, including convertible securities. Ratings assigned by a rating agency are not absolute standards of credit quality and do not evaluate market risks. Rating agencies may fail to make timely changes in credit ratings and an issuer's current financial condition may be better or worse than a rating indicates. A Sub-Fund will not necessarily sell a security when its rating is reduced below its rating at the time of purchase. The Investment Manager does not rely solely on credit ratings, and develop their own analysis of issuer credit quality. In the event that the rating services assign different ratings to the same security, the Investment Manager will determine which rating it believes best reflects the security's quality and risk at that time, which may be the higher of the several assigned ratings.

A Sub-Fund may purchase unrated securities (which are not rated by a rating agency) if its portfolio manager determines that the security is of comparable quality to a rated security that the Sub-Fund may purchase. Unrated securities may be less liquid than comparable rated securities and involve the risk that the portfolio manager may not accurately evaluate the security's comparative credit rating. Analysis of the creditworthiness of issuers of high yield securities may be more complex than for issuers of higher-quality fixed income securities. To the extent that a Sub-Fund invests in high yield and/or unrated securities, the Sub-Fund's success in achieving its investment objective may depend more heavily on the portfolio manager's creditworthiness analysis than if the Sub-Fund invested exclusively in higher-quality and rated securities.

### ***Segregation of Liabilities between Sub-Funds***

As a matter of Irish law, the assets of one Sub-Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on behalf of or be subject to claims in other jurisdictions (such as the United Kingdom) which may not necessarily recognise such ring-fencing and, in such circumstances, the assets of one Sub-Fund may be exposed to the liabilities of another.

Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to or from the Administrator (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Company and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

### ***Depository Insolvency***

The Company is subject to a number of risks relating to the insolvency, administration, liquidation or other formal protection from creditors ("**Insolvency**") of the Depository. These risks include without limitation: the loss of all cash held with the Depository which is not being treated as client money or protected by the rules of a regulatory authority ("**client money**"); the loss of all cash which the Depository has failed to treat as client money in accordance with procedures (if any) agreed with the Company; the loss of any securities held on trust ("**trust assets**") or client money held by or with the Depository in connection with a reduction to pay for administrative costs of the Insolvency and/or the process of identifying and transferring the relevant trust assets and/or client money or for other reasons according to the particular circumstances of the Insolvency; losses of some or all assets due to the incorrect operation of the accounts by the Depository; and losses caused by prolonged delays in receiving transfers of balances and regaining control over the relevant assets. The Company is subject to similar risks in the event of Insolvency of any sub-custodian with which any relevant securities are held or of any third party bank with which client money is held. An Insolvency could cause severe disruption to the trading of a Sub-Fund.

### ***Depository Liability***

In the event of loss suffered by the Company as a result of the Depository's actions or omissions, the Company would generally, in order to bring a successful claim against the Depository, have to demonstrate that it has suffered a loss as a result of the Depository's unjustifiable failure to perform its obligations or its improper performance of them. The Company may also demonstrate that it has suffered a loss as a result of the Depository's negligence.

### ***Custodial Risk***

A Sub-Fund may invest in markets where trading, settlement and custodial systems are not fully developed. Consequently, the assets of the relevant Sub-Fund which are traded in such markets and which have been entrusted to safekeeping agents in circumstances where the use of such safekeeping agents is necessary, may be exposed to risks. These risks include non-true delivery versus payment settlement, poor information in regards to corporate actions and lack of compensation.

### ***Sub-Custodians and other depositories***

Where securities are held with a sub-custodian of the Depository or by a securities depository or clearing system, such securities may be held by such entities in client omnibus accounts. In the event of a default by any such entity, where there is an irreconcilable shortfall of such securities, the Company may have to share that shortfall on a pro-rata basis. Securities may be deposited with clearing brokers which the Depository is not obliged to appoint as its sub-custodians and in respect of the acts or defaults of which the Depository shall have no liability. There may be circumstances where the Depository is relieved from liability for the acts or defaults of its

appointed sub-custodians provided that the Depositary has complied with its duties.

### ***Taxation Risk***

Any change in the taxation legislation in Ireland, or elsewhere, could affect (i) the Company or any Sub-Fund's ability to achieve its investment objective, (ii) the value of the Company or any Sub-Fund's investments or (iii) the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Prospective investors and Shareholders should note that the statements on taxation which are set out herein and in this Prospectus are based on advice which has been received by the Directors and/or the Manager 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.

If the Company or a Sub-Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Company or the Sub-Fund shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the Company or the Sub-Fund indemnified against any loss arising to the Company or the Sub-Fund by reason of the Company or the Sub-Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Shareholders and prospective investors' attention is drawn to the taxation risks associated with investing in the Company. Please refer to the section headed "Taxation".

### ***Foreign Account Tax Compliance Act***

The foreign account tax compliance provisions ("**FATCA**") of the Hiring Incentives to Restore Employment Act 2010 which apply to certain payments are essentially designed to require reporting of Specified US Person's direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and US Governments signed an intergovernmental agreement ("**Irish IGA**") with respect to the implementation of FATCA (see section entitled "*Compliance with US reporting and withholding requirements*" for further detail) on 21 December 2012.

Under the Irish IGA (and the relevant Irish regulations and legislation implementing same), foreign financial institutions (such as the Company) should generally not be required to apply 30%

withholding tax. To the extent the Company however suffers US withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the Company may take any action in relation to a Shareholder's investment in the Company to redress such non-compliance and/or to ensure that such withholding is economically borne by the relevant Shareholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Shareholder's holding of shares in the Company.

Shareholders and prospective investors should consult their own tax advisor with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the Company.

### ***Common Reporting Standard***

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. The CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges began in 2017. Ireland has implemented the CRS. As a result the Company will be required to comply with the CRS due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the Company to enable the Company to satisfy its obligations under the CRS. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the relevant Sub-Fund.

Shareholders and prospective investors should consult their own tax advisor with respect to their own certification requirements associated with an investment in the Company.

### ***Deferred Redemptions***

In the event that redemption requests are received for redemption of Shares representing in aggregate more than 10% of the total number of Shares representing interests in a single Sub-Fund then in issue, redemption requests may be reduced rateably and pro rata and the redemption of Shares may be carried forward to the next following Redemption Day. In the event of a large number of redemptions, this power to defer redemptions could be exercised on a number of successive Redemption Days and materially restrict a Shareholder's ability to redeem his Shares

### ***Effect of Substantial Redemptions***

Substantial redemptions by Shareholders within a short period of time could require a Sub-Fund

to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the assets of the Sub-Fund and/or disrupting the Investment Manager's investment strategy. Reduction in the size of a Sub-Fund could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in a Sub-Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

### ***Net Asset Value Considerations***

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Sub-Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Shares or upon compulsory redemption, if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder or if there remain any unamortised costs and expenses of establishing the Company. In addition, where there is any conflict between IFRS and the valuation principles set out in the Articles of Association and this document in relation to the calculation of Net Asset Value, the latter principles shall take precedence.

In calculating a Sub-Fund's Net Asset Value, the Administrator may consult the Investment Manager with respect to the valuation of certain investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Sub-Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Sub-Funds, the Investment Manager will endeavour to resolve any such conflict of interest fairly and in the interest of investors.

### ***Price Fluctuations***

It should be remembered that the value of Shares and the income (if any) derived from them can go down as well as up.

### ***Strategy Risk***

Strategy risk is associated with the failure or deterioration of an entire strategy such that most or all investment managers employing that strategy suffer losses. Strategy specific losses may result from excessive concentration by multiple investment managers in the same investment or general economic or other events that adversely affect particular strategies (e.g., the disruption of historical pricing relationships). The strategies employed by the Sub-Funds may be speculative and involve substantial risk of loss in the event of such failure or deterioration, in which event the performance of the Sub-Funds may be adversely affected.

### ***Market Risk***

The value of a Sub-Fund may be effected by the decline of an entire market of an asset class, thus affecting the prices and values of the assets in the Sub-Fund. In an equity Sub-Fund, for

instance, this is the risk that the equity market in question will go down and, in a bond Sub-Fund, the risk that the bond market in question will fall. The higher the volatility of the market in which the Sub-Fund invests, the greater the risk. Such markets are subject to greater fluctuations in return.

### ***Market Crisis and Governmental Intervention***

The global financial markets are currently undergoing pervasive and fundamental disruptions which have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis without much or any notice with the consequence that some market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions has been suddenly and/or substantially eliminated. Given the complexities of the global financial markets and the limited time frame within which governments have been able to take action, these interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of such markets as well as previously successful investment strategies.

It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Manager's ability to fulfil a Sub-Fund's investment objective. However, the Investment Manager believes that there is a high likelihood of significantly increased regulation of the global financial markets, and that such increased regulation could be materially detrimental to the performance of a Sub-Fund's portfolio.

### ***Eurozone Risks***

In addition to specific national concerns, the Eurozone is experiencing a collective debt crisis. Certain countries have received very substantial financial assistance from other members of the European Union, and the question of additional funding is unclear. Investor confidence in other EU member states, as well as European banks exposed to sovereign debt of Eurozone countries experiencing financial turmoil, has been severely impacted, threatening capital markets throughout the Eurozone. Although the resources of various financial stability mechanisms in the Eurozone continue to be bolstered, there can be no assurance that the level of funds being committed to such facilities will be sufficient to resolve the crisis going forward. It is also unclear whether ultimately a political consensus will emerge in the Eurozone concerning whether and how to restructure sovereign debt. The consequences of any sovereign default would likely be severe and wide-reaching, and could include the withdrawal of one or more member states from the Eurozone, or even the abolition of the Euro. The withdrawal of one or more member states from the Eurozone or the abolition of the Euro could result in significant exchange rate volatility and could have an adverse impact on the financial markets, not only within Europe but globally and could have an adverse impact on the value of the Company's investments.

### ***Potential implications of Brexit***

The UK officially withdrew from the EU on 31 January 2020.

The EU and the UK agreed a Trade and Co-operation Agreement in December 2020 (the “**Brexit Deal**”). The departure of the UK from the EU has led to political and economic instability, volatility in the financial markets of the UK and more broadly across Europe. It has also led to a weakening in consumer, corporate and financial confidence in such markets as the UK and the EU negotiated the Brexit Deal. While the Brexit Deal has now been agreed, there remains a number of uncertainties in connection with the future of the UK and its relationship with the EU, including the negotiation of any future trading agreements to enhance or replace elements of the Brexit Deal. The UK and the EU are likely to continue to negotiate trading or other agreements for a number of years.

Until the terms of the UK’s exit from, and continuing relationship with, the EU are clearer, it is not possible to determine the impact that the UK’s departure from the EU and/or any related matters may have on a Fund or its investments, including, in each case, the market value or the liquidity thereof in the secondary market, or on the other parties to the transaction documents. However, given the size and importance of the UK’s economy, current uncertainty or unpredictability about its legal, political and economic relationship with Europe may continue to be a source of instability, create significant currency fluctuations, and/or otherwise adversely affect international markets, arrangements for trading or other existing cross-border co-operation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future including beyond the date of any withdrawal from the EU. In particular, the uncertainty surrounding the UK’s relationship with the EU and its withdrawal as an EU Member State may adversely impact companies or assets based in, doing business in, or having services or other significant relationships in or with, the UK and/or the EU, including with respect to opportunity, pricing, regulation, value or exit. In addition, the UK’s withdrawal as an EU Member State may have an adverse effect on the tax treatment of any investments in the UK. The EU directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties may no longer apply to payments made into and out of the UK, meaning that instead the UK’s double tax treaty network will need to be relied upon. Not all double tax treaties fully eliminate withholding tax. Further, there may be changes to the operation of value added tax (VAT) and the economic implications could potentially affect wider tax policy in the UK, such as the rate of corporation tax and other taxes. The outcome of the UK referendum could also have a destabilising effect if other member states were to consider the option of leaving the EU. For these reasons, the decision of the UK to leave the EU could have adverse consequences on a Fund, the performance of its investments and its ability to fulfil its investment objective and implement its investment strategy.

### ***Specific risk when investing in Russia and other emerging markets***

#### **a) Political and Social Risks**



The value of a Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

Since 1985, Russia has been undergoing a substantial political transformation from a centrally controlled command economy under communist rule to a pluralist market-oriented democracy. A significant number of changes were undertaken during these years but there is still no assurance that the political and economic reforms necessary to complete such a transformation will continue or will be successful.

Russia is a federation composed of republics, regions, areas, cities of federal importance, autonomous districts and one autonomous region. The delineation of authority among the constituent entities of the Russian Federation and federal governmental authorities is subject to change from time to time. This process exists alongside the structure of Presidential representatives in the regions. The lack of consensus between local and regional authorities and the federal governmental authorities often result in the enactment of conflicting legislation at various levels, and may result in political instability and legal uncertainty. It may lead to negative economic effects on a Fund, which could have a material adverse effect on its business, financial conditions or ability to fulfil its investment objective.

In addition, ethnic, religious, and other social divisions periodically give rise to tensions and, in certain cases armed conflicts. In Chechnya, Russian armed forces have conducted anti-terrorist operations for a number of years, and some of them still remain there to keep law and order. Any escalation of violence may entail grave political consequences, which may adversely impact the investment climate in the Russian Federation.

#### b) Economic Risks

Simultaneously with the enactment of political reforms, the Russian Government has been attempting to implement policies of economic reform and stabilisation. These policies have involved liberalising prices, reducing defence expenditures and subsidies, privatising state-owned enterprises, reforming the tax and bankruptcy systems and introducing legal structures designed to facilitate private, market-based activities, foreign trade and investment.

The Russian economy has been subject to abrupt downturns. The events and aftermath of 17 August 1998 (the date of the Russian government's default on its short-term Rouble denominated treasury bills and other Rouble-denominated securities, the abandonment by the Central Bank of Russia of its efforts to maintain the Rouble/US dollar rate within the

Rouble currency band and the temporary moratorium on certain hard-currency payments to foreign counterparties) led to a severe devaluation of the Rouble, a sharp increase in the rate of inflation, a significant decrease in the credibility of the country's banking system with Western financial institutions, significant defaults on hard currency obligations, a significant decline in the prices of Russian debt and equity securities and an inability to raise funds on international capital markets. While the condition of the Russian economy has improved in a number of respects since 1998, there can be no assurance that this improvement will continue or that it will not be reversed.

The currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

The Rouble is not convertible outside Russia. A market exists within Russia for the conversion of Roubles into other currencies, but it is limited in size and is subject to rules limiting the purposes for which conversion may be effected. There can be no assurance that such a market will continue indefinitely.

Accounting Standards: in emerging markets there is an absence of uniform accounting, auditing and financial reporting standards and practices.

#### c) Legal Risks

Risks associated with the Russian legal system include (i) the untested nature of the independence of the judiciary and its immunity from economic, political or nationalistic influences; (ii) inconsistencies among laws, Presidential decrees and Government and ministerial orders and resolutions; (iii) the lack of judicial and administrative guidance on interpreting applicable laws; (iv) a high degree of discretion on the part of government authorities; (v) conflicting local, regional and federal laws and regulations; (vi) the relative inexperience of judges and courts in interpreting new legal norms and (vii) the unpredictability of enforcement of foreign judgements and foreign arbitration awards.

There is no guarantee that further judicial reform aimed at balancing the rights of private and governmental authorities in courts and reducing grounds for re-litigation of decided cases will be implemented and succeed in building a reliable and independent judicial system.

Whilst fundamental reforms relating to securities investments and regulations have been initiated in recent years there may still be certain ambiguities in interpretation and inconsistencies in their application. Monitoring and enforcement of applicable regulations remains uncertain.

Equity securities in Russia are dematerialised and the only evidence of ownership is entry of the shareholder's name on the Share register of the issues. The concept of fiduciary duty is not well established and shareholders may, therefore, suffer dilution or loss of investment due to the actions of management without satisfactory legal remedy. Rules regulating corporate governance are undeveloped and therefore may offer little protection to shareholders.

Russia launched a large-scale invasion of Ukraine on 24 February 2022. The European Union, Switzerland, United Kingdom and United States along with the regulatory bodies of a number of countries have imposed economic sanctions on certain Russian individuals and Russian corporate and banking entities. These sanctions will impair the Company's ability to buy or sell Russian Securities and/or assets for the duration of the military action and imposition of the sanctions. The duration of the military action, sanctions and resulting market disruption (including decline in stock markets and the value of the Russian Rouble) are not possible to predict but may be significant and long-lasting. Sanctions might lead to Russia adopting retaliatory measures which may further impair the value and liquidity of Russian securities.

#### ***Exchange Control and Repatriation Risk***

It may not be possible for a Sub-Fund to repatriate capital, dividends, interest and other income from certain countries, or it may require government consents to do so. A Sub-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. Repatriation risk is higher in the case of underlying investments subject to restrictive laws or regulations.

### ***Market Capitalisation Risk***

The securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities, may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports.

### ***Settlement Risk***

It is possible that settlement via a payment system will not take place as expected because payment or delivery by a counterparty fails to take place or is not in accordance with the initial conditions. This risk exists to the extent that the Sub-Fund invests in regions where the financial markets are not yet well developed and includes stock exchanges or markets on which the Sub-Fund may trade derivatives which may not be the same as those in more developed markets. This risk is limited, but still present, in regions where the financial markets are well developed.

### ***Concentration of Investments***

A Sub-Fund may at any one time be invested in a single industry or country and few issuers provided that such concentration complies with the UCITS Regulations. To the extent that a Sub-Fund's investments are concentrated in these ways, the overall adverse impact on a Sub-Fund could be considerably greater than if a Sub-Fund's investments were not concentrated to such an extent.

### ***Credit Risk***

There can be no assurance that issuers of the securities or other instruments in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. A Sub-Fund will also be exposed to a credit risk in relation to the counterparties (including prime brokers and other counterparties) with whom it transacts or places margin or collateral in respect of transactions in derivative instruments and may bear the risk of counterparty default.

### ***Capital Risk***

The capital value of Shares of a Sub-Fund may be affected by various risks to capital, including the potential risk of erosion due to the redemption of Shares and the distribution of profit in excess of the investment return.

### ***Inflation Risk***

Some Sub-Funds may invest in securities whose value can be adversely affected by changes in inflation, for example, bonds with a long term to maturity and a fixed coupon.

### ***Investing in Equities - (Domestic and international)***

The returns of listed securities are affected by various factors including the underlying strength of cash flows, balance sheets and management. These factors may impact the ability of the underlying company to meet the challenges of fluctuating economic growth, structural change and competitive forces and the ability to pay dividends to shareholders.

Investment returns of international shares (and related derivatives) are also affected by fluctuations in exchange rates. The currency exposure of international funds may be hedged to a certain currency. Investments into shares listed in less developed countries, commonly referred to as "Emerging Markets" are riskier due to the more volatile nature of their fundamentals. Please see the risk factor below entitled "Emerging Markets Risk". Similarly, investments into "Private Equity" afford limited liquidity to the investor, due to the fact that they are unlisted.

### ***Common Stock Risk***

Common stock represents an ownership interest in a company. The value of a company's stock may fall as a result of factors relating directly to that company, such as decisions made by its management or lower demand for the company's products or services or changes to management. A stock's value may also fall because the company's business environment.

### ***ESG Risks***

A 'sustainability risk' means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. If a sustainability risk associated with an investment materialises, it could lead to the loss in value of an investment.

Sustainability risks may vary from investment to investments and could include, but are not limited to, risks of environmental damage, social risks (including public health, safety and human rights violations and exploitation), governance risks (inadequate oversight and internal governance of the companies, including management and board structure, compensation and approach to anti-bribery and anti-corruption, litigation risks linked to ESG issues, as well as the risk of political and regulatory changes on investments related to each of the foregoing.

In addition, sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to risks such as market risks, operational risks, liquidity risks or counterparty risks.

### ***Emerging Markets Risk***

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to a Sub-Fund.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share (and consequently subscription and redemption prices for Shares) than would be the case in relation to funds invested in more developed markets. In addition, if a large number of securities have to be realised at short notice to meet substantial redemption requests for Shares in a Sub-Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share.

In addition, settlement, clearing, safe custody and registration procedures may be underdeveloped, increasing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply in more developed markets. Investments in certain emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to a Sub-Fund. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and so transactions may need to be made on a neighbouring exchange.

Emerging markets securities may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of emerging markets securities, such as banks and other financial institutions, may be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk. In addition custodial expenses for emerging market securities are generally higher than for developed market securities. Dividend and interest payments from, and capital gains in respect of, emerging markets securities may be subject to foreign taxes that may or may not be reclaimable.

Laws governing foreign investment and securities transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, a Sub-Fund may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the Sub-Fund are invested. Furthermore, the standard of corporate governance and investor protection in emerging markets may not be equivalent to that provided in other jurisdictions.

### ***Political, Regulatory and Settlement Risk***

The value of a Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

### ***Taxation of investments of sub-fund(s) investing in the Indian sub-continent***

Shareholders should be aware that on 7 May 2012, following initial budget proposals in March 2012, the Indian government presented revised proposals for consideration by Parliament. The proposals include the introduction of taxation on indirect transfers of Indian assets and, with effect from 1 April 2013, a General Anti-Avoidance Rule which may impact tax benefits available under tax treaties with India. It is not clear whether, if either or both of these proposals are enacted, there would be a charge to Indian taxation on either the Company or its Sub-Fund(s) or investors if the relevant Sub-Fund(s) is/are invested in Indian securities. Certain proposals may have a retrospective effect, which could result in a shareholder suffering a loss as a result of the relevant Sub-Fund(s) investments in Indian securities which pre-date that Shareholder's investment in the relevant Sub-Fund(s). They may also result in a decline in the relevant Sub-Fund(s) Net Asset Value. Where the Company invests in Indian securities there can be no assurance that any tax benefits will be available under a tax treaty or that tax laws will result in a particular outcome. The Company is not liable for any loss which may arise for a shareholder as a result of any change in the applicable tax laws. Investors should seek their own tax advice in this regard.

### ***Bearer Securities***

Certain securities in which the Sub-Funds may invest may be issued in bearer form. A bearer security is a negotiable instrument, akin to cash, which evidences a payment obligation to be met, on presentation. In addition to the general risks associated with investing in any security, investment in bearer securities involves two additional principal risks related to their delivery for settlement, being, the risk of theft/loss during transport, and the risk of forgery.

### ***Currency Risk***

Assets of a Sub-Fund may be denominated in a currency other than the Base Currency of the Sub-Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Sub-Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

Sub-Funds may from time to time enter into currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Sub-Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Performance of a Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Sub-Fund may not correspond with the securities positions held.

A Sub-Fund may enter into currency exchange transactions to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Sub-Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations.

### ***Share Currency Designation Risk***

A Class of Shares in a Sub-Fund may be designated in a currency other than the Base Currency of the Sub-Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Investment Manager may try, but is not obliged, to mitigate this risk by using financial instruments such as those described under the heading "Currency Risk". Any such hedging will endeavour to hedge no less than 95 per cent. of the portion of the net assets of the relevant Class of Shares which is to be hedged against currency risk. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105 per cent. of the net assets of the relevant Class of Shares. Hedged positions will be kept under review on an ongoing basis, at least at the same

valuation frequency of the Sub-Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above. Such review will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that any such position stays within the permitted position levels disclosed above and is not carried forward from month to month. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Sub-Fund are denominated. In such circumstances, Shareholders of the relevant Class of Shares of the Sub-Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Sub-Fund. Given that there is no segregation of liability between Classes of Shares, there is a risk that, under certain circumstances, currency hedging transactions in relation to Classes of Shares which have "hedged" in their name could result in liabilities which might affect the Net Asset Value of other Classes of Shares of the relevant Sub-Fund.

### ***Investing in Fixed Income Securities***

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world's largest markets, such as the United States. Accordingly, a Sub-Fund's investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

### ***Risk of downgrading of securities which were investment grade at the time of acquisition***

Insofar as the Company invests in debt securities, Shareholders should note that securities which were investment grade at the time of acquisition may be downgraded. In the event that a security acquired by a Sub-Fund is downgraded and therefore ceases to be of the quality that is required for securities purchased by the Sub-Fund, the Investment Manager shall seek to sell the security, taking due account of the interests of Shareholders of the Sub-Fund. The risk of securities, which are investment grade at the time of acquisition, being downgraded will vary over time. The Investment Manager will assess each situation on its merits but does not expect that a majority of any such securities held by the relevant Sub-Fund would be downgraded in this manner, except



in extreme market conditions. Under normal market conditions, the Investment Manager does not expect such downgrading to occur frequently as, in general, the Investment Manager will endeavor to avoid the purchase of securities that may follow a downward migration path.

### ***Changes in Interest Rates***

The value of Shares may be affected by substantial adverse movements in interest rates.

### ***Amortised Cost Method***

Certain Sub-Funds may value money market instruments at amortised cost. Investors' attention is drawn to the section of the Prospectus entitled "Net Asset Value and Valuation of Assets" for further information.

In periods of declining short-term interest rates, the inflow of net new money to such Sub-Funds from the continuous issue of Shares will likely be invested in portfolio instruments producing lower yields than the balance of such Sub-Fund's portfolio, thereby reducing the current yield of the Sub-Fund. In periods of rising interest rates, the opposite can be true.

### ***Fund Assets Held in Cash Accounts***

The Company may establish, maintain and operate one or more cash accounts in respect of each Sub-Fund through which subscriptions, redemptions and other cash flows to and from investors can be managed or facilitated in accordance with requirements of the Central Bank.

In circumstances where subscription monies are received from an investor in advance of a Subscription Day in respect of which an application for Shares has been, or expected to be, received and are held in a cash account, any such investor shall rank as a general creditor of the relevant Sub-Fund until such time as Shares are issued as of the relevant Subscription Day. Therefore in the event that such monies are lost prior to the issue of Shares as of the relevant Subscription Day to the relevant investor, the Company on behalf of the Sub-Fund may be obliged to make good any losses which the Sub-Fund incurs in connection with the loss of such monies to the investor (in its capacity as an unsecured creditor of the relevant Sub-Fund) in which case such loss will need to be discharged out of the assets of the relevant Sub-Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Sub-Fund.

Similarly in circumstances where redemption monies are payable to an investor subsequent to a Subscription Day of a Sub-Fund as of which Shares of that investor were redeemed or dividend monies are payable to an investor and such redemption / dividend monies are held in a cash account, any such investor /Shareholder shall rank as an unsecured creditor of the relevant Sub-Fund until such time as such redemption/ dividend monies are paid to the investor/ Shareholder. Therefore in the event that such monies are lost prior to payment to the relevant investor/ Shareholder, the Company on behalf of the Sub-Fund may be obliged to make good any losses

which the Sub-Fund incurs in connection with the loss of such monies to the investor/ Shareholder (in its capacity as a general creditor of the Sub-Fund), in which case such loss will need to be discharged out of the assets of the relevant Sub-Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Sub-Fund.

The Directors have power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation. Where an investor fails to pay subscription proceeds within the relevant settlement period the Company may charge the applicant for any expense incurred by it or the Sub-Fund or for any loss to the Sub-Fund arising out of such non-receipt or non-clearance. In circumstances where an investor fails to pay subscription proceeds within the relevant settlement period, there is a risk that the Company may not be able to recover such costs from such investor and such loss and any relevant credit charges may have to be discharged out of the assets of the relevant Sub-Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Sub-Fund.

### ***Derivatives and Securities Financing Transactions and Techniques and Instruments Risk***

#### **General**

The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Sub-Fund's securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption.

Securities Financing Transactions create several risks for the Company and its investors, including counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Sub-Fund and liquidity risk if the Sub-Fund is unable to liquidate collateral provided to it to cover a counterparty default.

#### ***Securities Lending Risk***

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will generally be maintained to equal or exceed the value of the securities transferred. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In the event of the bankruptcy or similar proceedings of the borrower to the securities lending transaction or its failure to return the securities as agreed, the Sub-Fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending agreement. There is a further risk, in such circumstances of default by the borrower, that the Sub-Fund will lose the opportunity to sell the securities at a desirable price. In addition, as a Sub-Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, it will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

The Company's ability to exercise voting rights on behalf of certain investments of the Sub-Fund may be impacted because of such transactions, although investors should note that loans may be terminated and securities recalled, in order to exercise associated voting rights where this has been determined to be material to the interests of the relevant Sub-Fund and its Shareholders.

### ***Repurchase Agreements***

A Sub-Fund may enter into repurchase arrangements. Accordingly, the Sub-Fund will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Sub-Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Sub-Fund seeks to assert its right to them. The risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

Reverse repurchase agreements and similar transactions involve the risk that the market value of the securities purchased by a Sub-Fund with the cash proceeds received may decline below the price of the securities which such Sub-Fund sold but is obligated to repurchase under the agreement. In the event the buyer of securities under a reverse repurchase agreement or similar transaction files for bankruptcy or becomes insolvent, a Sub-Fund's use of the proceeds from the sale of its securities may be restricted pending a determination by the other party or its trustee or receiver whether to enforce such Sub-Fund's obligation to repurchase the securities. A Sub-Fund's use of reverse repurchase agreements also subjects such Sub-Fund to interest costs based on the difference between the sale and repurchase price of a security involved in such a transaction.

### **Liquidity Risk**

Not all securities or instruments invested in by the Sub-Funds will be listed or rated and consequently liquidity may be low.

Liquidity risk exists when particular investments are difficult to purchase or sell. Also, some of the markets in which a Sub-Fund invests may be less liquid and more volatile than the world's leading stock markets and this may result in the fluctuation in the price of the securities.

A Sub-Fund's investments in illiquid securities may reduce the returns of the Sub-Fund because it may be unable to sell the illiquid securities at an advantageous time or price which could prevent the Sub-Fund from taking advantage of other investment opportunities. Sub-Funds with principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

Additionally, the market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer. In such cases, a Sub-Fund, due to limitations on investments in illiquid securities and the difficulty in purchasing and selling such securities or instruments, may be unable to achieve its desired level of exposure to a certain sector. To the extent that a Sub-Fund's principal investment strategies involve securities of companies with smaller market capitalisations, foreign securities, illiquid sectors of fixed income securities, or securities with substantial market and/or credit risk, the Sub-Fund will tend to have the greatest exposure to liquidity risk. Further, fixed income securities with longer durations until maturity face heightened levels of liquidity risk as compared to fixed income securities with shorter durations until maturity. Finally, liquidity risk also refers to the risk of unusually high redemption requests or other unusual market conditions that may make it difficult for a Sub-Fund to fully honour redemption requests within the allowable time period. Meeting such redemption requests could require a Sub-Fund to sell securities at reduced prices or under unfavourable conditions. As a result, the Sub-Fund may suffer losses and the Net Asset Value of the Sub-Fund may be adversely affected. It may also be the case that other market participants may be attempting to liquidate fixed income holdings at the same time as a Sub-Fund, causing increased supply in the market and contributing to liquidity risk and downward pricing pressure.

It is possible that a Sub-Fund may not be able to satisfy all redemption requests received, or the Company may determine that the accession of such requests may not be in the best interests of Shareholders as a whole because of securities lending activity. Please refer to the sections of the Prospectus entitled “***Deferral of redemptions***” and “***Suspension of Dealing***” for further detail.

### **Liquidity of Futures Contracts**

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future

can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Sub-Fund from liquidating unfavourable positions.

### ***Leverage risk***

Certain derivatives that the Sub-Funds may use may create leverage. Derivative instruments that involve leverage can result in losses to the Sub-Funds that exceed the amount originally invested in the derivative instruments.

### **Forward Trading**

Forward 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. 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. Market illiquidity or disruption could result in major losses to a Sub-Fund.

### ***Correlation Risk***

The prices of financial derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of exchange traded financial derivative instruments may also be subject to changes in price due to supply and demand factors.

### ***Legal Risk***

The use of OTC derivatives, and Securities Financing Transactions will expose the Sub-Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

### ***Foreign Exchange Transactions***

Where a Sub-Fund utilises derivatives which alter the currency exposure characteristics of transferable securities held by the Sub-Fund, the performance of the Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Fund may not correspond with the securities positions held.

### ***OTC Markets Risk***

Where any Sub-Fund acquires securities on OTC markets, there is no guarantee that the Sub-

Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

### ***Counterparty Risk***

Each Sub-Fund will have credit exposure to counterparties by virtue of positions in swaps, repurchase transactions, forward exchange rate, Securities Financing Transactions and other financial or derivative contracts held by the Sub-Fund. To the extent that a counterparty defaults on its obligations and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

The Sub-Funds will also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular, in relation to debt securities such as bonds, notes and similar debt obligations or instruments.

Conflicts of interest may arise as a result of a Sub-Fund's trading with counterparties. Where any conflict of interest arises the Investment Manager will seek to resolve such conflicts fairly. The particular risks of trading with counterparties are set out below under the heading "Legal and Operational Risks Linked to Management Collateral."

### **Legal and Operational Risks Linked to Management Collateral**

OTC derivatives are generally entered into pursuant to contracts based on the standards set by the International Securities Dealers Association for derivatives master agreements which are negotiated by the parties. The use of such contracts may expose a Sub-Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

The use of OTC derivatives and the management of collateral received are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank, a Sub-Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested

### ***Absence of Regulation; Counterparty Default***

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on Exchanges. In addition, many of the protections afforded to participants on some Exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. OTC options are not regulated. OTC options are non-exchange traded option agreements, which are

specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than an Exchange and, accordingly, the bankruptcy or default of a counterparty with which the Sub-Fund trades OTC options could result in substantial losses to the Sub-Fund. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Sub-Fund's investment restrictions. Regardless of the measures the Sub-Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Sub-Fund will not sustain losses on the transactions as a result. Transactions will only be entered into with counterparties that meet the requirements of the Central Bank UCITS Regulations.

#### ***Necessity for Counterparty Trading Relationships***

Participants in the OTC currency market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Company believes that the Company will be able to establish the necessary counterparty business relationships to permit a Sub-Fund to effect transactions in the OTC currency market and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit a Sub-Fund's activities and could require a Sub-Fund to conduct a more substantial portion of such activities in other Exchanges. Moreover, the counterparties with which a Sub-Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to a Sub-Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

#### ***Futures and Options Trading is Speculative and Volatile***

Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which the Sub-Fund intends to trade. Certain of the instruments in which the Sub-Fund may invest are interest and foreign exchange rate sensitive, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The Sub-Fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates, and to utilise appropriate strategies to maximise returns to the Sub-Fund, while attempting to minimise the associated risks to its

investment capital. Variance in the degree of volatility of the market from the Sub-Fund's expectations may produce significant losses to the Sub-Fund.

### ***Cyber Security Risk***

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from 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, corrupting data or causing operational disruption. Cyber-attacks also may 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 Directors, the Company, the Manager, the Investment Manager, any sub-investment managers or advisors, the Administrator or the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the Company's ability to calculate its Net Asset Value; impediments to trading for a Sub-Fund's portfolio; the inability of Shareholders to transact business with the Company; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; 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 Sub-Fund invests, counterparties with which a Sub-Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, 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 systems or business continuity plans, including the possibility that certain risks have not been identified.

### ***Start-up Period***

A Sub-Fund may experience certain risks and costs associated with its start-up period. Investment may commence at an inappropriate time and funds initially available for investment may be limited, resulting in concentrated investment strategies. Additional costs may be incurred in moving to a fully invested position and these may be exaggerated by increases in the asset value after the issue of further Shares.

### ***Risk Factors Not Exhaustive***

The investment risks set out in this Prospectus do not purport to be exhaustive and potential investors should be aware that an investment in any Sub-Fund may be exposed to risks of an exceptional nature from time to time.



### ***Sub-Fund Specific Risks***

Please review the particular Sub-Fund Supplement for specific risks associated with each particular Sub-Fund.

### ***Collateral Risk***

Collateral or margin may be passed by a Fund to a counterparty or broker in respect of OTC derivative transactions or Securities Financing Transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become unavailable to the creditors of such brokers in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty or broker by way of title transfer, the collateral may be re-used by such counterparty or broker for their own purpose, thus exposing the Fund to additional risk.

Risks related to a counterparty's right of re-use of any collateral include that, upon the exercise of such right of re-use, such assets will no longer belong to the relevant Fund and the Sub-Fund will only have a contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty the Sub-Fund shall rank as an unsecured creditor and may not recover its assets from the counterparty. More broadly, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the Sub-Fund or its delegates will not have any visibility or control.

## 2. MANAGEMENT AND ADMINISTRATION

The Central Bank UCITS Regulations refer to the responsible person, being the party responsible for compliance with the relevant requirements of the Central Bank UCITS Regulations on behalf of a particular Irish authorised UCITS. The Manager assumes the role of responsible person for the Company. The Directors have delegated the day to day management of the Company in accordance with policies approved by the Directors to the Manager and has appointed the Depositary as Depositary of the Company. The Manager has delegated certain of its duties to the Investment Manager, the Administrator and the Distributor.

### **Directors**

The Directors of the Company all of whom are non-executive directors of the Company are described below:-

#### **Naomi Daly**

Naomi Daly has over 24 years of experience in asset management, including prime brokerage, hedge fund consulting, distribution, managed account platforms and governance. Naomi serves as a Chair and independent non-executive Director to Irish regulated entities, having previously been CEO, executive director and head of business development at MPMF Fund Management. Prior to MPMF, she spent a decade at Goldman Sachs in London as an Executive Director. Naomi started as a business analyst at AIB.

#### **Claire Cawley**

Ms. Cawley, FCA, is an independent director with over 15 years' experience in the asset management and investment funds industry, having held senior executive and board positions in UBS, Mercer and KB Associates. Ms. Cawley currently serves on the board of a range of investment funds, investment management companies and fund service providers. Her previous executive roles entailed coverage of a wide range of investment management, structuring, governance, business development and regulatory responsibilities. Her most recent executive role included responsibility for the development and management of the global UBS Asset Management Alternative product shelf including representation of UBS on investment fund boards. Prior to her position at UBS, Ms. Cawley held positions at Mercer Global Investments and at KB Associates, a consulting firm which specialised in providing services to the investment management sector. Ms. Cawley trained as a Chartered Accountant in the financial services assurance division of KPMG in Dublin. Ms. Cawley has a Bachelor of Arts (Economics & Finance) from University of Dublin, Trinity College and she is a fellow of the Institute of Chartered Accountants in Ireland.

**Julie Broadbent** Julie Broadbent serves as the Head of Platform Management for Alternative Products in UBS, based in London. With 23 years of industry experience, Ms. Broadbent joined

UBS in 2006. There Ms. Broadbent held roles in Operations and Investments before joining the newly established Business Risk Management team. Her areas of expertise include the design and implementation of operational risk and compliance frameworks across the asset management business. In addition to this, Ms. Broadbent held a cross divisional role as the European Head of Business Continuity Management and Crisis Management. Ms. Broadbent left UBS in 2022 to join Credit Suisse Asset Management as the global Head of Business Risk Management where her responsibilities included extensive strategic regulatory remediation and risk management oversight. In 2023, Ms. Broadbent returned to UBS to work in Alternatives Products. Ms. Broadbent has previously served as a board member on the UBS Asset Management Funds Limited and Securities Industry Business Continuity Management Group boards.

### **Thomas Stokes**

Mr. Stokes is a non-executive director with twenty three years' experience in the financial services industry where he held senior positions (as a Managing Director) in the investment bank, wealth management and asset management divisions of UBS AG. He has served as director to a number of Irish authorised fund structures and an Irish UCITS management company. Prior to his position at UBS, Mr. Stokes worked for West Merchant Bank. His previous executive roles at UBS Investment bank include leading the global structured funds business (while in Dublin) and trading on the alternative investment strategies structured products desk (while in London). At UBS Wealth Management, he worked within the Investment, Product and Services (IPS) area in Zurich, leading teams for the advisory business globally. At UBS Asset Management in Zurich, he established and led a white-label financial technology offering called UBS Partner developed for third party Banks. Mr. Stokes holds a BSc Finance from University College Cork and is a passed finalist of Chartered Institute of Management Accountants (CIMA).

### **The Manager**

The Company has appointed UBS Fund Management (Ireland) Limited (the "**Manager**") to act as manager to the Company and each Sub-Fund with power to delegate one or more of its functions subject to the overall supervision and control of the Company. The Manager is a private limited company. It was incorporated in Ireland on 1 December 2005 and is a wholly owned subsidiary of UBS AG. The authorised share capital of the Manager is €10,000,000. The Manager currently acts as manager or alternative investment fund manager to four other collective investment schemes. The Manager is authorised and regulated by the Central Bank. Naomi Daly is also a Director of the Manager.

### **Directors**

Naomi Daly is also a Director of the Manager. The remaining directors of the Manager are described below:

**Ian Fitzpatrick** is an Executive Director with UBS Asset Management, based in Dublin, and is

the CEO of UBS Fund Management (Ireland) Limited. Prior to this he managed a team of global product managers that covered the hedge fund & private market products on the UBS Asset Management alternative product shelf. He has also worked with UBS Wealth Management in Dublin and UBS Investment Bank in Sydney, Australia. Mr Fitzpatrick trained as a Chartered Accountant in the audit and advisory division of Deloitte, Dublin. He holds a Bachelor of Accounting & Finance and a Master of Accounting, both from Dublin City University, and completed the Chartered Tax Adviser qualification with the Irish Tax Institute.

**Deirdre 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 organizations. 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 is 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 Deirdre spent 12 years with Pioneer Investment Limited (now Amundi Ireland Limited) as Head of Product and Marketing Services. Prior to joining Pioneer Deirdre held various senior management posts with JPMorgan both in Dublin and New York covering a range of operational and client relationship roles. Deirdre has a Bachelor of Science degree in Finance from Marist College in Poughkeepsie, New York.

**Hannah Vinci** is Head of Platform Solutions and Credit Structuring in EMEA at UBS, with responsibility for identifying and delivering credit based and other investment solutions for a wide variety of institutional clients, including banks, asset managers, insurance companies and pension funds, family offices and private wealth organisations. Ms. Vinci joined UBS in September 2014 and has over 19 years' experience obtained between working in the legal and financial services industries. Prior to joining UBS, Ms. Vinci worked at Bank of America Merrill Lynch in the Credit Trading and Correlation Trading/Structuring businesses, and previous to that, she qualified as a solicitor into the Derivatives & Structured Finance department at Allen & Overy LLP. Ms. Vinci holds a BA in Philosophy from Birmingham University, and a Postgraduate Diploma in Law from College of Law, London. She completed her Legal Practice Course at Oxford Law School.

**Tom Payne** is a Managing Director at UBS AG and EMEA Head of Global Markets Structuring with responsibility for developing and structuring products linked to FX, Rates, Credit, Equities, Commodities and Funds, including UCITS funds managed by the Manager, for a wide variety of institutional clients. Mr. Payne joined UBS AG in October 2005 and has over 19 years' experience in the financial services industry. Prior to joining UBS AG, Mr. Payne worked at Goldman Sachs International in the Fixed Income, Currencies and Commodities Structuring division. Mr. Payne holds a Master of Engineering (Honours) in Engineering, Economics and Management from the University of Oxford.

**Valérie Bernard** is conducting officer and deputy CEO of UBS Asset Management (Europe) S.A, a UBS management company domiciled in Luxembourg, managing UBS investment funds and white labelling business. She has joint responsibility for setting the firm's strategic direction, as well as leading day to day management and governance of the business. Ms Bernard joined UBS in January 1997 and has over 31 years' experience in the financial services industry. Before joining UBS Asset Management (Europe) S.A, in June 2013, Ms Bernard had management responsibilities within UBS Fund Services Luxembourg where she acted as Product Control Head and subsequently as Head NAV Administration. Prior to joining UBS, Ms Bernard began her professional career as an external auditor at Deloitte Luxembourg. Mrs Bernard holds a Master in Business Administration from the University of Liege (B) and a post-graduate diploma in European business from the Northampton University.

The secretary of the Manager is Dechert Secretarial Limited.

### **Investment Manager**

Details of the relevant Investment Manager relating to each Sub-Fund are set out in the relevant Supplement.

The relevant Investment Manager may delegate part or all of the discretionary investment management of certain Sub-Funds to a Sub-Investment Manager, which may be an affiliate or another entity within the UBS Asset Management Switzerland AG group of companies. Details of any Sub-Investment Managers so appointed will be available upon request and will be provided in the Company's periodic reports. Any reference to the activities of the "Investment Manager" in this Prospectus may therefore refer to the Investment Manager or to such Sub-Investment Manager as the context allows.

### **Administrator**

The Manager has appointed MUFG Alternative Fund Services (Ireland) Limited as the Administrator pursuant to the Administration Agreement. The Administrator's registered office is Ormonde House, 12 – 13 Lower Leeson Street, Dublin 2, Ireland. The Administrator is a wholly-owned subsidiary of Mitsubishi UFJ Fund Services Holdings Limited and was incorporated on 30 March 2004 with issued share capital of €1,300,000. The Administrator is authorised under the Investment Intermediaries Act 1995 and is subject to the supervision of the Central Bank in Ireland. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes and investment funds.

The Administrator is a service provider of the Company and, as such, bears no responsibility for the content of this Prospectus, the investments of the Company, the performance of the Company nor any matter other than as specified in the Administration Agreement. The Directors, the Manager and the Investment Manager, and not the Administrator, are responsible for determining

that the Shares are marketed and sold in compliance with all applicable securities and other laws. The Administrator will not be responsible for ensuring that the investment transactions comply with the investment objectives and policies of the Company as set forth in this Prospectus. Additionally, the Directors and the Manager and not the Administrator are responsible for monitoring of the Company's investment restrictions.

## **Depository**

The Company has appointed J.P. Morgan SE – Dublin Branch as depository of all of its assets pursuant to the Depositary Agreement.

The Depository is a limited liability company incorporated in Ireland on 30 November 1926, under registration number 7566 and has issued and paid up share capital of US\$ 56,500,000 and €30,000. The Depository is an Irish banking company licensed by the Central Bank. Its banking practice includes the provision of securities administration, corporate finance and agency treasury management. As of 31 December 2015, the Depository had in excess of US\$335 billion of assets under custody. The ultimate parent company of the Depository is J.P. Morgan Chase & Co.

### *Duties of the Depository*

The duty of the Depository is to provide safekeeping, oversight and asset verification services in respect of the assets of the Company and each Sub-Fund in accordance with the provisions of the UCITS Regulations. The Depository will also provide cash monitoring services in respect of each Sub-Fund's cash flows and subscriptions.

The Depository will be obliged, inter alia, to ensure that the sale, issue, repurchase and cancellation of Shares in the Company is carried out in accordance with the UCITS Regulations and the Articles of Association. The Depository will carry out the instructions of the Company, unless they conflict with the UCITS Regulations or the Articles of Association. The Depository is also obliged to enquire into the conduct of the Company in each financial year and report thereon to the Shareholders.

### *Depository Liability*

Pursuant to the Depositary Agreement, the Depository will be liable for loss of financial instruments held in custody (i.e. those assets which are required to be held in custody pursuant to the UCITS Regulations) or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depository shall also be liable for all other losses suffered as a result of the Depository's negligent or intentional failure to properly fulfil its obligations under the UCITS Regulations.

### *Delegation*

Under the Depositary Agreement, the Depositary has power to delegate the whole or any part of its safekeeping duties, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

The current list of sub-custodians and other delegates used by the Depositary and sub-delegates that may arise from any delegation is available at Appendix IV, and the latest version of such list may be obtained by investors from the Company upon request.

#### *Conflicts of Interest*

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping, fund administration or related services. Within a multi-service banking group such as JPMorgan Chase Group, from time to time conflicts may arise (i) from the delegation by the Depositary to its safekeeping delegates or (ii) generally between the interests of the Depositary and those of the Company, its investors, the Manager or the Investment Manager; for example, where an affiliate of the Depositary is providing a product or service to a fund and has a financial or business interest in such product or service or receives remuneration for other related products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation, fund administration, fund accounting or transfer agency services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including Article 25 of the UCITS V Directive

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 on request.

#### **Distributor**

The Manager has appointed UBS Asset Management Switzerland AG (the "**Distributor**") to act as distributor of the Shares of each Sub-Fund pursuant to the Distribution Agreement. The Distribution Agreement permits the Distributor to appoint sub-distributors for the distribution of Shares in different countries in accordance with local regulations governing the sale of shares in investment funds. The Distributor will be responsible for any fee payable to any such sub-distributors.

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

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/correspondent banks ("**Paying Agents**") and maintenance of accounts by such Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or

redemption monies or dividends via an intermediate entity rather than directly to the Depositary (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary for the account of the Company or the relevant Sub-Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder. Fees and expenses of Paying Agents, which will be at normal commercial rates, will be borne by the Company or the Sub-Fund in respect of which a Paying Agent has been appointed. Country Supplements dealing with matters pertaining to Shareholders in jurisdictions in which Paying Agents are appointed may be prepared for circulation to such Shareholders.

### **Conflicts of Interest**

The Company, the Manager, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the "**Parties**") are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest. In particular, the Investment Manager may be involved in advising or managing, and the Manager may be involved in managing, other investment funds which have similar or overlapping investment objectives to or with the Company.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly.

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

- (a) the value of the transaction is certified by either (i) a person approved by the Depositary as being independent and competent; or (ii) a person approved by the Company as being independent and competent in the case of transactions involving the Depositary;
- (b) execution is on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (c) where the conditions set out in (a) and (b) above are not practical, the Depositary is



satisfied that the relevant transaction is conducted at arm's length and is in the best interests of Shareholders (or in the case of a transaction involving the Depositary, the Company are) satisfied that the transaction is at arm's length and in the best interests of Shareholders.

The Depositary (or the Company in the case of transactions involving the Depositary) must document how it has complied with the provisions of paragraph (a), (b) or (c) above. Where transactions are conducted in accordance with (c) above, the Depositary (or the Company in the case of transactions involving the Depositary) must document their rationale for being satisfied that the transaction conformed to the principles outlined above.

The Investment Manager or an associated company of the Investment Manager may invest in Shares so that one or more Sub-Funds or a Class may have a viable minimum size or is able to operate more efficiently. In such circumstances the Investment Manager or its associated company may hold a high proportion of the Shares in a Sub-Fund or a Class in issue.

Details of interests of the Directors are set out in the Section of the Prospectus entitled "Statutory and General Information".

#### **Dealing arrangements: commissions**

The Investment Manager may make use of arrangements to enable it to obtain execution and research services which are beneficial to the Sub-Funds, both from counterparties and third parties. All transactions undertaken and the services provided under these arrangements in respect of the Sub-Funds will be subject to FCA rules and to the fundamental rule of providing best execution to the Sub-Funds, being the best price available in the market, exclusive of any charges, but taking into account any exceptional circumstances such as counterparty risk, order size or client instructions. The benefits provided under any such arrangements must be those which assist in the provision of investment services to the Sub-Funds. Details of any such arrangements, if any, and a copy of the Investment Manager's policy on dealing arrangements and the commissions allocated separately to execution and research services will be made available on request. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive.

### **3. FEES AND EXPENSES**

#### **Establishment Expenses**

All fees and expenses relating to the establishment and organisation of the Company including the fees of the Company's professional advisers will be borne by the Company. Such fees and expenses amounted to approximately €50,000 and were amortised over the first Accounting Period of the Company.

The fees and expenses relating to the establishment of a Sub-Fund shall be borne by the relevant Sub-Fund (unless set out otherwise in the relevant supplement for that Sub-Fund) and may also be amortised over the first Accounting Period or such other period as the Directors and/or the Manager may determine and in such manner as the Directors and/or the Manager in their absolute discretion deem fair. Furthermore, each Sub-Fund shall bear the fees and expenses relating to its registration for sale in various markets and its attributable portion of the fees and operating expenses of the Company.

#### **Operating Expenses and Fees**

The Company or the Manager will pay on behalf of the Company, out of the assets of the Company/relevant Sub-Fund, all the operating expenses and the fees hereinafter described as being payable by the Company. Expenses throughout the duration of the Company, in addition to fees and expenses payable to the Manager, the Administrator, the Depositary, the Investment Manager, and any Paying Agent appointed by or on behalf of the Company include but are not limited to brokerage and banking commissions and charges, tax agents in local markets, legal and other professional advisory fees, company secretarial fees, Companies Registration Office filings and statutory fees, regulatory fees including the fees of the Central Bank, auditing fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the Company costs of preparation, translation, printing and distribution of reports and notices, all marketing material and advertisements (unless otherwise stated in the relevant Supplement) and periodic updates of the Prospectus, stock exchange listing fees, all expenses in connection with registration, listing and distribution of the Company and Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Sub-Fund or Classes or Shares, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, facsimile and telex expenses, the costs and expenses associated with the termination and liquidation of the Company and any other expenses in each case together with any applicable value added tax. Any such expenses may be deferred and amortised by the Company, in accordance with standard accounting practice, at the discretion of the Directors and/or the Manager. While this is not in accordance with Accounting Standards issued by the Accounting Standards Board, and may result in the audit opinion on the annual report being qualified in this regard, the Directors and/or the Manager believe that such amortisation would be fair and equitable to investors. An estimated accrual for operating expenses of the Company will be provided for in the calculation of the Net Asset Value of each

Sub-Fund. Operating expenses and the fees and expenses of service providers which are payable by the Company shall be borne by all Sub-Funds in proportion to the Net Asset Value of the relevant Sub-Fund or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Sub-Fund or Class shall be borne solely by the relevant Sub-Fund or Class. To the extent that any Sub-Fund invests in other collective investment schemes, such Sub-Fund shall bear all fees payable in respect of such investments including, without limitation, subscription, redemption, management, performance, distribution, administration and/or custody fees. Management fees payable by collective investment schemes in which any Sub-Fund invests are not expected to exceed 2% of such collective investment schemes' net asset value and performance fees, if payable by such schemes, are not expected to exceed 20% of net trading profits over any given performance period.

The Directors and/or the Manager may determine that in respect of any particular Sub-Fund, the aggregate administrative fees and expenses relating to the management and administration costs of the Sub-Fund, being, generally, the fees of the Manager, the Depositary and the Administrator together with auditors' fees, legal fees, registration fees and Directors' fees ("**Administrative Costs**") charged to such Sub-Fund shall not exceed a particular percentage of the Net Asset Value of the Sub-Fund over a particular period of time. Costs associated with acquisition or disposal of any of the Sub-Fund's assets do not form part of the Administrative Costs. The Directors and/or the Manager may also determine that in respect of any particular Sub-Fund, the aggregate fees of the Investment Manager together with the Administrative Costs shall not exceed a particular percentage of the Net Asset Value of the Sub-Fund over a particular period of time. Details of any such arrangements shall be set out in the relevant Supplement.

### **Management Fees and Expenses**

The Manager shall be entitled to receive from each Sub-Fund or Class such fee as may be specified in the relevant Supplement. The Manager may be paid different fees for management in respect of individual Classes as disclosed in the relevant Supplement which may be higher or lower than the fees applicable to other Classes. Information in relation to the fees applicable to other Classes shall be made available on request.

The Directors and/or the Manager may differentiate between the Shareholders by waiving or reducing the annual management fees charged to certain Shareholders.

The Manager shall also be entitled to reimbursement by the relevant Sub-Fund of all reasonable out-of-pocket expenses incurred by it in the performance of their respective obligations. The relevant Sub-Fund shall bear the cost of any value added tax applicable to any fees or other amounts payable to or by the Manager in the performance of its duties.

### **Investment Management Fees and Expenses**

The Investment Manager shall be entitled to receive from each Sub-Fund or Class such fee as may be specified in the relevant Supplement. The Investment Manager may be paid different fees for investment management in respect of individual Classes as disclosed in the relevant

Supplement which may be higher or lower than the fees applicable to other Classes. Information in relation to the fees applicable to other Classes shall be made available on request.

The Directors and/or the Manager may differentiate between the Shareholders by waiving or reducing the annual investment management fees charged to certain Shareholders.

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

### **Rebates**

The Manager or its agents may pay rebates directly to investors for each individual Sub-Fund. Rebates serve to reduce the cost attributable to investors concerned.

Rebates are permitted provided that they:

- are paid out of fees of the Manager or its agents and thus do not additionally impair the assets of the relevant Sub-Fund;
- are granted on the basis of objective criteria;
- are granted to the same extent to all investors who meet the objective criteria equally and demand rebates; and
- increase the quality of the service for which the rebate is granted (e.g. by contributing to higher assets of the sub-fund that can lead to a more efficient management of the assets and a reduced liquidation probability of the relevant Sub-Fund and / or a reduction of the fixed costs pro rate for all investors) and all investors bear their fair share of the relevant Sub-Fund's fees and costs.

The objective criterion for granting rebates is:

- the total assets held by the investor in the share class of the sub-fund that qualifies for rebates;

Additional criteria may

- the total assets in UBS collective investment schemes held by the investor and / or
- the region where the investor is domiciled.

Upon request of the investor, the Manager or its agents shall disclose the corresponding amount of the rebates free of charge.

### **Other Fees**

The Investment Manager shall be responsible for discharging, from the investment management fees payable to it, the fees of any sub-investment manager, provided that the Investment Manager

and any such provider of services shall be entitled to reimbursement by the relevant Sub-Fund of all reasonable out-of-pocket expenses incurred by it in the performance of their respective obligations. The relevant Sub-Fund shall bear the cost of any value added tax applicable to any fees or other amounts payable to or by the Investment Manager in the performance of its duties. The fees of the Distributor shall be paid out of the investment management fee payable to the Investment Manager and will be at normal commercial rates. In this regard, the fees of the Distributor shall be paid directly from the assets of the relevant Sub-Fund and the investment management fee payable to the Investment Manager shall be reduced accordingly.

## **Administrator's Fees**

### *Administration Fee*

The Company and/or the Manager, on behalf of the Company, shall pay to the Administrator out of the assets of the Company an annual fee, accrued at each Valuation Point and payable quarterly in arrears at a rate which shall not exceed 0.075% per annum of the Net Asset Value of each Sub-Fund (before calculation of the Investment Manager's investment management fee or the Administration Fee) subject to a minimum annual fee of €60,000 (plus VAT, if any thereon) per Sub-Fund and to a fee of €3,000 plus VAT, if any, in respect of the preparation by the Administrator of each set of financial statements required to be prepared in respect of the Company.

The Administrator shall also be entitled to be repaid out of the assets of the Company all of such government or similar fees (including but not limited to filing fees and annual return fees to the extent payable by the Administrator), charges, taxes, duties and imposts whatsoever levied on or in respect of the Company or business of the Company as it may properly pay.

The fees and charges of the Administrator are subject to variation and renegotiation from time to time provided that any increase in the Administrator's fee is subject to prior notification to Shareholders.

## **Depositary's Fees**

The Depositary shall be entitled to receive out of the assets of the Company an annual fee, accrued at each Valuation Point and payable monthly in arrears, which shall not exceed 0.0144% per annum of the Net Asset Value of each Sub-Fund (plus VAT, if any) thereon subject to a minimum fee per Sub-Fund per annum of €10,000 (plus VAT, if any) thereon. The Depositary shall also be entitled to charge each Sub-Fund for custody, transaction settlement, cash payment, proxy voting and cash trade execution services at its customary rates together with VAT, if any, thereon.

The Depositary shall also be entitled to be repaid all of its disbursements out of the assets of each Sub-Fund, including reasonable out-of-pocket or incidental expenses, including, but not limited to, legal fees and tax or related fees incidental to processing by governmental authorities,

issuers, or their agents the fees, and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

The fees and charges of the Depositary are subject to variation and renegotiation from time to time provided that any increase in the Depositary's fee is subject to prior notification to Shareholders.

### **Directors' Fees**

The Articles of Association authorise the Directors to charge a fee for their services at a rate determined by the Directors. The fees of any Director in any Accounting Period shall not in any event exceed €50,000 (plus VAT, if any) without the approval of the Board. Ms. Broadbent currently does not receive a fee. Any increase in Directors' remuneration above that figure will be notified in advance to Shareholders and Shareholders will be given sufficient time to redeem their Shares prior to the implementation of any such increase. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

### **Paying Agents Fees**

Fees and expenses of Paying Agents appointed by the Manager on behalf of the Company or a Sub-Fund which will be at normal commercial rates together with VAT, if any, thereon may be borne by the Company or the Sub-Fund in respect of which a Paying Agent has been appointed.

### **Sales Charge**

Where specified in the relevant Supplement, Shareholders may be subject to a sales charge calculated as a percentage of subscription monies subject to a maximum of 3% of the Net Asset Value per Share purchased by Shareholders.

In certain jurisdictions where a Sub-Fund is registered for sale investors may be subject to local dealing or sales charges. Where such local or jurisdictional specific charges are applicable, investors will be provided with full details of such charges prior to their investment and full details of which will be out in the local jurisdiction offering documentation which will be filed with the relevant local regulatory authority and the Central Bank.

The sales charge may be waived or reduced at the absolute discretion of the Directors and/or the Manager.

### **Conversion Fee**

It is not the current intention of the Directors and/or the Manager to charge a conversion fee, unless set out in the relevant Supplement.

## **Anti-Dilution Measures**

Under certain circumstances and unless otherwise provided in the Supplement relating to a Sub-Fund, the Directors and/or the Manager have the power to adjust the Net Asset Value per Share applicable to the issue price as described below under "Swing Pricing". In any case, the adjustments to the Net Asset Value per Share applicable at any Valuation Point shall be identical for all issues dealt with as of that Business Day.

The Anti-Dilution measures are described below under "Swing Pricing" on page 94 below.

## **Allocation of Fees and Expenses**

All fees, expenses, duties and charges will be charged to the relevant Sub-Fund and within such Sub-Fund to the Classes in respect of which they were incurred. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors and/or the Manager may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions over any period.

## **Remuneration Policy**

The Manager has a remuneration policy in place to ensure compliance with UCITS V. This remuneration policy imposes remuneration rules on staff and senior management within the Company whose activities have a material impact on the risk profile of the Sub-Funds. The Manager will ensure that the Manager's remuneration policies and practices are consistent with sound and effective risk management and will not encourage risk-taking which is inconsistent with the risk profile of the Sub-Fund and the Articles of Association and will be consistent with UCITS V. The Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the Company, the Sub-Funds and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times. Further details with regard to the remuneration policy are available at the following website: [https://www.ubs.com/lu/en/asset\\_management/investor\\_information.html](https://www.ubs.com/lu/en/asset_management/investor_information.html). A paper copy of the remuneration policy may be obtained free of charge on request from the Manager.

## 4. THE SHARES

### General

Shares may be issued on any Subscription Day. Shares issued will be in registered form and denominated in AUD, BRL, CAD, CHF, CZK, EUR, GBP, HKD, JPY, NOK, PLN, RMB, RUB, SEK, SGD and USD. Each Class denominated in a currency other than the Base Currency of the Sub-Fund, is also available in a "hedged" version. Shares will have no par value and will first be issued on the first Business Day after expiry of the Initial Offer Period as specified in the relevant Supplement.

The Classes that the Company may issue are set out below or in the Supplement of the relevant Sub-Fund, with the particular Classes in issue or available for issue in a given Sub-Fund explained in the relevant Supplement. The characteristics of a given Class are indicated by the name of the Class. Each Class has a category designation (e.g., "I-A1"), a Class currency and hedging designation (e.g., "CAD hedged"), a distribution and accumulation policy designation (e.g. "qdist"), as per the following example: (CAD hedged) I-A1–qdist, and a performance fee designation "PF" as per the following example: (CAD hedged) I-A1-PF-qdist. In addition, Classes which are categorised as "Seeding" Classes will have a designation which refers to the category to which they relate as per the following example (CAD hedged) Seeding-PF-qdist-I-A1.

### Available Classes

The characteristics of each category of Class are set out in the table below.

" P "	Shares in classes with "P" in their name are available to all investors. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
" N"	Shares in classes with "N" in their name (shares with restrictions on distribution partners or countries) are issued exclusively through distributors authorised by UBS Asset Management Switzerland AG and domiciled in Spain, Italy, Portugal and Germany, or in other distribution countries insofar as this has been decided by the Company. No entry costs shall be charged for these classes, even if they have additional characteristics.  Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
"K-1"	Shares in classes with "K-1" in their name are available to all investors. Their smallest tradable unit is 0.001. The minimum investment amount is equivalent to the initial issue price of the unit class and is applicable on the level of the clients of financial intermediaries. This minimum investment amount must be met or exceeded with



	every subscription order that is placed. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 5 million, BRL 20 million, CAD 5 million, CHF 5 million, CZK 100 million, EUR 3 million, GBP 2.5 million, HKD 40 million, JPY 500 million, NOK 45 million, PLN 25 million, RMB 35 million, RUB 175 million, SEK 35 million, SGD 5 million or USD 5 million.
"K-B"	Shares in classes with "K-B" in their name are exclusively reserved for investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised distribution partners on investing in one or more sub-funds of this umbrella fund. The costs for asset management are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
"F"	Shares in classes with "F" in their name are exclusively reserved for UBS Group AG affiliates. Please note that there are no distribution costs charged to this class. These shares may only be acquired by UBS Group AG affiliates, either for their own account or as part of discretionary asset management mandates concluded with UBS Group AG companies. In the latter case, the shares will be returned to the Company upon termination of the mandate at the prevailing net asset value and without being subject to charges. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
"Q"	Shares in classes with "Q" in their name are exclusively reserved for financial intermediaries that (i) make investments for their own account, and/or (ii) receive no distribution fees in accordance with regulatory requirements, and/or (iii) can only offer their clients classes with no retrocessions, where these are available in the investment fund in question, in accordance with written agreements or agreements relating to investment fund saving schemes concluded with their clients. Investments that no longer meet the above conditions may be forcibly redeemed at the prevailing net asset value or exchanged for another class of the sub-fund. The Company and the Manager are not liable for any tax consequences that may result from a forcible redemption or exchange. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
"I-A1"	Shares in classes with "I-A1" in their name are exclusively reserved for institutional investors. Please note that there are no distribution costs charged to this class. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.

"I-A2"	<p>Shares in classes with "I-A2" in their name are exclusively reserved for institutional investors. Please note that there are no distribution costs charged to this class. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RUB 3,500, SEK 700, SGD 100 or USD 100. The minimum subscription amount for these shares is CHF 10 million (or foreign currency equivalent). This minimum subscription amount can be waived at the discretion of the Directors or the Manager. Upon subscription:</p> <ul style="list-style-type: none"> <li>(i) a minimum subscription must be made in accordance with the list above; or</li> <li>(ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one its authorised contractual partners) or on the written approval of UBS Asset Management Switzerland AG (or one its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 30 million (or foreign currency equivalent); or</li> <li>(iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.</li> </ul>
"I-A3"	<p>Shares in classes with "I-A3" in their name are exclusively reserved for institutional investors. Please note that there are no distribution costs charged to this class. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RUB 3,500, SEK 700, SGD 100 or USD 100. The minimum subscription amount for these shares is CHF 30 million (or foreign currency equivalent). This minimum subscription amount can be waived at the discretion of the Directors or the Manager. Upon subscription:</p> <ul style="list-style-type: none"> <li>(i) a minimum subscription must be made in accordance with the list above; or</li> <li>(ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one its authorised contractual partners) or on the written approval of UBS Asset Management Switzerland AG (or one its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 100 million (or foreign currency equivalent); or</li> <li>(iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.</li> </ul>
"I-B"	<p>Shares in classes with "I-B" in their name are exclusively reserved for institutional investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised contractual partners. A fee covering the costs for fund administration (comprising the costs of the Company, the administrative agent and the Depositary) is charged directly to the sub-fund. The costs for asset</p>

	management and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.
"U-B"	<p>Shares in classes with "U-B" in their name are exclusively reserved for institutional investors who have signed a written agreement on investing in the Sub-Fund with UBS Asset Management Switzerland AG or one of its authorised counterparties. This class is exclusively geared towards financial products (i.e. fund of funds or other pooled structures in accordance with various legislation). Their smallest tradable unit is 0.001. Unless the Directors or the Manager decide otherwise, the Initial Price of these shares amounts to AUD 10,000, BRL 40,000, CAD 10,000, CHF 10,000, CZK 200,000, EUR 10,000, GBP 10,000, HKD 100,000, JPY 1 million, NOK 90,000, PLN 50,000, RMB 100,000, RUB 350,000, SEK 70,000, SGD 10,000 or USD 10,000.</p> <p>The minimum subscription amount for an inactive hedged version of this Class is EUR 1,000,000 (or the equivalent in the applicable currency), although this will be waived for active Classes or where hedged Classes of the relevant Sub-Fund denominated in the same currency are active or at the discretion of the Directors or the Manager.</p>
"R"	<p>Shares in Classes with "R" in their name are reserved for professionals of the financial sector who invest;</p> <ul style="list-style-type: none"> <li>(a) on their own behalf; or</li> <li>(b) on behalf of clients within a discretionary mandate; or</li> <li>(c) on behalf of collective investment schemes including but not limited to fund of funds, UCITS and Alternative Investment Funds or other financial products</li> </ul> <p>Who meet the following criteria:</p> <p>The professional investor is part of an Italian banking, financial or insurance group; and</p> <ul style="list-style-type: none"> <li>(ii) The product or service provided by the professional of the financial sector is distributed in Italy through Italian entities of the same group; and</li> <li>(iii) UBS Asset Management Switzerland AG has authorised, in writing, said professional to subscribe to the unit class; and</li> <li>(iv) said professional has been duly authorised by the supervisory authority to which he/she is subject to carry out such transactions, and is domiciled in the EEA and/or is operating on behalf of another professional of the financial sector who has been authorised in writing by UBS Asset Management Switzerland AG and is domiciled in the EEA. The smallest tradable unit of these shares is 0.001. Unless the Directors or the Manager decide otherwise, the Initial Price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.</li> </ul> <p>The minimum subscription amount for an inactive hedged version of this Class is EUR 1,000,000 (or the equivalent in the applicable currency), although this will be</p>

	<p>waived for active Classes or where hedged Classes of the relevant Sub-Fund denominated in the same currency are active or at the discretion of the Directors or the Manager.</p>
"J"	<p>Class J Shares are restricted to investors with existing investment management mandates with a UBS Asset Management Switzerland AG group company (a "<b>Mandate</b>") or to proprietary capital of any UBS Asset Management Switzerland AG group company.</p> <p>And which have previously been invested in UBS (Irl) CURRENCY ALLOCATION RETURN STRATEGY a sub-fund of UBS (Irl) Professional Investor Funds 1 plc. In the event that any such investor's Mandate terminates, the Directors have the power under the Articles of Association to compulsorily redeem and/or cancel the affected Shares or to convert the affected Shares into Shares of another Class at their discretion. Their smallest tradable unit is 0.001. Unless the Directors or the Manager decide otherwise, the Initial Price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100.</p> <p>The minimum subscription amount for an inactive hedged version of this Class is EUR 1,000,000 (or the equivalent in the applicable currency), although this will be waived for active Classes or where hedged Classes of the relevant Sub-Fund denominated in the same currency are active or at the discretion of the Directors or the Manager.</p>
"Seeding"	<p>Class Seeding Shares are restricted to investors who subscribe for shares during the Initial Offer Period before the relevant offer end date as will be available from the Administrator upon request. At the end of this period, no further subscriptions are permitted unless the Directors decide otherwise. However, these shares may still be redeemed in accordance with the conditions for the redemption of Shares. Unless the Directors or the Manager decide otherwise, their smallest tradable unit is 0.001, their Initial Price amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100 or USD 100, and their minimum subscription amount is EUR1,000,000 (or the equivalent in the applicable currency) although this may be waived at the discretion of the Directors or the Manager. In addition to their own characteristics, Class Seeding Shares may have the characteristics of any one of the above categories as may be designated in the name of the Class (other than the smallest tradable unit, Initial Price and minimum subscription amount of the Class). For example, (CAD hedged) Seeding-PF-qdist-I-A1 will have its own characteristics in addition to the characteristics of Class I-A1 Shares.</p>
"PF"	<p>Shares in Classes with -PF- in their name are entitled to pay a performance fee.</p>

## Hedged Classes

In addition each Class denominated in a currency other than the Base Currency of the relevant Sub-Fund, is available in a "hedged" version.

"hedged"	<p>For Classes whose reference currencies are different to the Base Currency of the relevant Sub-fund, and which have "hedged" in their name ("<b>share classes in foreign currencies</b>"), the fluctuation risk of the reference currency price for those share classes is hedged against the Base Currency of the relevant Sub-Fund. Any such hedging will endeavour to hedge no less than 95 per cent. of the portion of the net assets of the relevant Class of Shares which is to be hedged against currency risk. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105 per cent. of the net assets of the relevant Class of Shares. Hedged positions will be kept under review on an ongoing basis, at least at the same valuation frequency of the Sub-Fund, to ensure that over hedged or under hedged positions do not exceed/fall short of the permitted levels disclosed above. Such review will incorporate a procedure to rebalance the hedging arrangements on a regular basis to ensure that any such position stays within the permitted position levels disclosed above and is not carried forward from month to month. The Investment Manager will seek to achieve this hedging by using derivative instruments, such as forward foreign exchange contracts and currency futures as set out below, within the condition and limits imposed by the Central Bank. The conditions in relation to the use of such hedging strategies are described in the section above entitled "The Company – Hedged Classes". Investors' attention is also drawn to the risks relating to the adoption of unit class currency hedging strategies, which are described in the paragraph entitled "Share Currency Designation Risk". Changes in the market value of the portfolio, as well as subscriptions and redemptions of share classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The hedging described has no effect on possible currency risks resulting from investments denominated in a currency other than the Sub-Fund's currency of account.</p>
"RMB hedged"	<p>Investors should note that the renminbi (ISO 4217 currency code: CNY), the official currency of the People's Republic of China (the "<b>PRC</b>"), is traded on two markets, namely as onshore RMB (CNY) in mainland China and offshore RMB (CNH) outside mainland China.</p> <p>Shares in classes with "RMB hedged" in their name are shares whose net asset value is calculated in offshore RMB (CNH).</p>

Onshore RMB (CNY) is not a freely convertible currency and is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. Offshore RMB (CNH), on the other hand, may be traded freely against other currencies, particularly EUR, CHF and USD. This means the exchange rate between offshore RMB (CNH) and other currencies is determined on the basis of supply and demand relating to the respective currency pair.

RMB convertibility between offshore RMB (CNH) and onshore RMB (CNY) is a regulated currency process subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government in coordination with offshore regulatory or governmental agencies (e.g. the Hong Kong Monetary Authority).

Prior to investing in RMB classes, investors should bear in mind that the requirements relating to regulatory reporting and fund accounting of offshore RMB (CNH) are not clearly regulated. Furthermore, investors should be aware that offshore RMB (CNH) and onshore RMB (CNY) have different exchange rates against other currencies. The value of offshore RMB (CNH) can potentially differ significantly from that of onshore RMB (CNY) due to a number of factors including, without limitation, foreign exchange control policies and repatriation restrictions imposed by the PRC government at certain times, as well as other external market forces. Any devaluation of offshore RMB (CNH) could adversely affect the value of investors' investments in the RMB classes. Investors should therefore take these factors into account when calculating the conversion of their investments and the ensuing returns from offshore RMB (CNH) into their target currency.

Prior to investing in RMB classes, investors should also bear in mind that the availability and tradability of RMB classes, and the conditions under which they may be available or traded, depend to a large extent on the political and regulatory developments in the PRC. Thus, no guarantee can be given that offshore RMB (CNH) or the RMB classes will be offered and/or traded in future, nor can there be any guarantee as to the conditions under which offshore RMB (CNH) and/or RMB classes may be made available or traded. In particular, since the currency of account of the relevant Sub-Funds offering the RMB classes would be in a currency other than offshore RMB (CNH), the ability of the relevant Sub-Fund to make redemption payments in offshore RMB (CNH) would be subject to the Sub-Fund's ability to convert its currency of account into offshore RMB (CNH), which may be restricted by the availability of offshore RMB (CNH) or other circumstances beyond the control of the Company.

Potential investors should be aware of the risks of reinvestment, which could arise if the RMB class has to be liquidated early due to political and/or regulatory circumstances.

## Additional characteristics

Classes may be available with the following additional characteristics.

Additional characteristics	
"acc"	For share classes with "-acc" in their name, income is not distributed unless the Company decides otherwise.
"dist"	For share classes with "-dist" in their name, income is distributed annually unless the Company decides otherwise.
"qdist"	Shares in classes with "-qdist" in their name may make quarterly distributions, excluding fees and expenses.
"mdist"	Share classes with "-mdist" in their name may make monthly distributions, excluding fees and expenses. The maximum issuing commission for shares in classes with "-mdist" in their name is 6%.
"UKdist"	For share classes with "UKdist" in their name, the Company intends to distribute a sum which corresponds to 100% of the reportable income within the meaning of the UK reporting fund rules when the share classes are subject to the reporting fund rules. The Company does not intend to make available taxable values in other countries for these share classes, as they are intended for investors whose investment in the share class is liable to tax in the UK.
"2%", "4%", "6%", "8%"	Shares in classes with "2%" / "4%" / "6%" / "8%" in their name may make monthly (-mdist), quarterly (-qdist) or annual (-dist) distributions at the respective aforementioned annual percentage rates, gross of fees and expenses. The distribution amount is calculated based on the net asset value of the respective share class at the end of the month (in the case of monthly distributions), financial quarter (in the case of quarterly distributions) or financial year (in the case of annual distributions). These share classes are suitable for investors who wish for more stable distributions, unrelated to past or expected returns or income.

If investors no longer meet the requirements of a Class as set out in the table above, the Company may:

- (a) request that the investors concerned return their shares within 30 calendar days in accordance with the section of the Prospectus entitled "Redemption of Shares"; or
- (b) request that the investors concerned transfer their shares to a person who meets the aforementioned requirements; or

- (c) compulsorily redeem and/or cancel the affected Shares in accordance with the Articles of Association of the Company; or
- (d) convert the affected Shares into Shares of another Class at their discretion.

In addition, the Company may refuse any application for Shares at its own discretion. The Directors and/or the Manager have the right in their sole discretion to waive the Class restrictions outlined in the table above (if any) at any time.

The minimum subscription as described above may be varied by the Directors and/or the Manager at their discretion in respect of any investor.

The Directors and/or the Manager may at their discretion apply for qualifying fund status in the United Kingdom for any Sub-Fund or for any Classes issued by any Sub-Fund.

### **Offer**

Shares in a particular Class will be first offered during its Initial Offer Period at the Initial Price as specified in the relevant Supplement.

Shares will be offered subject to acceptance of applications for Shares by the Company and will be issued for the first time on the first Business Day after expiry of the Initial Offer Period as specified in the relevant Supplement. The Initial Offer Period may be shortened or extended by the Directors and/or the Manager in accordance with the requirements of the Central Bank.

Thereafter Shares of a Class of which one or more Shares are already in issue shall be issued at the Net Asset Value per Share of the relevant Class. Title to Shares will be evidenced by the entering of the investor's name on the Company's register of Shareholders and no certificates will be issued. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

The Directors and/or the Manager may decline to accept any application for Shares without giving any reason and may restrict the ownership of Shares by any person, firm or corporation in certain circumstances including where such ownership would be in breach of any regulatory or legal requirement or might affect the tax status of the Company or might result in the Company suffering certain disadvantages which it might not otherwise suffer. Any restrictions applicable to a particular Sub-Fund or Class shall be specified in the relevant Supplement for such Sub-Fund or Class. Any person who holds Shares in contravention of restrictions imposed by the Directors and/or the Manager or, by virtue of his holding, is in breach of the laws and regulations of any applicable jurisdiction or whose holding could, in the opinion of the Directors and/or the Manager, cause the Company to incur any liability to taxation or to suffer any pecuniary disadvantage which it or the Shareholders or any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors and/or the Manager believe might be prejudicial to the interests of the Shareholders, shall indemnify the Company, the Manager, the Investment Manager, the Depositary, the Administrator and Shareholders for any loss suffered by it or them



as a result of such person or persons acquiring or holding Shares in the Company. The aforementioned indemnity provisions shall be applied or exercised by the Directors and/or the Manager in good faith and on reasonable grounds. It is not the intention of the Directors or the Manager to apply or exercise any withholding, set-off or rights of deductions pursuant to the aforementioned provisions, save to the extent permitted by any applicable laws and regulations.

The Directors have power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation.

None of the Company, the Manager, the Investment Manager, the Administrator or the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions. The Administrator (or its delegate) shall, however, employ reasonable procedures to confirm that instructions are genuine.

### **Application for Shares**

Applications for Shares may be made through the Administrator (or its delegate) on behalf of the Company. Applications received and accepted by the Administrator (or its delegate) prior to the Subscription Deadline for the relevant Subscription Day as specified in the Supplement for each Sub-Fund will be processed as of that Subscription Day. Any applications received after the Subscription Deadline for a particular Subscription Day will be processed as of the following Subscription Day unless, in exceptional circumstances, the Directors and/or the Manager in their absolute discretion otherwise determine to accept one or more applications received after the Subscription Deadline for processing as of that Subscription Day provided that such application(s) have been received prior to the Valuation Point for the particular Subscription Day.

Initial applications should be made using an Application Form obtained from the Administrator (or its delegate) but may, if the Directors and/or the Manager so determine, be made by facsimile or such other electronic means of instruction as the directors determine, subject to prompt transmission to the Administrator (or its delegate) of the original signed Application Form and such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors and/or the Manager or their delegate. Subsequent applications to purchase Shares following the initial subscription may be made to the Administrator (or its delegate) by facsimile or such other means as may be permitted by the Directors and/or the Manager, including electronic means other than facsimile, without a requirement to submit original documentation (unless otherwise provided for in the Application Form) and such applications should contain such information as may be specified from time to time by the Directors and/or the Manager or their delegate. Neither the Company nor the Administrator (or its delegate) accepts

any responsibility for any loss arising from the non-receipt by the Administrator (or its delegate) of any Application Form sent by facsimile or other electronic means. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt by the Administrator (or its delegate) of original written instructions (or by electronic instruction where a Shareholder has subscribed by electronic means other than facsimile) from the relevant Shareholder.

Following an application to the Central Bank, the Administrator has been approved to accept subscriptions by electronic means and the Administrator's systems and procedures have been updated accordingly.

The Administrator (or its delegate) on behalf of the Company may reject any application in whole or in part without giving any reason for such rejection in which event the subscription monies or any balance thereof will be returned without interest, expenses or compensation to the applicant by transfer to the applicant's designated account or by post at the applicant's risk.

#### *Fractions*

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than 0.001 of a Share (or, at the Directors' and/or the Manager's discretion in respect of one or more Classes, and as provided for in the section entitled "Available Classes", 0.10 of a Share).

Subscription monies, representing less than 0.001 of a Share (or 0.10 of a Share, as applicable) will not be returned to the investor but will be retained by the Company in order to defray administration costs.

#### *Method of Payment*

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Subscription Day as specified in the Supplement for each Sub-Fund.

The Directors and/or the Manager, in their sole and absolute discretion, may accept payment for subscriptions in specie on terms that settlement shall be made by the vesting in the Depositary or its agent of assets of the type in which the Company may invest in accordance with the investment objective, policies and restrictions of the Company and otherwise upon such terms as the Directors and/or the Manager may think fit provided that (i) no Shares shall be issued until the investments have been vested or arrangements are made to vest the investments with the Depositary or its sub-custodian to the Depositary's satisfaction; (ii) any such subscription shall be effected on terms that the number of Shares to be issued shall be the number (including, at the

Director's and/or the Manager's discretion, fractions of Shares) which would have been issued at the Net Asset Value per Share of the relevant Class for a cash amount equal to the value of the investments as calculated in accordance with the section of the Prospectus headed "THE SHARES; Net Asset Value and Valuation of Assets"; and (iii) the Depositary is satisfied that the terms of such subscription shall not be such as are likely to result in any material prejudice to the existing Shareholders.

#### *Currency of Payment*

Subscription monies are payable in the Base Currency of a Sub-Fund or in the denominated currency of the relevant Class. The Company may accept payment in such other currencies as the Directors and/or the Manager may agree at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

#### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Depositary no later than the day and/or time as specified in the Supplement for each Sub-Fund or by such other time and/or day as the Directors and/or the Manager may determine in any individual case, provided that the Directors and/or the Manager reserve the right to defer the issue of Shares until receipt of cleared subscription monies by the Depositary. If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Directors and/or the Manager or their delegates may cancel the allotment and/or charge the investor interest to cover the expenses incurred by the relevant Sub-Fund as a result, which will be paid into the assets of such Sub-Fund. The Directors and/or the Manager may waive such charges in whole or in part. In addition, the Directors and/or the Manager have the right to sell all or part of the investor's holding of Shares in a Sub-Fund in order to meet such charges.

#### *Subscription monies received from an investor in advance of a Subscription Day*

Subscription monies received from an investor in advance of a Subscription Day in respect of which an application for Shares has been, or is expected to be, received will be held in a cash account in the name of the relevant Sub-Fund and will be treated as an asset of the relevant Sub-Fund upon receipt and will not benefit from the application of any investor money protection rules (i.e. the subscription monies in such circumstance will not be held on trust as investor monies for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Sub-Fund with respect to the amount subscribed and held by the Company until such Shares are issued as of the relevant Subscription Day. In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Investors who have forwarded subscription monies in advance of a Subscription Day as detailed above and which are held in a cash account will rank equally with all other unsecured creditors of the relevant Sub-Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies

originally paid into a cash account in relation to the application for Shares. Your attention is drawn to the section of the Prospectus entitled "*Risk Factors*" – "*Fund Assets Held in Cash Accounts*" above.

#### *Confirmation of Ownership*

Written confirmation of each purchase of Shares will be sent to Shareholders promptly after the issuing of Shares. Title to Shares will be evidenced by the entering of the investor's name on the Company's register of Shareholders and no certificates will be issued.

#### *Money Laundering and Countering Terrorist Financing Measures*

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis. Politically exposed persons ("PEPs"), an individual who is or has, at any time in the preceding year, been entrusted with a prominent public function, and immediate family member, or persons known to close associates of such persons, must also be identified.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in their country of residence together with two original or certified pieces of evidence of his/her address such as a utility bill or bank statement not less than three months old and disclose his/her occupation and date of birth. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), and of the names, dates of birth and residential and business addresses of all directors and beneficial owners and of the authorised signatories of the investor, which must be certified. Amendment to any investor records will only be effected by the Administrator (or its delegate) upon receipt of original evidencing documentation.

Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a relevant third party as such term is defined in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (as amended). This exception will only apply if the relevant third party referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations and satisfies other applicable conditions such as providing a letter of undertaking confirming that it has carried out the appropriate verification checks on the investor and will retain such information in accordance with the required timeframe and will provide such information on request to the Administrator (or its delegate) or the Company.

The details above are given by way of example only and in that regard the Administrator (or its delegate) and the Company or the Manager acting on its behalf each reserve the right to request any such information as is necessary at the time of application for Shares in a Sub-Fund to verify the identity of an investor and where applicable the beneficial owner of an investor. In particular,

the Administrator (or its delegate), the Company and the Manager acting on its behalf each reserve the right to carry out additional procedures in relation to both new and existing investors who are/become classed as PEPs. Verification of the investor's identity is required to take place before the establishment of the business relationship. In any event, evidence of identity is required for all investors as soon as is reasonably practicable after the initial contact. In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator (or its delegate) or the Company or the Manager acting on its behalf may refuse to accept the application and subscription monies and/or return all subscription monies or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid if the Shareholder fails to produce such information). None of the Company, the Manager, the Directors or the Administrator (or its delegate) shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased or payment of repurchase proceeds is delayed in such circumstances. If an application is rejected, the Administrator (or its delegate) will return application monies or the balance thereof in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator (or its delegate) may refuse to pay or delay payment of redemption proceeds where the requisite information for verification purposes has not been produced by a Shareholder.

Any failure to supply the Company, the Manager or the Administrator with any documentation requested by it for anti-money laundering and terrorist financing procedures may result in a delay in the settlement of redemption proceeds or dividend monies. In circumstances where a redemption request is received, the Company (or its delegate) will process any redemption request received by a Shareholder, however the proceeds of that redemption will be held in a cash account and therefore shall remain an asset of the relevant Sub-Fund. The redeeming Shareholder will rank as a general creditor of the relevant Sub-Fund until such time as the Company (or its delegate) is satisfied that its anti-money laundering and terrorist financing procedures have been fully complied with, following which redemption proceeds will be released.

In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Investors / Shareholders due redemption / dividend monies which are held in a cash account will rank equally with all other unsecured creditors of the relevant Sub-Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor / Shareholder may not recover all monies originally paid into a cash account for onward transmission to that investor / Shareholder.

Therefore a Shareholder is advised to ensure that all relevant documentation requested by the Company (or its delegate) in order to comply with anti-money laundering and terrorist financing procedures is submitted to the Company (or its delegate) promptly on subscribing for Shares in the Company.

The Administrator (or its delegate) and the Company or the Manager on its behalf reserve the right to obtain any additional information from investors so that it can monitor the ongoing

business relationship with such investors. The Administrator (or its delegate) and the Company or the Manager acting on its behalf cannot rely on third parties to meet this obligation, which remains their ultimate responsibility.

The Administrator (or its delegate) and the Company or the Manager acting on its behalf also reserve the right to obtain any additional information from investors to keep its customer due diligence records up to date.

#### *Data Protection Information*

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

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

All new investors shall receive a copy of the Privacy Notice as part of the process to subscribe for Shares in the Company and a copy of the Privacy Notice was sent to all existing investors in the Company that subscribed before the Data Protection Legislation came into effect.

The Privacy Notice contains information on the following matters in relation to data protection:

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

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

### **Minimum Subscription, Minimum Holding and Minimum Subsequent Subscription**

The Minimum Subscription, Minimum Holding and Minimum Subsequent Subscription for each Class, if applicable, is set out in the table in the section entitled "The Shares - Available Classes".

The Directors and/or the Manager reserve the right to differentiate between Shareholders as to and waive or reduce these minimums at their discretion.

### **Redemption of Shares**

Shareholders may redeem their Shares on and with effect from any Redemption Day as set out in the relevant Supplement for each Sub-Fund at the Net Asset Value per Share calculated on or with respect to the relevant Redemption Day in accordance with the procedures specified below (save during any period when the calculation of Net Asset Value is suspended). The minimum value of Shares which may be redeemed in any one redemption transaction is the Minimum Redemption specified in the relevant Supplement. If the redemption of part only of a Shareholder's shareholding would leave the Shareholder holding less than the Minimum Holding as set out in a Supplement, the Directors and/or the Manager may, if they think fit, redeem the whole of that Shareholder's holding.

Shares will not receive or be credited with any dividend declared on or after the Redemption Day on which they were redeemed.

Requests for the redemption of Shares should be made to the Administrator (or its delegate) whose details are set out in the Application Form, by facsimile or original written communication or such other means as may be permitted by the Directors and/or the Manager in accordance with the requirements of the Central Bank, and should include such information as may be specified from time to time by the Directors and/or the Manager or their delegates. Neither the Company, the Manager nor the Administrator (or its delegate) will accept any responsibility for any loss as a result of the non-receipt of any redemption request sent by facsimile or other electronic means. Requests for redemption received prior to the Redemption Deadline as set out in each Supplement for any Redemption Day will be processed as of that Redemption Day. Any requests for redemption received after the Redemption Deadline for a Redemption Day will be processed as of the next Redemption Day unless, in exceptional circumstances, the Directors and/or the Manager in their absolute discretion determine otherwise. Redemption requests will only be accepted for processing where cleared funds and completed documents including documentation relating to money laundering prevention checks are in place from original

subscriptions. No redemption payment will be made from an investor holding until the original subscription Application Form and all documentation required by or on behalf of the Company (including any documents in connection with anti-money laundering procedures) has been received from the investor and the anti-money laundering procedures have been completed. Redemption payments made on foot of faxed or other electronic redemption requests will not be made except to the investor's account of record. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt by the Administrator (or its delegate) of original written instructions (or by electronic instruction where a Shareholder has subscribed by electronic means other than facsimile) from the relevant Shareholder.

Following an application to the Central Bank, the Administrator has been approved to accept redemptions by electronic means and the Administrator's systems and procedures have been updated accordingly.

#### *Deferral of redemptions*

If the number of Shares to be redeemed on any Redemption Day equals one tenth or more of the total number of Shares of a Sub-Fund in issue on that day the Directors and/or the Manager or their delegates may at their discretion refuse to redeem any Shares in excess of one tenth of the total number of Shares in issue as aforesaid and, if they so refuse, the requests for redemption on such Redemption Day shall be reduced pro rata and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Redemption Day until all Shares to which the original request related have been redeemed.

#### *In specie redemptions*

The Directors and/or the Manager may, subject to the consent of the individual Shareholders, satisfy any request for redemption of Shares by the transfer in specie to those Shareholders of assets of a Sub-Fund having a value equal to the redemption price for the Shares redeemed as if the redemption proceeds were paid in cash less any other expenses of the transfer provided that any Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale, the costs of which shall be borne by the relevant Shareholder. The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors and/or the Manager (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors and/or the Manager in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders. A determination to provide redemption in specie may be solely at the discretion of the Directors and/or the Manager where the redeeming Shareholder requests redemption of a number of Shares that represent 5% or more of the Net Asset Value of a Sub-Fund. In this event the Directors and/or the Manager will, if requested, sell the assets on behalf of the Shareholder. The cost of such sale shall be borne by the relevant Shareholder.



### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form (which shall be the account from which the subscription monies originated) or as subsequently notified to the Administrator in writing. Redemption payments following processing of instruments received by facsimile will only be made to the account of record of a Shareholder.

### *Currency of Payment*

Shareholders will normally be repaid in the Base Currency specified in the relevant Supplement for the relevant Sub-Fund or in the denominated currency of the relevant Class. If, however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator (at its discretion) on behalf of and for the account, risk and expense of the Shareholder.

### *Timing of Payment*

Redemption proceeds in respect of Shares will generally be paid as soon as practicable following the finalisation of the calculation of the Net Asset Value of the relevant Class, and in any event within 10 Business Days of the Redemption Deadline, provided that all the required documentation has been furnished to and received by the Administrator in original form.

Redemption monies payable to an investor subsequent to a Subscription Day of a Sub-Fund as of which Shares of that investor were redeemed (and consequently the investor is no longer a Shareholder of the Sub-Fund as of the relevant Subscription Day) will be held in a cash account in the name of the relevant Sub-Fund and will be treated as an asset of the Sub-Fund until paid to that investor and will not benefit from the application of any investor money protection rules (i.e. the redemption monies in such circumstance will not be held on trust for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Sub-Fund with respect to the redemption amount held by the Company until paid to the investor. In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Investors due redemption monies which are held in a cash account will rank equally with all other unsecured creditors of the relevant Sub-Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies originally paid into a cash account for onward transmission to that investor.

Your attention is drawn to the section of the Prospectus entitled "*Risk Factors*" – "*Fund Assets Held in Cash Accounts*" above.

### *Withdrawal of Redemption Requests*

Requests for redemption may not be withdrawn save with the written consent of the Company or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Company or the relevant Sub-Fund.

#### *Compulsory/Total Redemption*

Shares may be compulsorily redeemed and all the Shares may be redeemed in the circumstances described in the Prospectus under the sub-headings "Compulsory Redemption of Shares" and "Total Redemption of Shares".

#### *Compulsory Redemption of Shares/Deduction of Tax*

Shareholders are required to notify the Administrator through which Shares have been purchased immediately if they become US Persons or persons who are otherwise subject to restrictions on ownership as set out herein and such Shareholders may be required to redeem or transfer their Shares. The Company may redeem any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time as set out herein or if the holding of Shares by any person is unlawful or is likely to result or results in any liability to taxation or any pecuniary liability or disadvantage or material administrative disadvantage to the Company or the Shareholders as a whole or any Sub-Fund or Class. The Company may also redeem any Shares held by any person who holds less than the Minimum Holding as set out in the Supplement for each Sub-Fund or does not, within seven days of a request by or on behalf of the Directors and/or the Manager, supply any information or declaration required under the terms hereof to be furnished. Any such redemption will be effected on a Redemption Day at the Net Asset Value per Share calculated on or with respect to the relevant Redemption Day on which the Shares are to be redeemed. The Company may also redeem any Shares held by any person who ceases to meet any requirements set out herein for ownership of such Shares, for example, the offer of certain Classes of Shares may be restricted to investors which have an existing investment management mandate with a UBS group company. In the event that any such mandate terminates, the Directors have the power under the Articles of Association to compulsorily redeem and/or cancel the affected Shares or to convert the affected Shares into Shares of another Class at their discretion. The Company may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon. The attention of investors in relation to the section of the prospectus entitled "Taxation" and in particular the section therein headed "Irish Taxation" which details circumstances in which the Company shall be entitled to deduct from payments to Shareholders who are resident or ordinarily resident in Ireland amounts in respect of liability to Irish taxation including any penalties and interest thereon and/or compulsorily redeem Shares to discharge such liability. Relevant Shareholders will 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 an event giving rise to a charge to taxation.

#### *Total Redemption of Shares*

All of the Shares of any Sub-Fund or of any Class may be redeemed:

- (a) on the giving by the Company of not less than four nor more than twelve weeks' notice expiring on a Redemption Day to Shareholders of the relevant Sub-Fund or Class of its intention to redeem such Shares; or
- (b) if the holders of 75% in value of the relevant Sub-Fund or relevant Class resolve at a meeting of the Shareholders duly convened and held that such Shares should be redeemed.

The Directors and/or the Manager may resolve in their absolute discretion to retain sufficient monies prior to effecting a total redemption of Shares to cover the costs associated with the subsequent termination of a Sub-Fund or Class or the liquidation of the Company.

### **Conversion of Shares**

Subject to the Minimum Subscription and Minimum Holding requirements of the relevant Sub-Fund or relevant Classes, if applicable, Shareholders may request conversion of some or all of their Shares in one Sub-Fund or one Class ("**the Original Class**") to Shares in another Sub-Fund or Class or another Class in the same Sub-Fund ("**the New Class**") on any Redemption Day in accordance with the formula and procedures specified below. Applications for conversion of Shares should be made to the Administrator (or its delegate) for onward transmission to the Administrator (or its delegate) by facsimile or written communication or such other means as may be permitted by the Directors and/or the Manager and should include such information as may be specified from time to time by the Directors and/or the Manager or their delegates. Requests for conversion on any Redemption Day should be received prior to the Redemption Deadline. Any applications received after such time will be dealt with on the next Redemption Day, unless the Directors and/or the Manager in their absolute discretion otherwise determine. Conversion requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

Where a conversion request would result in a Shareholder holding a number of Shares of either the Original Class or the New Class which would be less than the Minimum Holding for the relevant Class, the Directors and/or the Manager or their delegates may, if it thinks fit, convert the whole of the holding in the Original Class to Shares in the New Class or refuse to effect any conversion from the Original Class.

Fractions of Shares which shall not be less than 0.001 of a Share (or, at the Directors' and/or the Manager's discretion in respect of one or more Classes, and as provided for in the section entitled "Available Classes" , 0.10 of a Share) may be issued by the Company on conversion where the value of Shares converted from the Original Class are not sufficient to purchase an integral number of Shares in the New Class and any balance representing less than 0.001 of a Share (or 0.10 of a Share, as applicable) will be retained by the Company in order to defray administration costs.

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

$$S = \frac{(R \times NAV \times ER)}{SP}$$

where

S is the number of Shares of the New Class to be allotted.

R is the number of Shares in the Original Class to be redeemed.

NAV is the Net Asset Value per Share of the Original Class at the Valuation Point on the relevant Redemption Day.

ER is the currency conversion factor (if any) as determined by the Administrator.

SP is the Net Asset Value per Share of the New Class at the Valuation Point on the relevant Redemption Day.

### *Conversion Fee*

It is not the current intention of the Directors and/or the Manager to charge a conversion fee, unless set out in the relevant Supplement.

### *Withdrawal of Conversion Requests*

Conversion requests may not be withdrawn save with the written consent of the Company or its authorised agent or in the event of a suspension of calculation of the Net Asset Value of the Company.

### **Suspension of Dealing**

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the Company or a Sub-Fund is suspended in the manner described under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Redemption Day following the ending of such suspension. The Directors' and the Manager's authority to defer redemptions is set out on page 84.

### **Net Asset Value and Valuation of Assets**

The Net Asset Value of each Sub-Fund or, if there are different Classes, attributable to a Class will be calculated by the Administrator as at the Valuation Point on or with respect to each Subscription Day and each Redemption Day. The Net Asset Value of a Sub-Fund shall be determined as at the Valuation Point for the relevant Subscription or Redemption Day by valuing the assets of the relevant Sub-Fund (including income accrued but not collected) and deducting the liabilities of the relevant Sub-Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value attributable to a Class shall be determined as at the Valuation Point for the relevant Subscription or Redemption Day by calculating that portion of the Net Asset Value of the relevant Sub-Fund attributable to the relevant Class subject to adjustment to take account of assets and/or liabilities attributable to the Class. The Net Asset Value of a Sub-Fund will be expressed in the Base Currency of the Sub-Fund, or in such other currency as the Directors and/or the Manager may determine either generally or in relation to a particular Class or in a specific case, and shall be available to investors upon request.

The Net Asset Value per Share shall be calculated as at the Valuation Point on or with respect to each Subscription and Redemption Day by dividing the Net Asset Value of the relevant Sub-Fund or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Sub-Fund or Class at the relevant Valuation Point and rounding the resulting total to 2 decimal places (or where the currency of denomination of the relevant Class is Japanese Yen, the resulting total shall be rounded to the nearest Japanese Yen).

In determining the Net Asset Value of the Company:

- (A) any security which is listed, quoted or dealt on an Exchange will be valued at its last traded price (or, if no last traded price is available, closing price), as adjusted in such manner as the Manager, in its sole discretion, thinks fit, having regard to the size of the holding, and where prices are available on more than one Exchange for a particular security the price will be the last traded price or the closing price, as the case may be (as determined above), on the exchange which, in the opinion of the Manager, constitutes the main market for such security;
- (B) the value of any security quoted or dealt on an Exchange but acquired or traded at a premium or at a discount outside or off the relevant Exchange or on an over-the-counter market may be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security;
- (C) any security which is listed, quoted or dealt on an Exchange, but which is not regularly traded thereon or in respect of which no prices as described above are available will be valued at the probable realisation value estimated with care and in good faith by the Manager or a competent person, such as the Administrator, appointed by the Manager and approved for such purpose by the Depositary having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the Manager in their sole discretion deem relevant in considering a positive or negative adjustment to the valuation;
- (D) any security which is not listed, quoted or dealt on an Exchange or whose market price is unrepresentative will be valued at the probable realisation value estimated with care and in good faith by a stockbroker or other competent person, such as the Administrator, appointed by the Manager and approved for the purpose by the Depositary;
- (E) derivative instruments dealt or traded on an exchange or market will be valued at the relevant settlement price on the applicable exchange or market. If such price is not available the value of such investments shall be the probable realisation value estimated with care and in good faith by a competent person, such as the Administrator, appointed by the Manager and approved for the purpose by the Depositary. Derivative contracts which are not traded on a regulated market and which are not cleared by a clearing counterparty may be valued on the basis of the mark to market value of the derivative contract or if market conditions prevent marking to market, reliable and prudent marking to model may be used. Derivative contracts, including swaps, which are not traded on a regulated market and which are cleared by a clearing counterparty Derivative contracts will be valued daily on the basis of the valuation obtained from the counterparty to the

transaction provided that the valuation is approved or verified at least weekly by an independent party appointed by the Manager, or by the Manager (who must be independent of the relevant counterparty), each approved for that purpose by the Depositary, or will be valued daily on the basis of an alternative valuation, which will follow international best practice and adhere to the principles of valuations of over the counter instruments established by bodies such as International Organisation of Securities Commissions and the Alternative Investment Management Association and provided by a competent person, such as the Administrator, appointed by the Manager and approved for the purpose by the Depositary, or by any other means provided that the value is approved by the Depositary. Any valuation not obtained from the counterparty will be reconciled to the counterparty valuation on a monthly basis and where significant differences arise between the valuations these will be promptly investigated and explained;

- (F) forward foreign exchange contracts and interest rate swap contracts will be valued by reference to freely available market quotations, where available;
- (G) investments in a collective investment scheme will be valued at the latest available net asset value of the shares or units in that collective investment scheme; or, if listed or traded on an Exchange, in accordance with (A) above.
- (H) cash deposits will be valued at their face value plus accrued interest;
- (I) in the case of a Sub-Fund which is a money market Sub-Fund the Manager may use the amortised cost method of valuation provided they comply with the Central Bank's requirements for money market funds and where a review of the amortised cost valuation vis-a-vis market valuation will be carried out in accordance with the Central Bank's requirements;
- (J) in a non-money market fund, money market instruments may be valued on an amortised basis in accordance with the Central Bank's requirements;
- (K) any value (whether of an investment or cash) otherwise than in the Base Currency of the relevant Sub-Fund will be converted into the Base Currency of the relevant Sub-Fund at the rate (whether official or otherwise) which the Manager in its absolute discretion deems applicable as at relevant Valuation Point, having regard, among other things, to any premium or discount which they consider may be relevant and to the costs of exchange;
- (L) The Manager may value securities having a residual maturity not exceeding six months using the amortised cost method of valuation;
- (M) The Manager may adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or

any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof;

- (N) Where the value of any investment is not ascertainable as described above, the value shall be the probable realisation value estimated by the Manager with care and in good faith or by a competent person, such as the Administrator, appointed by the Manager, approved for the purpose by the Depositary; and
- (O) If the Manager deems it necessary, a specific investment may be valued under an alternative method of valuation approved by the Depositary.

Notwithstanding subscription monies, redemption monies and dividend amounts will be held in cash accounts in the name of the relevant Sub-Fund and treated as assets of and attributable to a Sub-Fund:-

- a) any subscription monies received from an investor prior to the Subscription Day of a Sub-Fund in respect of which an application for Shares has been, or is expected to be, received will not be taken into account as an asset of the Sub-Fund for the purpose of determining the Net Asset Value of that Sub-Fund until subsequent to the Valuation Point in respect of the Subscription Day as of which Shares of the Sub-Fund are agreed to be issued to that investor;
- b) any redemption monies payable to an investor subsequent to the Redemption Day of a Sub-Fund as of which Shares of that investor were redeemed will not be taken into account as an asset of the Sub-Fund for the purpose of determining the Net Asset Value of that Sub-Fund; and
- c) any dividend amount payable to a Shareholder will not be taken into account as an asset of the Sub-Fund for the purpose of determining the Net Asset Value of that Sub-Fund.

In calculating the value of assets of the Company and each Sub-Fund the following principles will apply:

- (a) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments including dealing charges and brokers fees shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed unless the Manager has reason to believe such purchase or sale will not be completed;
- (b) there shall be added to the assets of the relevant Sub-Fund any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Company which is attributable to that Sub-Fund;



- (c) there shall be added to the assets of each relevant Sub-Fund a sum representing any interest, dividends or other income accrued but not received and a sum representing unamortised expenses unless the Manager is of the opinion that such interest, dividends or other income are unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager or its delegate (with the approval of the Depositary) may consider appropriate in such case to reflect the true value thereof;
- (d) there shall be added to the assets of each relevant Sub-Fund the total amount (whether actual or estimated by the Manager or its delegate) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief;
- (e) where notice of the redemption of Shares has been received by the Company and/or the Manager with respect to a Redemption Day and the cancellation of such Shares has not been completed, the Shares to be redeemed shall be deemed not to be in issue at the Valuation Point and the value of the assets of the relevant Sub-Fund shall be deemed to be reduced by the amount payable upon such redemption; and
- (f) there shall be deducted from the assets of the relevant Sub-Fund:
  - (i) the total amount of any actual or estimated liabilities properly payable out of the assets of the relevant Sub-Fund including any and all outstanding borrowings of the Company in respect of the relevant Sub-Fund, interest, fees and expenses payable on such borrowings and any estimated liability for tax and such amount in respect of contingent or projected expenses as the Manager considers fair and reasonable as of the relevant Valuation Point;
  - (ii) such sum in respect of tax (if any) on income or capital gains realised on the investments of the relevant Sub-Fund as in the estimate of the Manager will become payable;
  - (iii) the amount (if any) of any distribution declared but not distributed in respect thereof;
  - (iv) the remuneration of the Manager, the Administrator, the Depositary, the Investment Manager and any other providers of services to the Company accrued but remaining unpaid together with a sum equal to the value added tax chargeable thereon (if any);
  - (v) the total amount (whether actual or estimated by the Manager) of any other liabilities properly payable out of the assets of the relevant Sub-Fund (including all establishment, operational and ongoing administrative fees, costs and expenses) as of the relevant Valuation Point;

- (vi) an amount representing the projected liability of the relevant Sub-Fund in respect of costs and expenses to be incurred by the relevant Sub-Fund in the event of a subsequent liquidation;
- (vii) an amount as of the relevant Valuation Point representing the projected liability of the relevant calls on Shares in respect of any warrants issued and/or options written by the relevant Sub-Fund or Class of Shares; and
- (viii) any other liability which may properly be deducted.

### **Swing Pricing**

"Swing Pricing" is the method the Directors and/or the Manager may use to adjust the price of Shares to minimise the impact of "dilution" on Shareholders' interests. Dilution occurs when the cost of purchasing or selling the assets of a Sub-Fund is greater than the value of these assets due to taxes, dealing charges or any spread between the buying and selling prices of these assets.

### **Description of the swing pricing methodology**

If the aggregate subscriptions and redemptions exceed a threshold then the Net Asset Value used to process all deals in that Sub-Fund is adjusted to reflect by a swing factor. The swing factor, which shall not exceed 2%, and the threshold are set by the Directors and/ or the Manager.

For the purpose of calculating any expenses of a Sub-Fund which are based on the Net Asset Value of the relevant Sub-Fund, the Administrator will continue to use the un-swung Net Asset Value.

### **Suspension of Valuation of Assets**

The Directors and/or the Manager may at any time and from time to time temporarily suspend the determination of the Net Asset Value of any Sub-Fund or attributable to a Class and the issue, conversion and redemption of Shares in any Sub-Fund or Class:

- a) during the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Exchanges on which the relevant Sub-Fund's investments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- b) during the whole or part of any period when circumstances outside the control of the Directors and/or the Manager exist as a result of which any disposal or valuation of investments of the Sub-Fund is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of investments to or from the relevant account of the Company; or

- c) during the whole or any part of any period when any breakdown occurs in the means of communication normally employed in determining the value of any of the relevant Sub-Fund's investments; or
- d) during the whole or any part of any period when for any reason the value of any of any Sub-Fund's investments cannot be reasonably, promptly or accurately ascertained;
- e) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of any Sub-Fund or the Company is unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors and/or the Manager, be carried out at normal rates of exchange;
- f) upon mutual agreement between the Company and the Depositary for the purpose of winding up the Company; or
- g) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the Investments or the Company or any Sub-Fund.

Any suspension of valuation shall be notified to the Central Bank and the Depositary immediately. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Central Bank may also require that the Company temporarily suspends the determination of the Net Asset Value and the issue and redemption of Shares in a Sub-Fund if it decides that it is in the best interests of the general public and the Shareholders to do so.

### **Dividend Policy**

Shares of a Sub-Fund may be issued as Accumulating Shares or Distributing Shares. The dividend policy and information on the declaration and payment of dividends for each Sub-Fund will be specified in the relevant Supplement. The Articles of Association of the Company empower the Directors to declare dividends in respect of any Shares in the Company out of the net income of the relevant Sub-Fund (whether in the form of dividends, interest or otherwise) and/or net realised gains (i.e. realised gains net of realised and unrealised losses) or net realised and unrealised gains (i.e. realised and unrealised gains net of all realised and unrealised losses) subject to certain adjustments. Unless a Shareholder elects otherwise, any distributions will be applied in the purchase of further Shares (or fractions thereof), as applicable. If a Shareholder elects not to apply for further shares, the distribution will be paid in cash by way of bank transfer to the account stated on the Application Form, as provided to the Administrator. In the event that a dividend is declared and remains unclaimed after a period of six years from the date of declaration, such dividend will be forfeited and will revert to the relevant Sub-Fund.

Pending payment to the relevant Shareholder, distribution payments will be held in an account in

the name of the relevant Sub-Fund and will be treated as an asset of the relevant Sub-Fund until paid to that Shareholder and will not benefit from the application of any investor money protection rules (i.e. the distribution monies in such circumstance will not be held on trust for the relevant Shareholder). In such circumstance, the Shareholder will be an unsecured creditor of the relevant Sub-Fund with respect to the distribution amount held by the Company until paid to the Shareholder and the shareholder entitled to such distribution amount will be an unsecured creditor of the relevant Sub-Fund. In the event of an insolvency of the Sub-Fund or the Company, there is no guarantee that the Sub-Fund or the Company will have sufficient funds to pay unsecured creditors in full. Shareholders due dividend monies which are held in a cash account will rank equally with all other unsecured creditors of the relevant Sub-Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the Shareholder may not recover all monies originally paid into the cash account for onward transmission to that Shareholder.

Your attention is drawn to the section of the Prospectus entitled "*Risk Factors*" – "*Fund Assets Held in Cash Accounts*" above.

### **Taxation on the occurrence of certain events**

Prospective investors and Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Sub-Fund, capital gains within a Sub-Fund, whether or not realised, income received or accrued or deemed received within a Sub-Fund, etc. The requirement to pay such taxes will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder and such laws and practices may change from time to time.

Any change in the taxation legislation in Ireland, or elsewhere, could affect a Sub-Fund's ability to achieve its investment objective, the value of a Sub-Fund's investments, the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Potential investors and Shareholders should note that the statements on taxation which are set out herein and in this Prospectus are based on advice which has been received by the Directors and/or the Manager 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. Prospective investors and Shareholders should consult their tax advisors with respect to their particular tax situations and the tax consequences of an investment in a particular Fund.

Finally, if the Company becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the Company shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as

have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the Company indemnified against any loss arising to the Company by reason of the Company becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Potential investors' attention is drawn to the taxation risks associated with investing in the Company. Please refer to the section headed "TAXATION".

## 5. 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 taxation 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) which the Company or any of the Sub-Funds receive with respect to their 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 repayment.

### Irish Taxation

The Directors and the Manager 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.

#### Taxation of the Company

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

However, 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, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Shares or the 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. No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Ordinarily Resident in Ireland 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 either a Relevant Declaration or the Company satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures*" below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, 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 Shares where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking.

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 the beneficial owner of the Shares 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.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Company can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

### ***Stamp Duty***

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 securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

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 (1) of the Taxes Act or a "qualifying company" within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

## **Shareholders Tax**

### *Shares which are held in a Recognised Clearing System*

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the Company (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal, therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the Company will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

### *Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland*

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 Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder 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. In the absence of either a Relevant Declaration (provided in a timely manner) or the Company satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures*" below) 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 Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the Company on the occasion of a chargeable event provided that either (i) the Company satisfied and availed



of the equivalent measures or (ii) the Intermediary has made a Relevant Declaration that he/she is 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 Ordinarily Resident in Ireland and either (i) the Company has satisfied and availed of the equivalent measures or (ii) such Shareholders 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 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 their Shares or gains made on disposals of the 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 provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

#### *Shareholders who are Irish Residents or Ordinarily Resident in Ireland*

Unless a Shareholder is an Exempt Irish Investor and 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 no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the Company from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the Company on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the Company at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares ("deemed disposal") at the expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Company will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the Company will refund the Shareholder for the excess (subject to the paragraph headed "*15% threshold*" below).

#### 10% Threshold

The Company will not have to deduct tax ("exit tax") in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the Company (or Sub-Funds being an umbrella scheme) is less than 10% of the value of the total Shares in the Company (or Sub-Funds) and the Company has made an election to report certain details in respect of each affected Shareholder to the Irish Revenue Commissioners (the "Affected Shareholder") in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self-assessment basis ("self-assessors") as opposed to the Company or Sub-Fund (or their service providers). The Company is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

#### 15 % Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the Company will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable shares in the Company (or Sub-Funds being an umbrella scheme) does not exceed 15% of the value of the total Shares, the Company may elect to have any excess tax arising repaid directly by the Irish Revenue Commissioners to the Shareholder. The Company is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by the Irish Revenue Commissioners on receipt of a claim by the Shareholder.

#### *Other*

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the Company to value the Shares held at the 30<sup>th</sup> June or 31<sup>st</sup> December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out

valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the Company on a chargeable event.

#### *Equivalent Measures*

The Finance Act 2010 ("2010 Act") introduced measures commonly referred to as equivalent measures to amend the rules with regard to Relevant Declarations. The position prior to the 2010 Act was that no tax would arise on an investment undertaking with regard to chargeable events in respect of a shareholder who was neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event, provided that a Relevant Declaration was in place and the investment undertaking was not in possession of any information which would reasonably suggest that the information contained therein was no longer materially correct. In the absence of a Relevant Declaration there was a presumption that the investor was Irish Resident or Ordinarily Resident in Ireland. The 2010 Act however contained provisions that permit the above exemption in respect of shareholders who are not Irish Resident nor Ordinarily Resident in Ireland to apply where the investment undertaking is not actively marketed to such investors and appropriate equivalent measures are put in place by the investment undertaking to ensure that such shareholders are not Irish Resident nor Ordinarily Resident in Ireland and the investment undertaking has received approval from the Irish Revenue Commissioners in this regard.

#### *Personal Portfolio Investment Undertaking*

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20<sup>th</sup> February 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be

required in the case of investments in land or unquoted shares deriving their value from land.

### **Capital Acquisitions Tax**

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B (1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided 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 ("disponer") 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.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

- i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
- ii) that person is either resident or ordinarily resident in Ireland on that date.

### **Compliance with US reporting and withholding requirements**

The FATCA provisions of the Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States ("US") aimed at ensuring that Specified US Persons with financial assets outside the US are paying the correct amount of US tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends paid to a foreign financial institution ("FFI") unless the FFI enters directly into a contract ("**FFI agreement**") with the US Internal Revenue Service ("**IRS**") or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about US investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the Company would fall within the definition of a FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties which may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the US developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement on the 21<sup>st</sup> December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit

regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Irish Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 which are effective from 1 July 2014. Supporting Guidance Notes (which will be updated on an ad-hoc basis) were first issued by the Irish Revenue Commissioners on 1 October 2014 with the most recent version being May 2016.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA 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 FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners. The Irish Revenue Commissioners will then provide such information to the IRS (by the 30<sup>th</sup> September of the following year) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number commonly referred to as a GIIN.

Under the Irish IGA, FFIs should generally not be required to apply 30% withholding tax. To the extent the Company does suffer US withholding tax on its investments as a result of FATCA, the Directors and/or the Manager may take any action in relation to an investor's investment in the Company to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

### **Common Reporting Standards**

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information ("the Standard") which therein contains the CRS. The subsequent introduction of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU) provides the international framework for the implementation of the CRS by Participating Jurisdictions. In this regard, the CRS was implemented into Irish law by the inclusion of relevant provisions in Finance Act 2014 and 2015 and the issuance of Regulation S.I. No. 583 of 2015.

The main objective of the CRS is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of Participating Jurisdictions

The CRS draws extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between both reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified US Persons to the IRS, the CRS has a significantly wider ambit due to the multiple jurisdictions participating in the regime.

Broadly speaking, the CRS will require Irish Financial Institutions to identify Account Holders resident in other Participating Jurisdictions and to report specific information in relation to the

these Account Holders to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is resident). In this regard, please note that the Company will be considered an Irish Financial Institution for the purposes of the CRS.

For further information on the CRS requirements of the Company, please refer to the below "Customer Information Notice".

#### *Customer Information Notice*

The Company intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein or (ii) any provisions imposed under Irish law arising from the Standard or any international law implementing the Standard (to include the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or the EU Council Directive 2014/107/EU (amending Council Directive 2011/16/EU)) so as to ensure compliance or deemed compliance (as the case may be) with the Standard and the CRS therein from 1 January 2016.

The Company is obliged under Section 891F and Section 891G of the Taxes Act and regulations made pursuant to that section to collect certain information about each Shareholder's tax arrangements.

In certain circumstances the Company may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the Company with the Irish Revenue Commissioners. In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, the following information will be reported by the Company to the Irish Revenue Commissioners in respect of each Reportable Account maintained by the Company;

- The name, address, jurisdiction of residence, tax identification number and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of any Entity that is an Account Holder and that, after application of the due diligence procedures consistent with CRS is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, jurisdiction of residence and tax identification number of the Entity and the name, address, jurisdiction of residence, TIN and date and place of birth of each such Reportable Person.
- The account number (or functional equivalent in the absence of an account number);
- The account balance or value as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the date of closure of the account;
- The total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the

Reporting Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period;

- The currency in which each amount is denominated.

Please note that in certain limited circumstances it may not be necessary to report the tax identification number and date of birth of a Reportable Person.

In addition to the above, the Irish Revenue Commissioners and Irish Data Protection Commissioner have confirmed that Irish Financial Institutions (such as the Company) may adopt the "wider approach" for CRS. This allows the Company to collect data relating to the country of residence and the tax identification number from all non-Irish resident Shareholders. The Company can send this data to the Irish Revenue Commissioners who will determine whether the country of origin is a Participating Jurisdiction for CRS purposes and, if so, exchange data with them. The Irish Revenue Commissioners will delete any data for non-Participating Jurisdictions.

The Irish Revenue Commissioners and the Irish Data Protection Commissioner have confirmed that this wider approach can be undertaken for a set 2-3 year period pending the resolution of the final CRS list of Participating Jurisdictions.

Shareholders can obtain more information on the Company's tax reporting obligations on the website of the Irish Revenue Commissioners (which is available at <http://www.revenue.ie/en/business/aeoi/index.html>) or the following link in the case of CRS only: <http://www.oecd.org/tax/automatic-exchange/>.

All capitalised terms above, unless otherwise defined in this paragraph, shall have the same meaning as they have in the Standard and EU Council Directive 2014/107/EU (as applicable).

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

On 25 June 2018, Council Directive (EU) 2018/822 ("DAC6") entered into force introducing rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements ("RCBAs"). DAC6 is intended to provide the tax authorities of Member States with comprehensive and relevant information about potentially aggressive tax-planning arrangements with the aim that this information will enable the authorities to react promptly against harmful tax practices and close loopholes by enacting legislation or by undertaking adequate risk assessments and carrying out tax audits.

The DAC6 obligations apply from 1 July 2020, but may require reporting of arrangements implemented between 25 June 2018 and 30 June 2020. The Directive generally requires EU intermediaries to report to their local tax authorities information about RCBAs, including details of the arrangement as well as identification information about the involved intermediaries and relevant taxpayers, i.e. the persons to whom the RCBA is made available. Subsequently, the

local tax authorities exchange the information with the tax authorities of other Member States. As such, the Company may be legally required to file information that is within its knowledge, possession or control on any RCBA to the respective tax authorities. This legislation is capable of applying to arrangements that do not necessarily constitute aggressive tax planning.

## **German Taxation**

### **Partial exemption under the German Investment Tax Act of 2018**

In addition to the investment restrictions set out in the Sub-Funds investment policy, the Manager shall take into account the provisions on partial exemption pursuant to Section 20(1) and (2) of the German Investment Tax Act of 2018 ("**InvStG**") when managing the Sub-Funds listed below.

In the case of investments in target investment funds, these target investment funds are taken into account by the Sub-Funds when calculating their equity participation rate. Insofar as such data is available, the equity participation ratios of the target funds, which are calculated and published at least weekly, are taken into account in this calculation in accordance with Section 2(6) or (7) of the German Investment Tax Act.

For this reason, the following Sub-Funds will continuously invest at least 50% of their respective assets in equity investments (as defined in Section 2(8) of the German Investment Tax Act and related guidelines) in order to qualify as "**Equity funds**" within the meaning of Section 2(6) of the German Investment Tax Act for the partial exemption pursuant to Section 20(1) of the above Act.

- UBS Global Emerging Markets Opportunity Fund
- UBS (Irl) Investor Selection - Equity Opportunity Long Short Fund
- UBS (Irl) Investor Selection – Global Equity Long Short Fund

All Sub-Funds other than those specifically mentioned above are to be considered "**other funds**" within the meaning of the German Investment Tax Act.

German investors should consult their tax advisor regarding the tax consequences of an investment in an "equity fund" or an "other fund" under the German Investment Tax Act.

## **Investors in the United Kingdom**

The Company is an offshore fund for tax purposes within the meaning of the UK Offshore Funds (Tax) Regulations (the "UK Tax Regulations") which were introduced with effect from 1 December 2009 and which amended the previous tax regulations which applied to investments in offshore funds.

Under the UK Tax Regulations UK investors will be subject to capital gains tax (or corporation tax on chargeable gains) and not income tax, on profits arising on a sale (e.g. by transfer or redemption) of shares in a qualifying offshore fund. UK investors may be liable to income tax



(rather than tax on capital gains) on profits arising on a sale (e.g. by transfer or redemption) of shares in a non qualifying offshore fund.

After 1 December 2009 and for a transitional period only, offshore funds can apply to HM Revenue & Customs (the UK tax authorities) for approval as a qualifying offshore fund with either "distributor" status or with "reporting fund" status. Under the UK Tax Regulations, this Company will only be able to apply for reporting fund status.

The application can be made for one or more Sub-Funds within the umbrella or for one or more specified share classes issued by a Sub-Fund. For UK tax purposes, an investment in a share class which has reporting fund status will be treated as an investment in a qualifying offshore fund.

The members of the Board of Directors and/or the Manager may, at their discretion, apply for qualifying offshore fund status for specified Sub-Funds, or share classes issued by the Sub-Funds.

Where such an application has been made, the Board of Directors and/or the Manager intend to manage the Sub-Fund so that an investment in the specified share classes will be treated as investment in a qualifying offshore fund for each accounting period and to satisfy HM Revenue & Customs that the relevant requirements have been or will be met. However, the members of the Board of Directors and/or the Manager do not guarantee that these requirements will be met or that HM Revenue & Customs will confirm that they have been met.

The attention of persons ordinarily resident in the United Kingdom is drawn to the provisions of Part 13 Chapter 2 of the Income Tax Act 2007 ("Transfer of Assets Abroad") which provide that under certain circumstances they may be subject to income tax in relation to income and profits arising within a Sub-Fund(s) which is not received or receivable in the United Kingdom by those persons.

In addition, it is important to note the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992, which govern the distribution of chargeable gains of companies which are not resident in the United Kingdom and which would be "close companies" if they were resident in the UK. These gains are distributed to shareholders who are domiciled or have their ordinary place of abode or residence in the UK. Profits distributed in this manner are taxable for all shareholders who hold a share of more than 10% of the distributed profit either individually or together with associated persons. The members of the Board of Directors and/or the Manager intend to make all reasonable efforts to ensure that the Sub-Fund would not be classed as a "closed company" if domiciled in the United Kingdom. Moreover, when examining the effects of Section 13 of the Taxation of Chargeable Gains Act 1992, it is important to ensure that the regulations of the double taxation agreement between the United Kingdom and Luxembourg are taken into account.

## **6. GENERAL INFORMATION**

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

- (a) The Company was incorporated in Ireland on 1 December, 2009 as an investment company with variable capital with limited liability under registration number 478169. The Company has no subsidiaries.
- (b) The registered office of the Company is as stated in the Directory at the front of this Prospectus.
- (c) Clause 3 of the Memorandum of Association of the Company provides that the Company's sole object is the collective investment of its funds in either of both transferable securities and other liquid financial assets referred to in the UCITS Regulations of capital raised from the public with the aim of spreading investment risk and giving members of the Company the benefit of the results of the management of its funds.
- (d) The authorised share capital of the Company is 500,000,000,000 Shares of no par value and 300,000 redeemable non-participating shares of no par value each. The minimum issued share capital of the Company is 2 redeemable non-participating shares of no par value each. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares in the capital of the Company on such terms and in such manner as they may think fit. There are 300,000 non-participating shares currently in issue which are held by the Investment Manager.

### **2. Variation of Share Rights and Pre-Emption Rights**

- (a) The rights attaching to the Shares issued in a Sub-Fund or any Class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Sub-Fund or that Class, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Sub-Fund or that Class.
- (b) A resolution in writing signed by all the Shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.
- (c) The rights attaching to the Shares shall not be deemed to be varied by the creation, allotment or issue of any further Shares ranking *pari passu* with Shares already in issue.

- (d) There are no rights of pre-emption upon the issue of Shares in the Company.

### **3. Voting Rights**

The following rules relating to voting rights apply:-

- (a) Fractions of Shares do not carry voting rights.
- (b) Every Shareholder or holder of non-participating shares present in person or by proxy who votes on a show of hands shall be entitled to one vote.
- (c) The chairman of a general meeting of a Sub-Fund or a Class or any Shareholder of a Sub-Fund or Class present in person or by proxy at a meeting of a Sub-Fund or a Class may demand a poll. The chairman of a general meeting of the Company or at least two members present in person or by proxy or any Shareholder or Shareholders present in person or by proxy representing at least one tenth of the Shares in issue having the right to vote at such meeting may demand a poll.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (e) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands take place or at which the poll is demanded shall be entitled to a second or casting vote.
- (f) Any person (whether a Shareholder or not) may be appointed to act as a proxy; a Shareholder may appoint more than one proxy to attend on the same occasion.
- (g) Any instrument appointing a proxy must be deposited at the registered office, not less than 48 hours before the meeting or sent to and received at such other place or by such other means and by such time as is specified in the notice convening the meeting. The Directors may at the expense of the Company send by post or otherwise to the Shareholders instruments of proxy (with or without prepaid postage for their return) and may either leave blank the appointment of the proxy or nominate one or more of the Directors or any other person to act as proxy.
- (h) To be passed, ordinary resolutions of the Company or of the Shareholders of a particular Sub-Fund or Class will require a simple majority of the votes cast by the Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. Special resolutions of the Company or of the Shareholders of a particular Sub-Fund or Class will

require a majority of not less than 75% of the Shareholders present in person or by proxy and voting in general meeting including a resolution to amend the Articles of Association.

#### **4. Meetings**

- (a) The Directors may convene extraordinary general meetings of the Company at any time. The Directors shall convene an annual general meeting within six months of the end of each Accounting Period.
- (b) Not less than twenty-one days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and fourteen days' notice must be given in the case of any other general meeting.
- (c) Two Members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Sub-Fund or Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum and in the case of a meeting of a Sub-Fund or Class convened to consider the variation of rights of Shareholders in such Sub-Fund or Class the quorum shall be one Shareholder holding Shares of the Sub-Fund or Class in question or his proxy. All general meetings will be held in Ireland.
- (d) The foregoing provisions with respect to the convening and conduct of meetings shall save as otherwise specified with respect to meetings of Sub-Funds or Classes and, subject to the Act, have effect with respect to separate meetings of each Sub-Fund or Class at which a resolution varying the rights of Shareholders in such Sub-Fund or Class is tabled.

#### **5. Reports and Accounts**

The Company will prepare an annual report and audited accounts as of September 30 in each year and a half-yearly report and unaudited accounts as of March 31 in each year. The audited annual report and accounts will be published within four months of the Company's financial year end and its semi-annual report will be published within 2 months of the end of the half year period and in each case will be offered to subscribers before conclusion of a contract and supplied to Shareholders free of charge on request and will be available to the public at the registered office of the Administrator. The periodic reports and the Articles of Association may be obtained from the Company.

#### **6. Communications and Notices to Shareholders**

Communications and Notices to Shareholders or the first named of joint Shareholders shall be deemed to have been duly given as follows:

MEANS OF DISPATCH	DEEMED RECEIVED
Delivery by Hand	: The day of delivery or next following working day if delivered outside usual business hours.
Post	: 48 hours after posting.
Fax	: The day on which a positive transmission receipt is received.
Electronically	: The day on which the electronic transmission has been sent to the electronic information system designated by a Shareholder.
Publication of Notice or Advertisement of Notice	: The day of publication in a daily newspaper circulating in the country or countries where shares are marketed.

## **7. Transfer of Shares**

- (a) Transfers of Shares may be effected in writing in any usual or common form, signed by or on behalf of the transferor and every transfer shall state the full name and address of the transferor and transferee.
- (b) The Directors and/or the Manager may from time to time specify a fee for the registration of instruments of transfer provided that the maximum fee may not exceed 3% of the Net Asset Value of the Shares subject to the transfer on the Redemption Day immediately preceding the date of the transfer.

The Directors and the Manager may decline to register any transfer of Shares if:-

- (i) in consequence of such transfer the transferor or the transferee would hold a number of Shares less than the Minimum Holding;
- (ii) all applicable taxes and/or stamp duties have not been paid in respect of the instrument of transfer;

- (iii) the instrument of transfer is not deposited at the registered office of the Company or such other place as the Directors and/or the Manager may reasonably require, accompanied by the certificate for the Shares to which it relates, such evidence as the Directors and/or the Manager may reasonably require to show the right of the transferor to make the transfer, and such relevant information and declarations as the Directors and/or the Manager may reasonably require from the transferee including, without limitation, information and declarations of the type which may be requested from an applicant for Shares in the Company and such fee as may from time to time be specified by the Directors and/or the Manager for the registration of any instrument of transfer;
  - (iv) they are aware or reasonably believe the transfer would result in the beneficial ownership of such Shares by a person in contravention of any restrictions on ownership as set out herein or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the Company, the relevant Sub-Fund or Class or Shareholders as a whole; or
  - (v) the transferor has not supplied all of the relevant documentation in relation to anti-money laundering checks.
- (c) The registration of transfers may be suspended for such periods as the Directors and/or the Manager may determine provided always that each registration may not be suspended for more than 30 days.

## **8. Directors**

The following is a summary of the principal provisions in the Articles of Association relating to the Directors:

- (a) The number of Directors shall not be less than two nor (unless otherwise determined by an ordinary resolution of the Company in general meeting), more than nine.
- (b) A Director need not be a Shareholder.
- (c) The Articles of Association contain no provisions requiring Directors to retire on attaining a particular age or to retire on rotation.
- (d) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the Company or any company in which the Company is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.

- (e) The Directors of the Company for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in the Prospectus and may be reimbursed all reasonable travel, hotel and other expenses incurred in connection with the business of the Company or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the Company.
- (f) 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 on such terms as to tenure of office or otherwise as the Directors may determine.
- (g) No Director shall be disqualified by his office from contracting with the Company as vendor, purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director who is so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, but the nature of his interest must be declared by him at the meeting of the Directors at which the proposal to enter into the contract or agreement is first considered or, if the Director in question was not at the date of that meeting interested in the proposed contract or arrangement, at the next Directors' meeting held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract or arrangement which may thereafter be made with that company or firm is deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made.
- (h) A Director may not vote in respect of any resolution or contract or arrangement or any proposal whatsoever in which he has any material interest or a duty which conflicts with the interests of the Company and shall not be counted in the quorum at a meeting in relation to any resolution upon which he is debarred from voting unless the Directors resolve otherwise. However, a Director may vote and be counted in quorum in respect of any proposal concerning any other company in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of 5% or more of the issued shares of any class of such company or of the voting rights available to members of such company. A Director may also vote and be counted in the quorum in respect of any proposal concerning an offer of Shares in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity in respect of money lent by the Director to the Company or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt obligation of the Company for which the Director has assumed responsibility in whole or in respect of the purchase of directors' and officers' liability insurance.
- (i) The office of a Director shall be vacated in any of the following events namely:-

- (a) if he resigns his office by notice in writing signed by him and left at the registered office of the Company;
- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) if he becomes of unsound mind;
- (d) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
- (e) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
- (f) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
- (g) if he is removed from office by ordinary resolution of the Company.

#### **9. Directors' Interests**

- (a) Julie Broadbent serves as the Head of Platform Management for Alternative Products in UBS.
- (b) No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the Company.

#### **10. Winding Up**

- (a) The Company or where relevant a Sub-Fund may be wound up or terminated if:
  - (i) At any time after the incorporation of the Company or the establishment of a Sub-Fund, if the total value of a Sub-Fund's net assets falls to a level that no longer allows the Sub-Fund to be managed in an economically reasonable way in the opinion of the Directors and/or the Manager or if in the opinion of the Directors and/or the Manager the political or economic environment changes in an adverse way, the Board of Directors and/or the Manager may demand the liquidation of one or more Sub-Funds.
  - (ii) The Board of Directors of the Company and/or the Manager are empowered, at all times, to liquidate existing Sub-Funds.
  - (iii) Within a period of three months from the date on which (a) the Depositary notifies the Company of its desire to retire in accordance with the terms of the Depositary



Agreement and has not withdrawn notice of its intention to so retire, (b) the appointment of the Depositary is terminated by the Company in accordance with the terms of the Depositary Agreement, or (c) the Depositary ceases to be approved by the Central Bank to act as a depositary; no new Depositary has been appointed, the Directors and/or the Manager shall instruct the Company Secretary to forthwith convene an extraordinary general meeting of the Company at which there shall be proposed an ordinary resolution to wind up the Company. Notwithstanding anything set out above, the Depositary's appointment shall only terminate on revocation of the Company's authorisation by the Central Bank or on the appointment of a successor depositary;

- (iv) An ordinary resolution of the Company's or Sub-Fund's Shareholders, as the case may be, is passed to the effect that by reason of its liabilities cannot continue its business and that it be wound up; or
  - (v) A special resolution of Shareholders of the Company or of a Sub-Fund to wind up the Company or a Sub-Fund is passed;
- (b) In the event of a winding up, the liquidator shall apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims.
- (c) The liquidator shall in relation to the assets available for distribution among Shareholders make such transfers thereof to and from Sub-Funds or Classes as may be necessary in order that the effective burden of creditors' claims may be shared between the Shareholders of different Sub-Fund or Classes in such proportions as the liquidator in his discretion deems equitable.
- (d) The assets available for distribution among the Shareholders shall be applied in the following priority:-
- (i) firstly, in the payment to the Shareholders of each Sub-Fund or Class of a sum in the Base Currency (or in any other currency selected and at such rate of exchange as determined by the liquidator) as nearly as possible equal to the Net Asset Value of the Shares of the relevant Class or Sub-Fund held by such Shareholders respectively as at the date of commencement of winding up;
  - (ii) secondly, in the payment to the holders of non-participating shares of one euro each per share;
  - (iii) thirdly, any balance then remaining and not attributable to any Sub-Fund or Class shall be apportioned between the Sub-Fund or Classes pro-rata to the Net Asset Value attributable to each Sub-Fund or Class immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Sub-Fund or Class held by them.

- (e) The liquidator may, with the authority of an ordinary resolution of the Company or where relevant Sub-Fund, divide among the Shareholders (pro rata to the value of their respective shareholdings in the Company or where relevant Sub-Fund) in specie the whole or any part of the assets of the Company or where relevant Sub-Fund and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder. The liquidator may, with like authority, vest any part of the assets of the Company or where relevant Sub-Fund in trustees upon such trusts for the benefit of Shareholders as the liquidator shall think fit and the liquidation of the Company or Sub-Fund may be closed and the Company or Sub-Fund dissolved, provided that no Shareholder shall be compelled to accept any asset in respect of which there is any liability. Further the liquidator may with like authority transfer the whole or part of the assets of the Company or Sub-Fund to a company or collective investment scheme (the "Transferee Company") on terms that Shareholders in the Company or where relevant Sub-Fund shall receive from the Transferee Company shares or units in the Transferee Company of equivalent value to their shareholdings in the Company or the Sub-Fund.
- (f) Notwithstanding any other provision contained in the Articles of Association of the Company, should the Directors and/or the Manager at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the Company or where relevant Sub-Fund, the Company Secretary shall forthwith at the Directors' and/or the Manager's request convene an extraordinary general meeting of the Company or Sub-Fund at which there shall be presented a proposal to appoint a liquidator to wind up the Company or Sub-Fund and if so appointed, the liquidator shall distribute the assets of the Company or Sub-Fund in accordance with the Articles of Association of the Company.

## **11. Indemnities and Insurance**

Subject to the provisions of the Act, the Directors and other officers of the Company and its former directors and officers shall be indemnified by the Company against losses and expenses to which any such person may become liable 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 fraud, negligence, breach of duty, breach of trust or wilful default). The Company acting through the Directors is empowered under the Articles of Association to purchase and maintain for the benefit of persons who are or were at any time Directors or officers of the Company insurance against any liability incurred by such persons in respect of any act or omission in the execution of their duties or exercise of their powers.

## **12. General**

- (a) The Company does not have, nor has it had since incorporation, any employees.

- (b) The Company does not intend to purchase or acquire nor agree to purchase or acquire any real estate property.
- (c) The rights conferred on Shareholders by virtue of their shareholdings are governed by the Articles of Association, the general law of Ireland and the Act.
- (d) The Company is not engaged in any litigation or arbitration and no litigation or claim is known by the Directors to be pending or threatened against the Company.
- (e) Dividends which remain unclaimed for six years from the date on which they become payable will be forfeited. On forfeiture such dividends will become part of the assets of the Sub-Fund to which they relate. No dividend or other amount payable to any Shareholder shall bear interest against the Company.
- (f) No person has any preferential right to subscribe for any authorised but unissued capital of the Company.

### 13. Material Contracts

The following contracts which are or may be material have been entered into otherwise than in the ordinary course of business:-

- (a) The Management Company Agreement, as may be amended from time to time, provides that the Manager shall manage the Company in accordance with the Articles of Association, the applicable provisions of the Prospectus or such other document relating to the Company and each Sub-Fund including, in particular, the investment objective, investment policies and the investment restrictions of the Company and each Sub-Fund, the UCITS Regulations, the Central Bank Rules, applicable laws, any explanatory memorandum or other such document relating to the Company distributed from time to time by or on behalf of the Company (and made available by the Company to the Manager), all lawful resolutions of the Directors and other lawful orders and directions given to the Manager from time to time by the Directors. Pursuant to the Management Company Agreement the Manager will be entitled to receive fees as described in each Supplement.

The Management Company Agreement shall continue and remain in force unless and until terminated by a party giving to the other party not less than 90 days' prior written notice (or such other period as may be agreed between the parties) provided that the Management Company Agreement may be terminated forthwith by either party ("**Party X**") if: (a) the other party ("**Party Y**") materially breaches any of its obligations under the Management Company Agreement and (if such breach is capable of remedy) fails to make good such material breach within thirty (30) calendar days of receipt of notice from Party X requiring it to do so; or (b) Party Y passes a resolution for its winding-up (except a voluntary liquidation for the purpose of reconstruction or amalgamation on terms previously approved in writing

by Party X) or if a court of competent jurisdiction orders a winding-up of Party Y, or a receiver is appointed over Party Y's assets, or an examiner is appointed to Party Y (or proceedings analogous to the foregoing are commenced against Party Y in any jurisdiction); or (c) the Manager ceases to be authorised to carry out its functions under this Agreement. The Management Company Agreement will terminate automatically if the Company's authorisation is revoked by the Central Bank.

In the absence of wilful default, fraud, bad faith or negligence on the part of the Manager, its employees, directors, servants or agents, the Manager, its employees, directors, servants or agents shall not be liable to the Company or any Shareholder for any of its acts or omissions in the course of, or connected in any way with, rendering the services herein provided for or for any losses which may be sustained in the purchase, holding or sale of any of the investments of the Company and the Manager, its employees, directors, servants or agents shall not be liable for indirect, special or consequential damages of any nature.

Pursuant to the Management Company Agreement the Company has agreed to hold harmless and indemnify the Manager, its employees, directors and agents, out of the assets of the relevant Sub-Fund, against all actions, proceedings and claims and against all costs, demands, loss and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Manager, its employees, directors and agents by reason of its performance of duties under the terms of the Management Company Agreement (otherwise than due to the wilful default, fraud, bad faith or negligence in the performance by the Manager, its employees, directors, servants or agents (which, for the avoidance of doubt shall not include brokers or dealers used by the Manager) of its obligations or functions hereunder) and in particular (but without limitation) this protection and indemnity extends to any such items aforesaid which arise as a result of any such loss suffered or incurred by the Company or any loss, delay, misdelivery or error in transmission of any cable or telegraphic communication or as a result of acting in good faith upon any forged document or signature. For the avoidance of doubt, the Company shall in no event be liable or indemnify the Manager for indirect, special, or consequential damage of any nature.

The Manager may, in accordance with the requirements of the Central Bank, delegate the whole or any part of its functions under the Management Company Agreement.

- (b) *Investment Management Agreement.* Details of the Investment Management Agreement relating to each Sub-Fund are set out in the relevant Supplement.
- (c) *Administration Agreement* between the Company and the Administrator dated 14 December 2009, as amended (as novated by way of a novation agreement dated 01 September 2017 and as further amended and novated by way of a novation agreement dated 29 November 2022 to the Manager) under which the latter was appointed as Administrator to administer the Company including the performance of valuation services and fund accounting services and acting as transfer agent and registration agent on behalf

of the Manager, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Manager. Subject to terms in the Administration Agreement regarding early termination, the Administration Agreement will continue in force unless terminated by either party on 90 days written notice to the other parties. The Administrator has the power to delegate its duties in accordance with the requirements of the Central Bank. The Administration Agreement provides that the Manager shall indemnify and hold harmless the Administrator, its directors, officers and employees and each of them for any direct loss arising out of or in connection with this Agreement except as a result of material breach of contract on the part of the Administrator, the negligence, fraud or wilful breach of the Administrator or any of its directors, officers, employees or agents as the case may be.

- (c) *Depositary Agreement* between the Company and the Depositary, as may be amended from time to time, dated 28 April 2017, under which the Depositary was appointed as Depositary of the Company's assets subject to the overall supervision of the Company. The Depositary Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or remedied breach after notice provided that the Depositary shall continue to act as Depositary until a successor Depositary approved by the Central Bank is appointed by the Company or the Company's authorisation by the Central Bank is revoked. The Depositary has the power to delegate its duties but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping.

The Depositary Agreement provides that the Depositary (which expression shall also include its directors, employees, servants, agents and any sub-custodian or securities system) shall be indemnified by the Company and held harmless from and against all or any losses, liabilities, demands, damages, costs, claims or expenses whatsoever and howsoever arising (including without limitation, reasonable legal fees on a full indemnity basis and other costs, charges and expenses incurred in enforcing or attempting to enforce this indemnity) which the Depositary may suffer or incur in acting as Depositary (including, without limitation, acting on proper instructions) other than by reason of (i) loss of financial instruments held in custody (unless the loss has arisen as a result of an external event beyond the control of the Depositary) and/or (ii) the Depositary's negligent or international failure to properly fulfil its obligations under the UCITS Regulations.

- (d) *The Distribution Agreement* dated 22 August 2014 between UBS Fund Management (Luxembourg) S.A. and the Distributor (as amended by the appendix to same dated 01 September 2017 and as further amended and novated by way of a novation agreement dated 29 November 2022 to the Manager) pursuant to which the Manager appointed the Distributor to act as distributor of Shares in the Company and to each of its Sub-Funds. The Distribution Agreement is for an indefinite period and may be terminated by the Manager or the Distributor by giving not less than 6 months' prior written notice to the other party. The Distribution Agreement provides each party is liable to the other party for any direct damage caused intentionally or through negligence by a breach of duties described

in the Distribution Agreement. Neither party shall be liable for any consequential, indirect, punitive or special damages, or losses of future business.

#### **14. Documents Available for Inspection**

Copies of the following documents, which are available for information only and do not form part of this document, may be inspected at the registered office of the Company in Ireland during normal business hours on any Business Day or at the offices of the Manager or the Administrator:-

- (a) The Articles of Association of the Company (copies may be obtained free of charge from the Administrator).
- (b) The Act and the Central Bank UCITS Regulations.
- (c) Once published, the latest annual and half yearly reports of the Company (copies of which may be obtained from the Administrator free of charge).

Copies of the Prospectus and the Key Investor Information Documents may also be obtained by Shareholders from the Administrator or the Manager.

#### **15. Information for Investors in the United Kingdom**

Copies of the following documents may be inspected, free of charge, at the offices of the Investment Manager during usual business hours on weekdays, except Saturdays and public holidays:-

- the Articles of Association of the Company and any amendments thereto;
- the most recent annual and semi-annual reports; and
- the most recent Prospectus.

Copies of the most recent Prospectus, Articles of Association and the annual and semi-annual reports may be obtained from the Investment Manager free of charge.

The Investment Manager's principal place of business is 5 Broadgate, London EC2M 2QS, England.

Other Information and Services Available from the Investment Manager:

- Information about each Sub-Fund's most recently published Net Asset Value per Share may be obtained at the office of the Investment Manager;
- Investors in each Sub-Fund may request the repurchase of shares in the Sub-Fund and obtain payment of the price on repurchase via the Investment Manager; and
- Complaints concerning the operation of the Company may be submitted to the Investment Manager.

## Appendix I - Permitted Investments and Investment Restrictions

<b>1</b>	<b>Permitted Investments</b>
<b>1.1</b>	Investments of a UCITS are confined to: 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, other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of AIFs.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	Financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	The Company shall not invest any more than 10% of assets of the UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply. This restriction not apply to an investment by the Company in US Securities known as "Rule 144 A securities" provided that; (a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and (b) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS
<b>2.3</b>	A UCITS may invest no more than 10% of net assets 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>	With the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a

	Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.
<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>A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.</p> <p>Deposits with any one credit institution, other than</p> <ul style="list-style-type: none"> <li>• a credit institution authorised in the EEA (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 (Switzerland, Canada, Japan, United States); or</li> <li>• a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand</li> </ul> <p>held as ancillary liquidity, must not exceed 10% of net assets.</p> <p>This limit may be raised to 20% in the case of deposits made with the Depositary.</p>
<b>2.8</b>	<p>The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% in the case of a credit institution authorised in the EEA or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</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 net assets:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> </ul>



	- counterparty risk exposures arising from OTC derivatives transactions.
<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 net assets.
<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 net assets may be applied to investment in transferable securities and money market instruments within the same group.
<b>2.12</b>	<p>A UCITS may invest up to 100% of net assets 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><b>The individual issuers may be drawn from the following list:</b></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, Straight-A Funding LLC, Export-Import Bank.</p> <p>The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>2.13</b>	Deposits with any single credit institution other than a credit institution specified in Regulation 7 of the Central Bank UCITS Regulations held as ancillary liquidity shall not exceed: (a) 10% of the Net Asset Value of the UCITS; or (b) where the deposit is made with the Depositary 20% of the net assets of the UCITS.
<b>3</b>	<b>Investment in Collective Investment Schemes ("CIS")</b>
<b>3.1</b>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in AIFs may not, in aggregate, exceed 30% of net assets.

<b>3.3</b>	The CIS in which a Sub-Fund may invest are prohibited from investing more than 10% of net assets in other open-ended CIS.
<b>3.4</b>	When a Sub-Fund invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS 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 Sub-Fund's investment in the units of such other CIS.
<b>3.5</b>	Where by virtue of investment in the units of another investment fund, the Company, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission), the Company shall ensure that the relevant commission is paid into the property of the UCITS.
<b>3.6</b>	<p>Investment by a Sub-Fund in another Sub-Fund of the Company is subject to the following additional provisions:</p> <ul style="list-style-type: none"> <li>- investment must not be made in a Sub-Fund which itself holds shares in other Sub-Funds within the Company; and</li> <li>- The investing Sub-Fund may not charge an annual management fee in respect of that portion of its assets invested in other Sub-Funds within the Company (whether such fee is paid directly at the investing fund level, indirectly at the receiving fund level or a combination of both), such that there shall be no double charging of the annual management fee to the investing fund as a result of investments in the receiving fund. This provision is also applicable to the annual fee charged by the Investment Manager where such fee is paid directly out of the assets of the Sub-Fund.</li> </ul>
<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

<b>5.2</b>	<p>A UCITS 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> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS 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 UCITS 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, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) Shares held by an investment company or investment companies 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 units at unit-holders' request exclusively on their behalf.</li> </ul>
<b>5.4</b>	<p>UCITS 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.</p>
<b>5.5</b>	<p>The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.</p>
<b>5.6</b>	<p>If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.</p>
<b>5.7</b>	<p>Neither an investment company, nor a management company or a trustee acting on behalf</p>

	<p>of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- units of CIS; or</li> <li>- financial derivative instruments.</li> </ul> <p><i>*Any short selling of money market instruments by UCITS is prohibited.</i></p>
<b>5.8</b>	A UCITS may hold ancillary liquid assets.
<b>6</b>	Financial Derivative Instruments ('FDIs')
<b>6.1</b>	The UCITS global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total net asset value.
<b>6.2</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 set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
<b>6.3</b>	UCITS 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>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.
<b>7</b>	Restrictions on Borrowing and Lending
<b>(a)</b>	A Sub-Fund may borrow up to 10% of its Net Asset Value provided such borrowing is on a temporary basis. A Sub-Fund may charge its assets as security for such borrowings.
<b>(b)</b>	<p>A Sub-Fund may acquire foreign currency by means of a back-to-back loan agreement. The Company shall ensure that a Sub-Fund with foreign currency borrowings which exceed the value of a back-to-back deposit treats that excess as borrowings for the purpose of Regulation 103 of the UCITS Regulations.</p> <p>However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purpose of (a) above.</p>

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank and as disclosed in an updated Prospectus) to avail itself of any change in the investment and borrowing restrictions laid down in the UCITS Regulations which would permit investment by

the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations.

## Appendix II - Exchanges

The following is a list of regulated stock exchanges and markets on which a Sub-Fund's investments in securities and financial derivative instruments other than permitted investment in unlisted securities and OTC derivative instruments, will be listed or traded. The exchanges and markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

(i) any stock exchange which is:-

- located in any Member State of the European Union; or
  - located in any Member State of the European Union or Norway; or
  - located in any of the following countries:-
    - Australia
    - Canada
    - Hong Kong
    - Japan
    - New Zealand
    - Switzerland
    - United States of America
    - United Kingdom

(ii) any of the following stock exchanges or markets:-

Argentina	-	Bolsa de Comercio de Buenos Aires
Brazil	-	Bolsa de Mercadorias e Futuros
Brazil	-	Bolsa de Valores de Sao Paulo
Chile	-	Bolsa de Comercio de Santiago
Egypt	-	Cairo and Alexandria Stock Exchange
China (PRep. of)	-	Fujian Securities Exchange
China (PRep. of)	-	Hainan Securities Exchange
China (PRep. of)	-	Shanghai Securities Exchange
China (PRep. of)	-	Shenzhen Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Hong Kong	-	Growth Enterprise Market
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Kuwait	-	Boursa Kuwait
Malaysia	-	Bursa Malaysia
Mexico	-	Bolsa Mexicana de Valores
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange

Qatar	-	Qatar Stock Exchange
Russia	-	Moscow Interbank Currency Exchange
	-	the Russian Trading System Stock Exchange
Saudi Arabia	-	Saudi Exchange
Singapore	-	Singapore Exchange
South Africa	-	JSE Securities Exchange
South Korea	-	Korea Stock Exchange
Taiwan		
(Republic of China)	-	Taiwan Stock Exchange Corporation
	-	Gretai Securities Market
Thailand	-	Stock Exchange of Thailand
Turkey	-	Istanbul Stock Exchange
United Arab Emirates	-	Abu Dhabi Securities Exchange
	-	Dubai Financial Market
	-	Nasdaq Dubai

(iii) any of the following markets:

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

NASDAQ in the United States;

The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

The market in Singapore government securities conducted by primary dealers regulated by the Monetary Authority of Singapore;

The market in Singapore corporate bonds settled through a recognised central depository system (such as Euroclear or the Central Depository (Pte) Limited ("CDP")): and

(iv) all derivative exchanges on which permitted financial derivative instruments may be listed or traded:

in a Member State;

in a Member State in the European Union or Norway or the United Kingdom;

in the United States of America, on the

- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;

- ICE Futures US;
- New York Mercantile Exchange;
- American Stock Exchange;
- NYSE Euronext – previously, the New York Futures Stock Exchange;
- Philadelphia Stock Exchange;
- International Options Exchange;

in Australia, on the

- Sydney Futures Exchange;

in Brazil, on the

- Bolsa de Mercadorias e Futuros

in Canada, on the

- the Montreal Exchange;
- the Toronto Exchange;

in China, on the

- China Financial Futures Exchange;

in Hong Kong, on the

- Hong Kong Futures Exchange;

in Japan, on the

- Osaka Securities Exchange;
- Tokyo Financial Exchange;
- Tokyo Stock Exchange;

in Korea, on the

- Korea Exchange;

in New Zealand, on the

- New Zealand Futures & Options Exchange;

in Singapore, on the

- Singapore Exchange;
- Singapore Commodity Exchange;

in Switzerland, on the

- Eurex;
- SIX Swiss Exchange;

For the purposes only of determining the value of the assets of a Sub-Fund, the term "Exchange" shall be deemed to include, in relation to any derivatives contract utilised by a Sub-Fund, any



organised exchange or market on which such contract is regularly traded.

### **Appendix III - Financial Derivative Instruments for the Purpose of Investment and/or Efficient Portfolio Management**

The Investment Manager shall, in respect of and for the benefit of each Sub-Fund, have the power to employ financial derivative techniques and instruments for the purposes of investment and/or efficient portfolio management, in each case subject to the limits laid down by the Central Bank and subject to the terms of the Supplement for the relevant Sub-Fund. These financial derivative techniques and instruments may include, but are not limited to, warrants, exchange traded futures and options, forward currency contracts and swap agreements. Where a Sub-Fund intends to employ financial derivative techniques and instruments, it will be disclosed in the investment policies of the relevant Sub-Fund. In the event that a Sub-Fund changes its investment policy in a manner which alters how it may utilise financial derivative techniques and instruments, the Investment Manager will submit to and obtain clearance from the Central Bank of a revised risk management process.

The underlying exposure to financial derivative instruments in each case may relate to transferable securities, collective investment schemes (including ETFs), money market instruments, stock indices, fixed income indices, foreign exchange rates or currencies. Any investment in open-ended ETFs will be in accordance with the investment limits for collective investment schemes and any investment in close-ended ETFs will be in accordance with the investment limits for transferable securities, as set out under the heading "Permitted Investments and Investment Restrictions" in the Prospectus.

The Investment Manager may decide not to use any of these instruments or strategies. In addition, the Investment Manager may decide to use instruments other than those listed below, in accordance with the requirements of the Central Bank. Outlined below is a description of the various instruments which may be used.

As detailed in the Prospectus and in the relevant Supplements, a Sub-Fund may gain exposure to financial indices through the use of financial derivative instruments where considered appropriate to the investment objective and investment policies of the relevant Sub-Fund. Such financial indices may or may not comprise of Eligible Assets. Where exposure is generated to financial indices which do not comprise of Eligible Assets or in circumstances where an index comprises of Eligible Assets but the relevant Sub-Fund cannot comply with the risk spreading rules set down in the UCITS Regulations taking into account both direct and indirect exposure of the Sub-Fund to the constituents of the relevant index, the Investment Manager shall only gain exposure to financial indices which comply with the requirements of the Central Bank as set out in the Central Bank UCITS Regulations.

In this regard, any such financial indices will be rebalanced/adjusted on a periodic basis in accordance with the requirements of the Central Bank e.g. on a weekly, monthly, quarterly, semi-annual or annual basis. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. It is not possible

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

Where the weighting of a particular constituent in the financial index exceeds the investment restrictions set down in the UCITS Regulations the Investment Manager will as a priority objective look to remedy the situation taking into account the interests of Shareholders and the relevant Sub-Fund.

#### Futures

A Sub-Fund may sell futures on securities, currencies, interest rates, stock indices or fixed income indices to provide an efficient, liquid and effective method for the management of risks by "locking in" gains and/or protecting against future declines in value. A Sub-Fund may also buy futures on securities, currencies, interest rates, stock indices or fixed income indices to take a position in securities. A Sub-Fund may also buy or sell stock index futures as a method to equitise significant cash positions in the Sub-Fund (in other words, to invest excess cash on an ongoing basis in futures contracts on particular securities or stock indices, or to seek such exposure for cash in the portfolio on a short-term basis pending a decision to purchase a particular security or to reallocate assets on a longer term basis). The Investment Manager will ensure that any underlying commodity index in which a Sub-Fund may invest will comply with the regulatory requirements established by the Central Bank.

#### Options

A Sub-Fund may utilise options (including equity index options, options on futures and options on swaps) to increase its current return by writing covered call options and put options on securities it owns or in which it may invest. A Sub-Fund receives a premium from writing a call or put option, which increases the return if the option expires unexercised or is closed out at a net profit. If the Sub-Fund writes a call option, it gives up the opportunity to profit from any increase in the price of a security above the exercise price of the option; when it writes a put option, the Sub-Fund takes the risk that it will be required to purchase a security from the option holder at a price above the current market price of the security. A Sub-Fund may terminate an option that it has written prior to its expiration by entering into a closing purchase transaction in which it purchases an option having the same terms as the option written. A Sub-Fund may also write put-options on currencies to protect against exchange risks.

A Sub-Fund may purchase put options (including equity index options, options on futures and options on swaps) to provide an efficient, liquid and effective mechanism for "locking in" gains and/or protecting against future declines in value on securities that it owns. This allows the Sub-Fund to benefit from future gains in the value of a security without the risk of the fall in value of the security. A Sub-Fund may also purchase call options (including equity index options and

options on futures) to provide an efficient, liquid and effective mechanism for taking position in securities. This allows the Sub-Fund to benefit from future gains in the value of a security without the need to purchase and hold the security.

#### Foreign Exchange Transactions

Foreign exchange transactions and other currency contracts may also be used to provide protection against exchange risks or to actively overlay currency views onto the Sub-Fund's currency exposure resulting from investing in foreign markets. Such contracts may, at the discretion of the Investment Manager be used to hedge some or all of the exchange risk/currency risk arising as a result of the fluctuation between the denominated currency of the Sub-Fund and the currencies in which the Sub-Fund's investments are denominated or to pursue an active currency overlay strategy.

A Sub-Fund may enter into forward currency contracts to purchase or sell a specific currency at a future date at a price set at the time of the contract. A Sub-Fund may enter into these contracts to hedge against changes in currency exchange rates. A Sub-Fund may use one currency (or a basket of currencies) to hedge against adverse changes in the value of another currency (or a basket of currencies) when exchange rates between the two currencies are positively correlated.

#### Swap Agreements

A Sub-Fund may enter into swap agreements (including total return swaps and contracts for differences) with respect to currencies, interest rates, securities and indices. A Sub-Fund may enter into swap agreements in pursuit of its investment objective. A Sub-Fund may use these techniques to protect against changes in interest rates and currency exchange rates. A Sub-Fund may also use these techniques to take positions in or protect against changes in securities indices and specific securities prices.

In respect of currencies, a Sub-Fund may utilise currency swap contracts where the Sub-Fund may exchange currencies at a fixed rate of exchange for currencies at a floating rate of exchange or currencies at a floating rate of exchange for currencies at a fixed rate of exchange. These contracts allow a Sub-Fund to manage its exposures to currencies in which it holds investment. For these instruments, the Sub-Fund's return is based on the movement of currency exchange rates relative to a fixed currency amount agreed by the parties.

In respect of interest rates, a Sub-Fund may utilise interest rate swap contracts where the Sub-Fund may exchange interest rate cash flows for cash flows based on the return of an equity or fixed income instrument or securities index. These contracts allow a Sub-Fund to manage its interest rate exposures. For these instruments, the Sub-Fund's return is based on the movement of interest rates relative to a fixed rate agreed by the parties.

In respect of securities and securities indices a Sub-Fund may utilise total return swap contracts where the Sub-Fund may exchange interest rate cash flows for cash flows based on the return

of, for example, an equity or fixed income instrument or a securities index. These contracts allow a Sub-Fund to manage its exposures to certain securities or securities indexes. For these instruments, the Sub-Fund's return is based on the movement of interest rates relative to the return on the relevant security or index. Specifically, the use of Total Return Swaps by a Sub-Fund shall be subject to the requirements of SFTR.

The counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager. Where a Sub-Fund enters into total return swaps (or invests in other financial derivative instruments with the same characteristics) it will only do so on behalf of the Sub-Fund with counterparties which shall be entities which satisfy the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager has full discretion as to the appointment of counterparties when entering into total return swap in furtherance of the Sub-Fund's investment objective and policies. It is not possible to comprehensively list in the relevant Supplement all the counterparties as they have not, as of the date of issue of the relevant Supplement, been selected and they may change from time to time. A Sub-Fund may not enter into such a swap or other derivative transaction where (1) the counterparty is permitted to have discretion over the composition or management of a Sub-Fund's portfolio or over the underlying of financial derivative instruments used by a Sub-Fund or (2) counterparty approval is required in relation to any investment decision made by a Sub-Fund.

Risks associated with the use of total return swaps, are detailed in the Prospectus under the heading "Risk Factors".

#### Warrants

A warrant is a security which gives the right but not the obligation to purchase stocks at a set price within a specified period. A Sub-Fund may invest in warrants to provide an efficient, liquid mechanism for taking position in securities without the need to purchase and hold the security.

#### When Issued/Delayed Delivery Securities

A Sub-Fund may purchase or sell securities on a when-issued or delayed-delivery basis for the purposes of efficient portfolio management. In this instance payment for and delivery of securities takes place in the future at a stated price in order to secure what is considered to be an advantageous price and yield to the Sub-Fund at the time of entering into the transaction. Securities are considered "delayed delivery" securities when traded in the secondary market, or "when-issued" securities if they are an initial issuance of securities. Delayed delivery securities (which will not begin to accrue interest until the settlement date) and when-issued securities will be recorded as assets of the Sub-Fund and will be subject to risks of market value fluctuations. The purchase price of delayed delivery and when-issued securities will be recorded as a liability of the Sub-Fund until settlement date and when issued or delivered as the case may be such securities will be taken into account when calculating the limits set out in Appendix I under the

heading Investment Restrictions.

#### Securities Financing Transactions

Subject to the requirements of SFTR and the Central Bank Rules and in accordance with normal market practice, a Sub-Fund may use Securities Financing Transactions for efficient portfolio management purposes. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Fund including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks. The maximum portion of any Sub-Fund's assets which may be subject to such Securities Financing Transactions is 100% of the Net Asset Value of the relevant Sub-Fund. In practice, the expected portion of a Sub-Fund's asset subject to such transactions is expected to vary between 0% and 50% of the Net Asset Value of each relevant Sub-Fund.

Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Sub-Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. A securities lending arrangement is an arrangement whereby title to the "loaned" securities is transferred by a "lender" to a "borrower" with the borrower contracting to deliver "equivalent securities" to the lender at a later date. If the Investment Manager engages in securities lending arrangements in respect of a Sub-Fund, it shall be disclosed in the relevant Supplement.

The Company shall ensure that all revenues arising from Securities Financing Transactions and other efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund. Such direct and indirect operational costs/fees will be paid to the entities outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

The gross revenue from securities lending transactions may be reduced by certain transaction fees by third parties and other costs charged by the Depositary as further detailed in the section of the Prospectus entitled "Fees and Expenses", each time in context of those securities lending transactions. The remaining portion of the gross revenue is then split as follows: 80% is returned to the relevant Sub-Fund while the Securities Lending Agent receives up to 20% to cover operational costs resulting from the transactions carried out in relation to the securities lending. The investors should therefore note that the effective portion of the overall gross revenue returned to the Sub-Fund generated on all securities lending transactions effected with respect to such Sub-Fund in any accounting year may be lower than 80%. The effective portion of the overall gross revenue returned to the Sub-Fund will be disclosed in the Sub-Fund's annual report.

While the Company and/or the Manager will conduct appropriate due diligence in the selection of counterparties, including consideration of the legal status, country of origin, credit rating and

minimum credit rating (where relevant), it is noted that the Central Bank Rules do not prescribe any pre trade eligibility criteria for counterparties to a Sub-Fund's Securities Financing Transactions.

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

#### **A. *Use of Securities Financing Transactions***

The following requirements apply to Securities Financing Transactions:

1. Any counterparty to a Securities Financing Transaction shall be subject to an appropriate internal credit assessment carried out by the Company, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, industry sector risk and concentration risk. Where such counterparty (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Company without delay.
2. The Company must be able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.
3. When the Company enters into a reverse repurchase agreement it must ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the relevant Sub-Fund. Fixed-term 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.
4. When the Company enters into a repurchase agreement it must ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase 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.
5. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

Repurchase/reverse repurchase agreements and securities lending agreements may only be effected in accordance with normal market practice.

6. All the revenues arising from Securities Financing Transactions and other efficient portfolio management techniques, net of direct and indirect operational costs/fees, will be returned to the relevant Sub-Fund.
7. Any direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the relevant Sub-Fund must not include hidden revenue. Such direct and indirect operational costs/fees will be paid to the entities outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.
8. Investors should consult the sections of the Prospectus entitled "Risk Factors-Counterparty Risk", "Risk Factors- Derivatives and Techniques and Instruments Risk" and "Conflicts of Interest" for more information on the risks associated with Securities Financing Transactions and other efficient portfolio management.

**B. Management of Collateral**

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1998 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.*

1. The risk exposures to a counterparty arising from Securities Financing Transactions shall be combined when calculating the counterparty risk limits set out in paragraph 2.9 under the heading "Permitted Investments and Investment Restrictions".
2. All assets received by a Sub-Fund in the context of Securities Financing Transactions and efficient portfolio management techniques shall be considered as collateral and must comply with the criteria set down in paragraph 3 below.
3. Collateral obtained in respect of Securities Financing Transactions and efficient portfolio management techniques ("Collateral") must, at all times, meet with the following criteria:
  - 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 UCITS Regulations.
  - b. Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts (as referred to below) are in place.



Where appropriate, non-cash collateral held for the benefit of a Sub-Fund shall be valued in accordance with the valuation policies and principles applicable to the Company. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value.

- c. Issuer credit quality: Collateral received should be of high quality. The Company 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 Company 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 (i) this shall result in a new credit assessment being conducted of the issuer by the Company without delay
- d. Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- e. Diversification (asset concentration) where cash collateral is received, if it is reinvested, it will be diversified in accordance with the requirements of ESMA's Guidelines on ETFs and other UCITS issues (ESMA/2012/832EN). Collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Sub-Fund's Net Asset Value. When a Sub-Fund is exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20% limit of exposure to a single issuer. A Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Sub-Fund should receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30 per cent of the Sub-Funds' net value.

The countries, local authorities, or public international bodies issuing or guaranteeing securities which a Sub-Fund is able to accept as collateral for more than 20% of its net asset value are as follows:

Countries: Australia, Austria, Denmark, Japan, Norway, Germany, France, Belgium, UK, Sweden, Netherlands, Canada, Switzerland, US, Cyprus, Estonia, Finland, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Portugal, Slovakia Slovenia, Spain.

Agencies or public international bodies: The African Development Bank, Asian Development Bank, Council of Europe Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, International Bank for Reconstruction and Development, International Finance Corporation, Nordic Investment Bank, Kredietanstalt Fuer Wiederaufbau, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Bank, Government National Mortgage Association.

- f. Immediately available: Collateral received must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
4. Collateral must be held by the Depositary, or its delegate (where there is title transfer). This is not applicable in the event that there is no title transfer in which case 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. Assets provided by the Sub-Fund on a title transfer basis shall no longer belong to the Sub-Fund and shall pass outside the custody network.
  5. Non-cash Collateral cannot be sold or pledged or re-invested.
  6. Cash Collateral may not be invested other than in the following:
    - a. deposits with Relevant Institutions;
    - b. high quality government bonds;
    - c. reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the UCITS is able to recall at any time the full amount of cash on an accrued basis;
    - d. short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10- 049).
  7. In accordance with the Central Bank UCITS Regulations re-invested cash Collateral must be diversified in accordance with the diversification requirement applicable to non-cash Collateral set out in 3.e. above. Re-invested cash collateral may not be placed on deposit with the counterparty or a related entity and must be taken into account in the calculations to determine compliance with the investment restrictions to a fund
  8. A Sub-Fund receiving collateral for at least 30% of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the UCITS 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.
9. The Company on behalf of each Sub-Fund will have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, the Company will take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with the preceding paragraph. This policy will be documented and will justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

### **C. Collateral Management Policy**

In accordance with the requirements of the Central Bank, the Investment Manager will employ a collateral management policy for and on behalf of each Sub-Fund in respect of collateral received in respect of OTC financial derivative transactions whether used for investment or for efficient portfolio management purposes. Any collateral received by the Sub-Fund shall comprise of assets which satisfy the requirements of the Central Bank relating to collateral which may be received by a UCITS. Any re-investment of cash collateral shall be diversified in accordance with the requirements of the Central Bank. Re-invested cash collateral exposes the Sub-Fund to certain risks such as the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested. Please refer to the section "Risk Factors" in the Prospectus for information on counterparty risk and credit risk in this regard. All collateral received by the Sub-Fund on a title transfer basis shall be held by the Depositary. For other types of collateral arrangements, the collateral may be held with a third party custodian which is subject to prudential supervision and which is unrelated to the collateral provider.

The level of collateral required to be posted may vary by counterparty with which the Company transacts and shall be in accordance with the requirements of the Central Bank. The haircut policy applied to posted collateral will be negotiated on a counterparty basis and will vary depending on the class of asset received by the Sub-Fund, taking into account the characteristics of the assets received as collateral such as the credit standing or the price volatility and the outcome of any liquidity stress testing policy, where appropriate. This policy justifies each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets. Should the relevant Sub-Fund receive collateral for at least 30% of its assets then an appropriate stress testing policy will be put in place in line with the requirements set out at point 8 under the heading "Management of Collateral" above.

#### Appendix IV - LIST OF SUBCUSTODIANS

**List of subcustodians and markets used by J.P. Morgan as (subject to amendment by J.P. Morgan giving notice to the Customer from time to time) at the date of the Agreement**

Argentina	HSBC Bank Argentina S.A. Bouchard 557, 18th Floor Buenos Aires C1106ABJ Argentina
Australia	JPMorgan Chase Bank N.A. Level 31, 101 Collins Street Melbourne 3000 Australia
Austria	UniCredit Bank Austria AG Julius Tandler Platz - 3, Vienna A-1090 Austria
Bahrain	HSBC Bank Middle East Limited Road No 2832 Al Seef 428 Bahrain
Bangladesh	Standard Chartered Bank Portlink Tower, Level-6, 67 Gulshan Avenue, Gulshan Dhaka 1212 Bangladesh
Belgium	BNP Paribas Securities Services S.C.A. (for clients contracting with J.P. Morgan (Suisse) SA and for all Belgian Bonds settling in the National Bank of Belgium (NBB), Physical Securities, and Ordre de Mouvement (ODMs) held by clients) Central Plaza Building, Rue de Loos, 25, 7th Floor Brussels 1000 Belgium  J.P. Morgan Bank Luxembourg S.A. (for clients contracting with this entity and JPMorgan Chase Bank, N.A.) European Bank & Business Centre, 6, route de Treves Senningerberg L-2633 Luxembourg  J.P. Morgan SE – Dublin Branch (for clients contracting with this entity) 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2, D02 RK57 Ireland
Bermuda	HSBC Bank Bermuda Limited 3rd Fl Harbour View Building, 37 Front Street Hamilton HM 11 Bermuda
Botswana	Standard Chartered Bank Botswana Limited

	5th Floor, Standard House, P.O. Box 496, Queens Road, The Mall Gaborone Botswana
Brazil	J.P. Morgan S.A. DTVM Av. Brigadeiro Faria Lima, 3729, Floor 06 Sao Paulo SP 04538 905 Brazil
Bulgaria	Citibank Europe plc Serdika Offices, 10th Floor, 48 Sitnyakovo Blvd Sofia 1505 Bulgaria
Canada	CIBC Mellon Trust Company (Note: Clients please refer to your issued settlement instructions) 1 York Street, Suite 900 Toronto Ontario M5J 0B6 Canada  Royal Bank of Canada (Note: Clients please refer to your issued settlement instructions) 155 Wellington Street West Toronto M5V 3L3 Canada
Chile	Banco Santander Chile Bandera 140, Piso 4 Santiago Chile
China A-Share	JPMorgan Chase Bank (China) Company Limited (Note: Clients please refer to your issued settlement instructions) 41st floor, Park Place, No. 1601, West Nanjing Road, Jingan District Shanghai The People's Republic of China  HSBC Bank (China) Company Limited (Note: Clients please refer to your issued settlement instructions) 33/F, HSBC Building, Shanghai IFC, 8 Century Avenue, Pudong Shanghai 200120 The People's Republic of China
China B-Share	HSBC Bank (China) Company Limited 33/F, HSBC Building, Shanghai IFC, 8 Century Avenue, Pudong Shanghai 200120 The People's Republic of China
China Connect	JPMorgan Chase Bank, N.A. 48th Floor, One Island East, 18 Westlands Road, Quarry Bay Hong Kong Island Hong Kong

Colombia	Cititrust Colombia S.A. Carrera 9 A #99-02, 3rd Floor Bogota Colombia
Costa Rica	Banco BCT S.A. 150 Metros Norte de la Catedral Metropolitana, Edificio BCT San Jose Costa Rica
Croatia	Privredna banka Zagreb d.d. Radnicka cesta 50 Zagreb 10000 Croatia
Cyprus	HSBC France Athens Branch 109-111, Messogion Ave. Athens 11526 Greece
Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s. BB Centrum - FILADELFIE, Zeletavska 1525- 1, Prague 1 Prague 140 92 Czech Republic
Denmark	Nordea Bank Abp Christiansbro, Strandgade 3, P.O. Box 850 Copenhagen DK-0900 Denmark
Egypt	Citibank N.A., Egypt Boomerang Building, Plot 46, Zone J, 1st district, 5th Settlement, New Cairo 11511 Egypt
Estonia	Swedbank AS Liivalaia 8 Tallinn 15040 Estonia
Finland	Nordea Bank Abp Satamaradankatu 5 Helsinki FIN-00020 Nordea Finland
France	J.P. Morgan Bank Luxembourg S.A. (for clients contracting with this entity and JPMorgan Chase Bank, N.A.) European Bank & Business Centre, 6, route deTreves Senningerberg L-2633 Luxembourg  BNP Paribas Securities Services S.C.A. (for clients contracting with J.P. Morgan (Suisse) SA) 3, Rue d'Antin Paris 75002 France  J.P. Morgan SE – Dublin Branch (for clients contracting with this entity) 200 Capital Dock 79 Sir John Rogerson's Quay

	Dublin 2, D02 RK57 Ireland
Germany	J.P. Morgan AG (for domestic German custody clients only) Taunustor 1 (TaunusTurm) Frankfurt am Main 60310 Germany  Deutsche Bank AG Alfred-Herrhausen-Allee 16-24 Eschborn D-65760 Germany
Ghana	Standard Chartered Bank Ghana Limited Accra High Street, P.O. Box 768 Accra Ghana
Greece	HSBC France Athens Branch 109-111, Messogion Ave. Athens 11526 Greece
Hong Kong	JPMorgan Chase Bank, N.A. 48th Floor, One Island East, 18 Westlands Road, Quarry Bay Hong Kong Island Hong Kong
Hungary	Deutsche Bank AG Hold utca 27 Budapest H-1054 Hungary
Iceland	Islandsbanki hf. Kirkjusandur 2 Reykjavik IS-155 Iceland
India	JPMorgan Chase Bank, N.A. 6th Floor, Paradigm B Wing, Mindspace, Malad (West) Mumbai 400 064 India
Indonesia	PT Bank HSBC Indonesia Menara Mulia 25th Floor, Jl. Jendral Gatot Subroto Kav. 9-11 Jakarta 12930 Indonesia
Ireland	JPMorgan Chase Bank, N.A. 25 Bank Street Canary Wharf London E14 5JP United Kingdom
Israel	Bank Leumi le-Israel B.M. 35, Yehuda Halevi Street Tel Aviv 65136 Israel
Italy	J.P. Morgan SE – Dublin Branch (for clients contracting with this entity) 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2, D02 RK57 Ireland  BNP Paribas Securities Services S.C.A. (for clients contracting with J.P. Morgan Chase

	Bank, N.A. and J.P. Morgan (Suisse) SA Piazza Lina Bo Bardi 3 Milan 20124 Italy
Japan	Mizuho Bank Ltd. (Note: Clients please refer to your issued settlement instructions) 2-15-1, Konan, Minato-ku Tokyo 108-6009 Japan  MUFG Bank, Ltd. (Note: Clients please refer to your issued settlement instructions) 1-3-2 Nihombashi Hongoku-cho, Chuo-ku Tokyo 103-0021 Japan
Jordan	Standard Chartered Bank Shmeissani Branch, Al-Thaqafa Street, Building #2 P.O. Box 926190 Amman Jordan
Kazakhstan	JSC Citibank Kazakhstan Park Palace, Building A, Floor 2, 41 Kazybek Bi Almaty 050010 Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited Chiromo, 48 Westlands Road Nairobi 00100 Kenya
Kuwait	HSBC Bank Middle East Limited Kuwait City, Sharq Area Safat 13017 Kuwait
Latvia	Swedbank AS Balast dambis 1a Riga LV-1048 Latvia
Lithuania	AB SEB Bankas 12 Gedimino pr. Vilnius LT 2600 Lithuania
Luxembourg	BNP Paribas Securities Services S.C.A. 60 Avenue John F. Kennedy Luxembourg L-1855 Luxembourg
Malawi	Standard Bank Limited 1st Floor Kaomba House, Cnr Glyn Jones Road & Victoria Avenue Blantyre Malawi
Malaysia	HSBC Bank Malaysia Berhad 2 Leboh Ampang, 12th Floor, South Tower Kuala Lumpur 50100 Malaysia
Mauritius	The Hongkong and Shanghai Banking Corporation Limited HSBC Centre, 18 Cybercity



	Ebene Mauritius
Mexico	Banco Nacional de Mexico S.A. Act. Roberto Medellin No. 800 3er Piso Norte Colonia Santa Fe Mexico, D.F. 1210 Mexico
Morocco	Société Générale Marocaine de Banques 55 Boulevard Abdelmoumen Casablanca 20100 Morocco
Namibia	Standard Bank Namibia Limited 2nd Floor, Town Square Building, Corner of Werner List and Post Street Mall, P.O. Box 3327 Windhoek Namibia
Netherlands	J.P. Morgan Bank Luxembourg S.A. (for clients contracting with this entity and JPMorgan Chase Bank, N.A.) European Bank & Business Centre, 6, route deTreves Senningerberg L-2633 Luxembourg  BNP Paribas Securities Services S.C.A. (for clients contracting with J.P. Morgan (Suisse) SA) Herengracht 595 Amsterdam 1017 CE Netherlands  J.P. Morgan SE – Dublin Branch (for clients contracting with this entity) 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2, D02 RK57 Ireland
New Zealand	JPMorgan Chase Bank, N.A Level 13, 2 Hunter Street Wellington 6011 New Zealand
Nigeria	Stanbic IBTC Bank Plc Plot 1712, Idejo Street Victoria Island Lagos Nigeria
Norway	Nordea Bank Abp Essendropsgate 7, P.O. Box 1166 Oslo NO-0107 Norway
Oman	HSBC Bank Oman S.A.O.G. 2nd Floor Al Khuwair P.O. Box 1727 Seeb PC 111 Oman
Pakistan	Standard Chartered Bank (Pakistan) Limited

	P.O. Box 4896, Ismail Ibrahim Chundrigar Road Karachi 74000 Pakistan
Panama	Citibank N.A. Panama Branch Punta Pacifica, Calle Punta Darien, Torre De Las Americas, Torre B, Piso 14 Panama Panama
Peru	Citibank del Perú S.A. Canaval y Moreryra 480 Piso 3, San Isidro Lima L-27 Peru
Philippines	The Hongkong and Shanghai Banking Corporation Limited 7/F HSBC Centre, 3058 Fifth Avenue West, Bonifacio Global City Taguig City 1634 Philippines
Poland	Bank Handlowy w. Warszawie S.A. ul. Senatorska 16 Warsaw 00-923 Poland
Portugal	BNP Paribas Securities Services S.C.A. Avenida D.João II, Lote 1.18.01, Bloco B, 7º andar Lisbon 1998-028 Portugal
Qatar	HSBC Bank Middle East Limited 2nd Floor, Ali Bin Ali Tower, Building 150, Airport Road Doha Qatar
Romania	Citibank Europe plc 145 Calea Victoriei, 1st District Bucharest 10072 Hungary
Russia	Commercial Bank "J.P. Morgan Bank International" (Limited Liability Company) 10, Butyrsky Val, White Square Business Centre, Floor 12 Moscow 125047 Russia
Saudi Arabia	J.P. Morgan Saudi Arabia Company (Note: Clients please refer to your issued settlement instructions) Al Faisaliah Tower, Level 8, P.O. Box 51907 Riyadh 11553 Saudi Arabia  HSBC Saudi Arabia (Note: Clients please refer to your issued settlement instructions) 2/F HSBC Building, 7267 Olaya Street North, Al Murooj Riyadh 12283-2255 Saudi Arabia

Serbia	Unicredit Bank Srbija a.d. Rajiceva 27-29 Belgrade 11000 Serbia
Singapore	DBS Bank Ltd 10 Toh Guan Road, DBS Asia Gateway, Level 04-11 (4B) Singapore 608838 Singapore
Slovak Republic	UniCredit Bank Czech Republic and Slovakia, a.s. Sancova 1/A Bratislava SK-813 33 Slovak Republic
Slovenia	UniCredit Banka Slovenija d.d. Smartinska 140 Ljubljana SI-1000 Slovenia
South Africa	FirstRand Bank Limited 1 Mezzanine Floor, 3 First Place, Bank City Cnr Simmonds and Jeppe Streets Johannesburg 2001 South Africa
South Korea	Kookmin Bank Co. Ltd. (Note: Clients please refer to your issued settlement instructions) 84, Namdaemun-ro, Jung-gu Seoul 100-845 South Korea  Standard Chartered Bank Korea Limited (Note: Clients please refer to your issued settlement instructions) 47 Jongro, Jongro-Gu Seoul 3160 South Korea
Spain	Santander Securities Services, S.A. Parque Empresarial La Finca, Pozuelo de Alarcón Madrid 28223 Spain
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited 24 Sir Baron Jayatillaka Mawatha Colombo 1 Sri Lanka
Sweden	Nordea Bank Abp Hamngatan 10 Stockholm SE-105 71 Sweden
Switzerland	UBS Switzerland AG 45 Bahnhofstrasse Zurich 8021 Switzerland
Taiwan	JPMorgan Chase Bank, N.A. 8th Floor, Cathay Xin Yi Trading Building, No. 108, Section 5, Xin Yi Road Taipei 11047 Taiwan

Tanzania	Stanbic Bank Tanzania Limited Stanbic Centre, Corner Kinondoni and A.H. Mwinyi Roads, P.O. Box 72648 Dar es Salaam Tanzania
Thailand	Standard Chartered Bank (Thai) Public Company Limited 14th Floor, Zone B, Sathorn Nakorn Tower, 90 North Sathorn Road Bangrak, Silom, Bangrak Bangkok 10500 Thailand
Tunisia	Banque Internationale Arabe de Tunisie S.A. 70-72 Avenue Habib Bourguiba, P.O. Box 520 Tunis 1000 Tunisia
Turkey	Citibank A.S. Inkilap Mah., Yilmaz Plaza, O. Faik Atakan Caddesi No. 3, Umraniye Istanbul 34768 Turkey
Uganda	Standard Chartered Bank Uganda Limited 5 Speke Road, PO Box 7111 Kampala Uganda
Ukraine	JSC Citibank 16-G Dilova Street Kiev 03150 Ukraine
United Arab Emirates	HSBC Bank Middle East Limited Emaar Square, Level 4, Building No. 5, P.O. Box 502601 Dubai United Arab Emirates
United Kingdom	JPMorgan Chase Bank, N.A. 25 Bank Street, Canary Wharf London E14 5JP United Kingdom Deutsche Bank AG Depository and Clearing Centre 10 Bishops Square London E1 6EG United Kingdom
United States	JPMorgan Chase Bank, N.A. 4 New York Plaza New York 10004 United States
Uruguay	Banco Itaú Uruguay S.A. Zabala 1463 Montevideo 11000 Uruguay
Vietnam	HSBC Bank (Vietnam) Ltd. 106 Nguyen Van Troi Street, Phu Nhuan District Ho Chi Minh City Vietnam
WAEMU (Benin, Burkina Faso, Guinea-	Standard Chartered Bank Côte d'Ivoire SA

Bissau, Ivory Coast, Mali, Niger, Senegal, Togo)	23 Boulevard de la Republique 1 Abidjan 01 B.P. 1141 Ivory Coast
Zambia	Standard Chartered Bank Zambia Plc Standard Chartered House, Cairo Road P.O. Box 32238 Lusaka 10101 Zambia
Zimbabwe	Stanbic Bank Zimbabwe Limited Stanbic Centre, 3rd Floor, 59 Samora Machel Avenue Harare Zimbabwe

## SUPPLEMENT 3

**Dated 17 July 2025 to the Prospectus issued for  
UBS (Irl) Investor Selection PLC**

### **UBS (Irl) Investor Selection – Global Equity Long Short Fund**

This Supplement contains information relating specifically to UBS (Irl) Investor Selection – Global Equity Long Short Fund (the "**Sub-Fund**"), a Sub-Fund of UBS (Irl) Investor Selection PLC (the "**Company**"), an open-ended umbrella fund with segregated liability between Sub-Funds authorised by the Central Bank on 16 December, 2009 as a UCITS pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 14 February 2025 (the "Prospectus"), as amended and supplemented from time to time and is incorporated herein.**

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

**Investors' attention is drawn to the fact that Shares in the Sub-Fund are not the same as deposits or obligations which are guaranteed or endorsed by any bank and accordingly, the value of any amount invested in the Sub-Fund may fluctuate.**

UBS Asset Management (UK) Ltd has been appointed as the investment manager to the Sub-Fund (the "**Investment Manager**").

The Sub-Fund intends to use derivatives as a significant part of its investment policies. Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments. The Investment Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of a Value At Risk ("**VaR**") measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a 99% confidence level and the historical observation period will not be less than one year. **The use of derivatives entails certain risks to the Sub-Fund including those set out under "Risk Factors" in this Supplement and the Prospectus.** Investors are also encouraged to read Appendix III of the Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should read and consider the section entitled "Risk Factors" before investing in the Sub-Fund.**

## **1. Interpretation**

The expressions below shall have the following meanings:

"Business Day" means any day (except Saturday or Sunday) on which banks in Dublin and London are generally open for business or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders.

"Cash Rate" means a measure of the short term cash returns based on either ESTR (ESTRON) + 0.085%, SORA and Bank of Canada Target for the Overnight Rate and RBA Interbank Overnight Cash Rate, SARON (SRFXON3), SONIA (SONIO/N), SOFR (SOFRRATE) + 0.00644% or TONA.

The Euro Short-Term Rate ("**ESTR**"): an interest rate benchmark that reflects the overnight borrowing costs of banks within the eurozone. The rate is calculated and published by the European Central Bank.

Singapore Overnight Rate Average ("**SORA**"): the weighted average of all Singapore Dollar overnight cash transactions brokered in Singapore between 9.00 a.m. Singapore time and 6.15 p.m. Singapore time.

Bank of Canada Target for the Overnight Rate: The Target for the Overnight Rate is the Bank of Canada's target for overnight interest rate. It directly influences the interest rates at which banks and other financial system participants borrow and lend funds for a term of one business day.

RBA Interbank Overnight Cash Rate: The weighted average interest rate at which banks transact in the Australian domestic interbank market for overnight unsecured funds.

Swiss Average Rate Overnight ("**SARON**"): SARON is an overnight interest rates average referencing the Swiss Franc interbank repo market.

Sterling Overnight Index Average ("**SONIA**"): SONIA, or the sterling overnight index average, is a reference rate published daily by the Bank of England that tracks the interest paid by banks on overnight unsecured transactions negotiated bilaterally in the interbank market or arranged via brokers.

Secured Overnight Financing Rate ("**SOFR**"): a benchmark interest rate for dollar-denominated derivatives and loans based on transactions in the Treasury repurchase market which is published by The Federal Reserve Bank of New York.

Tokyo Overnight Average Rate ("**TONA**"): is a key interest rate in Japan published by the Bank of Japan (BOJ) on a daily basis and is the weighted average of reported lending rates reported by a panel of major banks in Tokyo.

"Initial Offer Period"

The Initial Offer Period for all active Classes of the Sub-Fund has now closed. The Initial Offer Period for all other Classes shall continue for six months from the date of noting of this Supplement or until such earlier or later date on which the first Shares of the relevant Class are issued, at which point the Initial Offer Period of such Class shall automatically end. Shares in inactive Classes will be issued during their respective Initial Offer Periods at their respective Initial Prices. Thereafter, Shares in such Classes will be issued as at the relevant Subscription Day at their Net Asset Value per Share.

"Initial Price"

The Initial Price for each Class is set out in the table in the section of the Prospectus entitled "Available Classes" save in respect of classes with "U-B" in their name, for which the Initial Price amounts to AUD 100,000, BRL 400,000, CAD 100,000, CHF 100,000, CZK 2,000,000, EUR 100,000, GBP 100,000, HKD 1,000,000, JPY 10 million, NOK 900,000, PLN 500,000, RMB 1,000,000, RUB 3,500,000, SEK 700,000, SGD 100,000 or USD 100,000. These Initial Prices apply during the Initial Offer Period, following which such Classes are available for subscription on any Subscription Day at their respective Net Asset Values.

"Redemption Day"

means each Business Day and/or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders provided that there shall be at least two Redemption Days in each month occurring at regular intervals.

"Redemption Deadline"

means 12.30 p.m. Irish time on the Business Day immediately preceding relevant Redemption Day or such other time and/or day as the Directors and/or the Manager may determine on an exceptional basis only and notify in advance to all Shareholders, provided always that the Redemption Deadline is no later than the Valuation Point.

"Subscription Day"

means each Business Day and/or such other day or days as may be determined by the Directors and/or the Manager and notified in



advance to Shareholders provided that there shall be at least two Subscription Days in each month occurring at regular intervals.

"Subscription Deadline" means 12.30p.m. Irish time on the Business Day immediately preceding relevant Subscription Day or such other time and/or day as the Directors and/or the Manager may determine on an exceptional basis only and notify in advance to all Shareholders, provided always that the Subscription Deadline is no later than the Valuation Point.

"Valuation Day" means each Subscription Day and Redemption Day, as the case may be, and/or such other day or days as the Directors and/or the Manager may from time to time determine and notify in advance to Shareholders provided that there shall be at least one Valuation Day in respect of each Subscription Day and Redemption Day.

"Valuation Point" means 10.45 p.m. Irish time on the Valuation Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## **2. Classes of Shares**

As at the date of this Supplement, the following categories of Shares are available for investment: Class P, Class N, Class K-1, Class K-B, Class F, Class Q, Class I-A1, Class I-A2, Class I-A3, Class I-B, Class U-B and Class Seeding.

Please see the section of the Prospectus entitled "Available Classes" to see the various Classes available in these categories. As at the date of this Supplement, all of the Classes available for issue are accumulation. Classes which pay dividends may in the future be available. Confirmation of whether a Class is available, has launched/is active and its date of launch/activation are available from the Administrator upon request.

<b>Share Classes</b>	<b>Initial Offer Period</b>
Classes with "Seeding" and "P" or "N" or "K-1" or "K-B" or "F" or "Q" or "I-A1" or "I-A2" or "I-A3" or "I-B" or "U-B" in their name.	The Initial Offer Period will continue for six months from the date of noting of this Supplement or until such earlier or later date on which the first Shares of the relevant Class are issued, at which point the Initial Offer Period of such Class shall automatically end.

## **3. Base Currency of the Sub-Fund**

The Base Currency of the Sub-Fund shall be the Euro.

## **4. Typical Investor Profile**

The actively managed Sub-Fund is aimed at risk-conscious investors who are looking to invest for the medium to long term in a diversified fund and are prepared to accept fluctuations in the value of

their capital, including capital loss, and who are also prepared to accept the possibility of paying income and capital gains tax on returns.

## 5. Investment Objective

The Sub-Fund seeks to deliver a positive return, over a three year timeframe, by exploiting mispriced stocks in equity markets around the world, including emerging markets. The Sub-Fund aims to demonstrate low correlation with, and less volatility than, equity markets.

There can be no guarantee that the Sub-Fund will be able to achieve its investment objective.

## 6. Investment Policies

It is intended that the Sub-Fund will seek to achieve its investment objective by utilising a long-short equity strategy (varying in range from 25% net short to 75% net long) and by exploiting short- and mid-term stock price anomalies predominantly in equity securities of companies in global equity markets based on the Morgan Stanley Capital International ("**MSCI**") All Country World Index (the "**Reference Index**"), but not necessarily including or limited to all countries or stocks in that classification, via over-the-counter or exchange-traded derivatives, with reference to such equities. Appendix II to the Prospectus lists the exchanges or markets on which such equity securities are listed or traded. The Reference Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. It includes a collection of stocks and securities from 45 countries. Investment will predominantly be made directly in equity securities and equity related securities (as set out below) and in derivatives which reference equity securities and equity indices including but not limited to the use of equity Total Return Swaps (where the economic performance of a single equity security, a basket of securities or an equity index over a specific period of time is obtained by the Sub-Fund in exchange for a physical cash payment by the Sub-Fund to the counterparty), contracts for difference and equity futures (as further described in Appendix III to the Prospectus).

The Sub-Fund is actively managed. The Investment Manager may use the Reference Index for security selection and uses the Cash Rate for performance comparison and performance fee calculation purposes.

The Sub-Fund complies with Article 6 of SFDR.

Principal adverse impacts (the "PAI") are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters. UBS integrates PAI indicators in its decision-making process. At present, the following PAI indicators are considered by means of exclusions from the investment universe:

- 1.14 "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)":
  - UBS AM does not invest in companies involved in cluster munitions, anti-personnel mines or chemical and biological weapons, nor does it invest in companies in breach of the Treaty on the Non- Proliferation of Nuclear Weapons. UBS AM considers a company to be involved in controversial weapons if the company is involved in development, production,

storage, maintenance or transport of controversial weapons, or is a majority shareholder (>50% ownership stake) of such a company.

- The link to the Sustainability Exclusion Policy can be found in the main body of the Prospectus.

The annual report of the Company will include information on the principal adverse impacts on sustainability factors.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (TR Art. 7).

The Sub-Fund may invest in and have direct access to certain eligible China A Shares listed on the Shanghai Stock Exchange via the Shanghai-Hong Kong Stock Connect Scheme and the Shenzhen-Hong Kong Stock Connect (as further described in the sub-section headed "Investment in Hong Kong and Shenzhen Stock Connect Schemes" below). Exposure to China A Shares through the Shanghai-Hong Kong and Shenzhen Stock Connect Scheme shall not be more than 10% of the Sub-Fund's Net Asset Value.

The Sub-Fund may invest up to 10% of its Net Asset Value in equity securities listed or traded on Russian markets. Any such investment will only be made on Recognised Exchanges included in Appendix III to the Prospectus. The use of exchange traded and over-the-counter equity derivatives forms an important part of the investment approach of the Sub-Fund and will result in the Sub-Fund being leveraged. Market risk exposure is monitored through the use of VaR as described below. Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments and shall be calculated as the sum of the notionals of the derivatives used. Under normal market conditions, the Sub-Fund will not be leveraged in excess of 300% of the Net Asset Value of the Sub-Fund, with gross long positions not exceeding 150% of the Net Asset Value of the Sub-Fund and gross short positions not exceeding 150% of the Net Asset Value of the Sub-Fund. However in exceptional circumstances leverage and levels of long and short positions may exceed this level at times. Furthermore the periodic resetting of positions obtained using derivatives may temporarily, significantly increase gross leverage and gross levels of long and short positions, although this resetting will not impact overall market exposure of the Sub-Fund. The types of exchange traded derivative investments which the Sub-Fund may use are outlined further below. The Sub-Fund may also invest directly in common and preferred stock, warrants, convertible and fixed rate bonds, Real Estate Investment Trusts ("**REITs**"), equity linked participation notes, American Depositary Receipts ("**ADRs**") and Global Depositary Receipts ("**GDRs**") (as further described in Appendix III to the Prospectus where relevant) where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market. REITs are a type of pooled investment vehicle which invests in real property or real property related loans or interests listed, traded or dealt in on Recognised Exchanges. They are established effectively as a "pass through" entity, the effect of which is to transfer the income and gains of the business through the company exempt of tax to investors who will then assume the tax liabilities. Tax treatment is not identical in each country. In relation to participation notes, these will be listed or traded on Recognised Exchanges worldwide and the Sub-Fund's exposure will be to the issuer (which will be regulated), rather than the referenced securities that the participation notes relate to. Equity linked participation notes are OTC products which are used to access markets where there is no local custody network in place. The exposure is primarily to the underlying security but as the participation notes are issued by a broker there will also be an element of counterparty risk.

The OTC counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager. In this regard, where the Sub-Fund enters into Total Return Swaps (or invests in other financial derivative instruments with the same characteristics) it will only do so on behalf of the Sub-Fund with counterparties which shall be entities which satisfy the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and set out in the Prospectus under the heading Securities Financing Transactions in Appendix III and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager has full discretion as to the appointment of counterparties when entering into Total Return Swaps in furtherance of the Sub-Fund's investment objective and policies. It is not possible to comprehensively list in this Supplement all the counterparties as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time. The Sub-Fund may not enter into such a swap or other derivative transaction where (1) the counterparty is permitted to have discretion over the composition or management of the Sub-Fund's portfolio or over the underlying of financial derivative instruments used by the Sub-Fund or (2) counterparty approval is required in relation to any investment decision made by the Sub-Fund.

Risks associated with the use of Total Return Swaps, are detailed in the Prospectus under the heading "Risk Factors". The use of Total Return Swaps, in particular shall be subject to the requirements or SFTR.

ADRs and GDRs are certificates issued by a depository bank, representing shares held by the bank, usually by a branch or correspondent in the country of issue of the shares, which trade independently from the shares. Investment can also be made, up to a maximum of 10% of the Sub-Fund's net assets, in open-ended collective investment schemes, including exchange traded funds, including UCITS domiciled in the EU (including, but not limited to, Austria, Belgium, France, Germany, Ireland, Italy, Luxembourg and the UK). As part of this 10% limit, the Sub-Fund may also invest in regulated open-ended AIFs, which will primarily be AIFs domiciled in the EU, and which fall within the requirements set out in the Central Bank Rules and the level of protection of which is equivalent to that provided to unitholders of a UCITS. As part of this 10% limit, the Sub-Fund may invest in other Sub-Funds of the Company and funds that are managed by affiliates of the Investment Manager. Investment is not permitted in Sub-Funds of the Company which in turn invest in other Sub-Funds of the Company. Where the Sub-Fund invests in a collective investment scheme linked to the Investment Manager, the manager of the underlying collective investment scheme cannot charge subscription, conversion or redemption fees on account of the investment. The Sub-Fund will not charge an annual Investment Management fee in respect of that portion of its assets invested in other Sub-Funds of the Company. The Sub-Fund will invest in such schemes primarily when the investment focus of such schemes is consistent with the Sub-Fund's primary investment focus. Investment in other funds is not a primary investment focus of the Sub-Fund. The Sub-Fund may also use derivatives including, but not limited to, options on single stocks and equity indices for the purpose of generating income and capturing money making opportunities through stock, sector or market mispricings and for efficient portfolio risk management.

Any investment in open-ended exchange traded funds will be in accordance with the investment limits for collective investment schemes and any investment in close-ended exchange traded funds will be in accordance with the investment limits for transferable securities, as set out under the heading "Permitted Investments and Investment Restrictions" in the Prospectus.

The Investment Manager expects the Sub-Fund's volatility to be lower than a fund with a long equity strategy. The Investment Manager anticipates the volatility of the Sub-Fund to be typically below 10% over a 5 year market cycle. This volatility is indicative only and does not constitute an investment restriction by which the Investment Manager will be bound. The Investment Manager has a focused stock-picking methodology. The Investment Manager will not restrict the investments to a particular capitalisation range. The Investment Manager will assess whether the Sub-Fund should hold long or short positions in stocks. The Investment Manager will take long positions in stocks which it anticipates, based on the analysis described below, are undervalued by the market and will rise in value and short positions in stocks which it anticipates are overvalued by the market and will fall in value. Portfolios are constructed primarily from the bottom up utilising predominately in-house research sources. The Investment Manager will select companies largely based on fundamental research augmented by some quantitative inputs. This research provides the Investment Manager with a picture of the stock price anomalies and investment opportunities.

Fundamental analysis is usually approached on a company specific or "bottom up" basis. The bottom up approach involves analysing specific industries, in addition to company specific fundamentals. As at the date of this supplement, the Investment Manager has six global sector analysts that work with analysts around the world in order to assess the fundamental value of a company based on free cash flow ("**FCF**") and cash flow return on capital invested. FCF is a measure of financial performance calculated as operating cash flow minus capital expenditures and represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base.

The Investment Manager employs a risk management system, which aims to accurately measure, monitor and manage the risk generated by individual positions, sectors and countries. Risk management for the Investment Manager starts at the individual company level, by analysing company management, balance sheets and cash flows. The Investment Manager may employ spot foreign exchange transactions (as further described in Appendix III to the Prospectus) to convert subscription proceeds into the relevant currency and in order to pay fees in a particular currency. The Investment Manager may employ forward foreign exchange contracts and currency futures (as further described in Appendix III to the Prospectus) for the purpose of hedging the foreign exchange exposure of the assets of the Sub-Fund in order to neutralise, so far as possible, the impact of fluctuations in the relevant exchange rates, however the Sub-Fund may have foreign exchange exposure which is reflective of the global markets in which it is investing. When seeking to neutralize the foreign exchange exposure of the assets of the Sub-Fund, the Investment Manager may use such spot foreign exchange transactions, forward foreign exchange contracts and currency futures to sell the currency in which a particular asset is denominated against the Base Currency of the Sub-Fund, or against another currency, as determined by the Investment Manager in its discretion. The Sub-Fund intends to use derivatives as a significant part of its investment policies. The Investment Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of a Value At Risk ("**VaR**") measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a one-tailed 99% confidence level and the historical observation period will not be less than one year. **The use of derivatives entails**

**certain risks to the Sub-Fund including those set out under "Risk Factors" in this Supplement.**

Investors are also encouraged to read Appendix III of the Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

As the use of derivatives is an important part of the approach of the Sub-Fund, the Sub-Fund may at any one time have significant cash balances to invest. Such cash balances may be invested in money market funds and money market instruments, including, but not limited to, certificates of deposit, fixed or floating rate notes and fixed or variable rate commercial paper (which are considered investment grade or above as rated by the principal rating agencies) and in cash deposits denominated in such currency or currencies as the Investment Manager may determine and in fixed or floating rate bonds (including notes, bills and other fixed and variable-rate secured and unsecured investments) issued by corporations, governments and supranationals (which are considered above investment grade by the principal rating agencies). The Sub-Fund's assets may also be invested in sight, term and time deposits of banks (which are considered investment grade or above by the principal rating agencies). The residual maturity of each investment described in this paragraph may not exceed one year. Such investment is made in order to manage the cash held by the Sub-Fund which is required for investment in derivatives outlined above. For example, investing in long and short equity swaps in equal measure leaves a cash balance which needs to be invested so that there is no drag on the performance of the Sub-Fund and it is for this purpose that these instruments will be used. Though investment in money market funds and money market instruments is not a primary investment focus of the Sub-Fund, the Sub-Fund may at times be significantly invested in these assets in order to manage the cash held by the Sub-Fund.

It is expected that the total gross long position will not exceed 150% of the Net Asset Value of the Sub-Fund and the total gross short position will not exceed 150% of the Net Asset Value of the Sub-Fund. However, the total gross long positions and the total gross short positions may exceed or fall below these percentages depending on changes in the Investment Manager's investment strategy.

The Company shall not make any change to the investment objectives of the Sub-Fund, or any material change to the investment policy of the Sub-Fund, unless the Shareholders have, in advance, on the basis of a simple majority of votes cast at a general meeting of the Shareholders or with the prior written approval of Shareholders of the Sub-Fund (in accordance with the Articles of Association), approved such change(s). In accordance with the requirements of the Central Bank UCITS Regulations, "material" shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of the Sub-Fund. In the event of a change of the investment objective and/or material change to the investment policy of the Sub-Fund, on the basis of a simple majority of votes cast at a general meeting of the Shareholders, Shareholders in the Sub-Fund will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

The Sub-Fund may use repurchase/reverse repurchase agreements and securities lending (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR and the Central Bank Rules. Any type of assets that may be held by the Sub-Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The Sub-Fund may also use Total Return Swaps and apply these to certain types of assets held by the Sub-Fund as disclosed in the section "Investment Policies" above. There is no restriction on the proportion of assets that may be subject to Total Return Swaps which at any given time is expected to be between

40% and 90% of the Net Asset Value of the Sub-Fund. The proportion of assets that may be subject to Securities Financing Transactions is 100% of the Net Asset Value of the Sub-Fund. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the Sub-Fund's assets the amount of Sub-Fund assets subject to Securities Financing Transactions and Total Return Swaps. In addition, Shareholders should note the leverage limits of the Sub-Fund as disclosed further above.

Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby the Sub-Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. For example, the Investment Manager may enter into repurchase agreements to enhance income earned in the Sub-Fund, or to manage interest rate exposure of fixed rate bonds more precisely than via the use of interest rate futures.

Transaction costs may be incurred in respect of Securities Financing Transactions and efficient portfolio management techniques in respect of the Sub-Fund. The Company shall ensure that all revenues arising from Securities Financing Transactions and efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund. Any direct and indirect operational costs/fees arising from Securities Financing Transactions and efficient portfolio management techniques do not include hidden revenue and will be paid to such entities as outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

Information on the collateral management policy for the Sub-Fund is set out under the heading "Collateral Management Policy" in the Prospectus.

Investors should consult the sections of the Prospectus entitled "Risk Factors- Counterparty Risk", "Risk Factors- Derivatives and Securities Financing Transactions and Techniques and Instruments Risk" and "Conflicts of Interest" for more information on the risks associated with efficient portfolio management.

#### *Investment in Hong Kong and Shenzhen Stock Connect Schemes*

The Sub-Fund may invest in certain eligible China A Shares through the Shanghai-Hong Kong Stock Connect Scheme and the Shenzhen-Hong Kong Stock Connect Scheme (the "**Connect Schemes**"). The Connect Scheme are securities trading and clearing links program developed by, amongst others, The Stock Exchange of Hong Kong Limited ("**SEHK**"), Shanghai Stock Exchange ("**SSE**") (the Shenzhen Stock Exchange in the case of the Shenzhen-Hong Kong Stock Connect Scheme), Hong Kong Securities Clearing Company Limited ("**HKSCC**") and China Securities Depository and Clearing Corporation Limited ("**ChinaClear**"), with an aim to achieve mutual stock market access between mainland China and Hong Kong and Shenzhen. In the initial phase, the SSE-listed China A Shares eligible for trading by Hong Kong and overseas investors under the Connect Schemes include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on the SEHK, except the following:

- (a) SSE-listed shares which are not traded in Renminbi ("**RMB**"); and
- (b) SSE-listed shares which are included in the "risk alert board".

The term "China A Shares" means domestic shares in the PRC incorporated companies listed on either the SSE or the Shenzhen Stock Exchange, the prices of which are quoted in RMB and which are available to such investors as approved by the China Securities Regulatory Commission ("**CSRC**").

In addition to those risk factors set out in relation to the People's Republic of China ("**PRC**") investment, a number of the key risks of investing in selective China A Shares listed on the SSE via the Connect Scheme are set out in the section entitled "Risk Factors".

## **7. Investment Manager**

The Manager has appointed UBS Asset Management (UK) Ltd, as investment manager to the Sub-Fund with discretionary powers pursuant to an Investment Management Agreement. Under the terms of the Investment Management Agreement, UBS Asset Management (UK) Ltd, is responsible, subject to the overall supervision and control of the Manager, for managing the assets and investments of the Sub-Fund in accordance with the investment objective and policies.

UBS Asset Management (UK) Ltd was incorporated in England on 19 February, 1981 and is authorised and regulated in the U.K. in the conduct of financial services and investment management activities by the FCA. UBS Asset Management (UK) Ltd is part of UBS Asset Management, a business group of UBS Asset Management Switzerland AG. Headquartered in Zurich and Basel, Switzerland, UBS is a global firm providing services to private, corporate and institutional clients. Its strategy is to focus on international wealth management and the Swiss banking business alongside its global expertise in investment banking and asset management. In Switzerland, UBS is the market leader in retail and commercial banking.

The principal activity of UBS Asset Management (UK) Ltd is the provision of investment management services.

## **8. Offer**

Shares in the Sub-Fund will be issued at the Initial Price when first issued and subsequently at their Net Asset Value per Share.

The Initial Offer Period described above may be shortened or extended at the discretion of the Directors (in the case of all Classes) in accordance with the requirements the Central Bank.

## **9. Application for Shares**



Applications for Shares may be made through the Administrator (or its delegate) on behalf of the Company. Applications received and accepted by the Administrator (or its delegate) prior to the Subscription Deadline for the relevant Subscription Day will be processed on that Subscription Day. Any applications received after the Subscription Deadline for a particular Subscription Day will be processed on the following Subscription Day unless the Directors and/or the Manager in their absolute discretion and on an exceptional basis only otherwise determine to accept one or more applications received after the Subscription Deadline for processing on that Subscription Day provided that such application(s) have been received prior to the Valuation Point for the particular Subscription Day.

#### *Currency of Payment*

Subscription monies are payable in the Base Currency or in the denominated currency of the relevant Class. The Company may accept payment in such other currencies as the Directors and/or the Manager may agree at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

#### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Depositary no later than 5 p.m. Irish time on the third Business Day immediately following the Subscription Day or by such other time and/or day as the Directors and/or the Manager may determine provided that the Directors and/or the Manager reserve the right to defer the issue of Shares until receipt of cleared subscription monies by the Depositary. If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Directors and/or the Manager or their delegate may cancel the allotment and/or charge the investor interest to cover the expenses incurred by the Sub-Fund as a result, which will be paid into the assets of the Sub-Fund. The Directors and/or the Manager may waive such charges in whole or in part. In addition, the Directors and/or the Manager have the right to sell all or part of the investor's holding of Shares in the Sub-Fund in order to meet such charges. Dealing is carried out at forward pricing basis. i.e. the Net Asset Value next computed after receipt of subscription requests.

#### *Sales Charge*

In accordance with the Prospectus, a sales charge of up to 3% of the subscription amount may be added to the Initial Price and the Net Asset Value per Share.

## **10. Redemption of Shares**

Shareholders may redeem their Shares on and with effect from any Redemption Day at the Net Asset Value per Share calculated on or with respect to the relevant Redemption Day in accordance with the procedures specified below (save during any period when the calculation of Net Asset Value is suspended).

Dealing is carried out at forward pricing basis. i.e. the Net Asset Value next computed after receipt of redemption requests.

#### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator (or its delegate) in writing. Redemption payments following processing of instruments received by facsimile will only be made to the account of record of a Shareholder.

#### *Currency of Payment*

Shareholders will normally be repaid in the Base Currency or in the denominated currency of the relevant Class. If, however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator, (or its delegate), at its discretion on behalf of and for the account, risk and expense of the Shareholder.

#### *Timing of Payment*

Redemption proceeds in respect of Shares will be paid as soon as practicable following the finalisation of the calculation of the Net Asset Value of the relevant Class for the relevant Valuation Day, and in any event within 10 Business Days of the Redemption Deadline, provided that all the required documentation has been furnished to and received by the Administrator (or its delegate) in original form.

### **11. Anti-dilution Measures**

The Directors may adjust the price of Shares as described in the section in the Prospectus entitled "Swing Pricing".

### **12. Fees and Expenses**

Once launched the Sub-Fund shall bear its share, as determined by the Directors and/or the Manager, of (i) the fees and expenses relating to its registration for sale in various markets and (ii) its attributable portion of the fees and operating expenses of the Company. The Sub-Fund shall not bear any of the fees and expenses relating to its establishment, which instead shall be borne by the Investment Manager or one or more of its affiliates. The fees and operating expenses of the Company are set out in detail under the heading "Fees and Expenses" in the Prospectus.

The aggregate administrative fees and expenses relating to the management and administration costs of the Sub-Fund, being, generally, the fees of the Manager, the Depositary and the Administrator together with auditors' fees, legal fees, registration fees and Directors' fees ("**Administrative Costs**") charged to each Class of the Sub-Fund shall be 0.30% of the Net Asset Value of the Sub-Fund. Other costs associated with acquisition or disposal of any of the Sub-Fund's assets do not form part of the Administrative Costs. The aggregate fees of the Investment Manager (the "**Investment Management Fee**") and the Administrative Costs shall be the percentage of the Net Asset Value of the Sub-Fund as set out in the table below. For the avoidance of doubt where Administrative Costs exceed 0.30% any deficit is paid by the Investment Manager. Where Administrative Costs are less than 0.30% any surplus may be paid to the Investment Manager, subject to the maximum aggregate Investment Management Fee and Administrative Costs percentage set out below.

The fees of the Manager, the Investment Manager, the Administrator and the Depositary shall accrue as of each Valuation Point and shall be payable monthly in arrears.

The attention of investors is drawn to the following fees and charges:

<b>Share Classes</b>	<b>Aggregate of Investment Management Fee and Administrative Costs as a % of Net Asset Value</b>
Classes with "P" in their name	1.80%
Classes with "N" in their name	2.80%
Classes with "K-1" in their name	1.50%
Classes with "K-B" in their name	0.30%
Classes with "F" in their name	0.85%
Classes with "Q" in their name	1.05%
Classes with "I-A1" in their name	0.95%
Classes with "I-A2" in their name	0.90%
Classes with "I-A3" in their name	0.85%
Classes with "I-B" in their name	0.30%
Classes with "U-B" in their name	0.30%
Classes with "Seeding" and "P" in their name	Up to 1.80%
Classes with "Seeding" and "N" in their name	Up to 2.80%
Classes with "Seeding" and "K-1" in their name	Up to 1.50%
Classes with "Seeding" and "K-B" in their name	Up to 0.30%
Classes with "Seeding" and "F" in their name	Up to 0.85%
Classes with "Seeding" and "Q" in their name	Up to 1.05%
Classes with "Seeding" and "I-A1" in their name	Up to 0.95%
Classes with "Seeding" and "I-A2" in their name	Up to 0.90%
Classes with "Seeding" and "I-A3" in their name	Up to 0.85%
Classes with "Seeding" and "I-B" in their name	Up to 0.30%
Classes with "Seeding" and "U-B" in their name	Up to 0.30%

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to Shareholders part or all of the Investment Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash. The Investment Manager will also be entitled to a Performance Fee as described in "Performance Fee" below.

#### *Performance Fee*

Performance fee paying Classes will have a designation "PF" in their name as per the following example: (CAD hedged) I-A1-PF-qdist.

The Performance Fee will be calculated and accrued as at each Valuation Point. The Performance Fee will crystallise annually. The Performance Fee will be calculated in respect of each financial year (a "**Calculation Period**"). The first Calculation Period in respect of any Class of Shares will be the period commencing on the Business Day immediately following the close of the Initial Offer Period for that Class and ending on the following September 30 of the next financial year.

For each Calculation Period, the Performance Fee payable will be equal to 20% of the Net Outperformance of the Net Asset Value per Share (prior to the deduction of the Performance Fee) over the High Water Mark per Share, multiplied by the number of Shares in issue, as adjusted for any subscriptions, conversions and redemptions as well as dividend distributions during the Calculation Period. The "Net Outperformance" is defined as the return on the Net Asset Value per Share in excess of the Hurdle Rate, accumulated from the start of the Calculation Period. The "Hurdle Rate" is the appropriate Cash Rate, an appropriate measure of the short term cash returns of the respective currencies and will be reset at the beginning of a new Calculation Period only if performance fees were payable at the end of the previous Calculation Period. The return of the Hurdle Rate will be at least equal to 0. Where applicable, the negative performance of the hurdle rate will not be considered in the performance fees calculation. The Hurdle Rate applied shall always be the greater of 0 and the respective Cash Rate.

The "High Water Mark" shall be the previous Net Asset Value per Share (prior to the deduction of the Performance Fee) of the relevant Class at the end of any previous Calculation Period for the relevant Class on which the performance fee was paid. For the purposes of the first calculation of the Performance Fee, the starting point for the relevant Net Asset Value per Share is the Initial Price. No performance fee will be paid until the Net Asset Value per Share exceeds the High Water Mark or the Initial Price, as appropriate, and such fee is only payable on the Net Outperformance of the Net Asset Value per Share over the High Water Mark as described above.

Any under-performance in a Calculation Period will be recovered before a Performance Fee becomes due in subsequent Calculation Periods. No performance fee is accrued or paid until the net asset value per share exceeds the previous highest net asset value per share on which the performance fee was paid or accrued, or the initial offer price, if higher. The Initial Price will be taken as the starting price for this calculation.

The performance reference period is the time horizon over which the performance is measured and compared with that of the reference indicator, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset.

The performance reference period is not reset and thus corresponds to the whole life of the Class.

Shareholders should note that, as the Performance Fee is calculated at Class level and not at an individual Shareholder level, they may be charged a Performance Fee even where the Net Asset Value of their Shares have remained the same or dropped in value, for example, where Shareholders purchase or redeem Shares at points other than the start of the Calculation Period. Furthermore, Shareholders who purchase Shares during a Calculation Period may benefit from an increase in the

Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an individual Shareholder level.

For Classes where Investment Management Fees are charged based on a written agreement between UBS Asset Management Switzerland AG or one of its authorised distribution partners where costs are charged based on the agreements, the Performance Fee is calculated based on the Net Asset Value of the respective Class. For the avoidance of doubt, the Net Asset Value of such Classes does not include any costs which are charged in accordance with the provisions of those written agreements.

Excess performance shall be calculated net of all costs but can be calculated without deducting the Performance Fee itself, provided that in doing so it is in the best interest of Shareholders.

The Performance Fee will normally be payable to the Investment Manager in arrears within 20 Business Days of the end of each Calculation Period, until approval of performance fee calculation and amount is verified by the Depositary. However, in the case of Shares redeemed during a Calculation Period, the accrued Performance Fee in respect of those Shares will be payable quarterly. Crystallised Performance Fees shall remain in the relevant Class (but shall not participate in subsequent gains and losses of the relevant Class) until paid to the Investment Manager, and shall not be used or made available to satisfy redemptions or pay any fees and expenses of the relevant Class.

If the Investment Management Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

Calculation of the Performance Fee is verified by the Depositary and not open to the possibility of manipulation. The Performance Fee will be calculated by the Administrator and verified by the Depositary. The Directors may, with the consent of the Investment Manager, reduce the Performance Fee payable by any class of Shares.

Performance Fees are payable on realised and unrealised capital gains taking into account realised and unrealised losses at the end of the Calculation Period. Consequently, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

Please refer to the Schedule to this Supplement for an example of the calculation of the Performance Fee. The tabulation is provided as an illustration for information only. The tabulation does not constitute any warranty as to success and is qualified in its entirety by the express provisions of the Prospectus and this Supplement.

### **13. Risk Factors**

Prospective investors should in addition take into account the Risk Factors referred to under "Risk Factors" in the Prospectus when considering whether to invest in Shares of the Sub-Fund.

#### *Derivatives Risk*

The Sub-Fund will use equity swaps as part of its investment capabilities. However, such instruments are inherently volatile and the Sub-Fund could potentially be exposed to additional risk and costs should the market move in the opposite direction to the Sub-Fund's strategies.

The Sub-Fund will use derivatives to take 'short positions' in some investments. This will allow the Sub-Fund to take an equivalent economic exposure to a sale of an investment that the Sub-Fund does not own in the expectation that the investment's value will fall. However, if the value of that investment increases, it will have a negative effect on the Sub-Fund's value. In extreme stock market conditions, the Sub-Fund may be faced with unlimited losses which would mean your investment could potentially become worthless.

In aiming to reduce the volatility of the Sub-Fund, the Investment Manager utilises a risk management process to monitor the level of risk taken by the portfolio.

#### *Counterparty Risk*

The Company's current intention is that it will enter into derivative trading agreements with a number of trading counterparties on behalf of the Sub-Fund. Following launch of the Sub-Fund it is intended that initially only one trading counterparty will be used. Whilst the Investment Manager will assess the credit worthiness of a counterparty before entering into any trading agreements, the Sub-Fund is at risk if a counterparty does not fulfill its obligations under any agreements. For example, any collateral paid by the Sub-Fund to a counterparty may fail to be returned and any payment due to the Sub-Fund by a counterparty may fail to be made.

#### *Emerging Markets Risk*

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to the Sub-Fund.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share (and consequently subscription and redemption prices for Shares) than would be the case in relation to funds invested in more developed markets. In addition, if a large number of securities have to be realised at short notice to meet substantial redemption requests for Shares in the Sub-Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share.

In addition, settlement, clearing, safe custody and registration procedures may be underdeveloped, increasing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply in more developed markets. Investments in certain

emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to the Sub-Fund. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and so transactions may need to be made on a neighbouring exchange.

Emerging markets securities may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of same. The issues of emerging markets securities, such as banks and other financial institutions, may be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk. In addition custodial expenses for emerging market securities are generally higher than for developed market securities. Dividend and interest payments from, and capital gains in respect of, emerging markets securities may be subject to foreign taxes that may or may not be reclaimable.

Laws governing foreign investment and securities transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, the Sub-Fund may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the Sub-Fund are invested. Furthermore, the standard of corporate governance and investor protection in emerging markets may not be equivalent to that provided in other jurisdictions.

#### *Russia*

Whilst fundamental reforms relating to securities investments and regulations have been initiated in recent years there may still be certain ambiguities in interpretation and inconsistencies in their application. Monitoring and enforcement of applicable regulations remains uncertain.

Some equity securities in Russia are dematerialised and the only evidence of ownership is entry of the shareholder's name on the share register of the issues. The concept of fiduciary duty is not well established and Shareholders may, therefore, suffer dilution or loss of investment due to the actions of management without satisfactory legal remedy. Rules regulating corporate governance are undeveloped and, therefore, may offer little protection to minority Shareholders.

Specifically, with regard to investment in Russia, the Sub-Fund may only invest in Russian securities which are traded on the Moscow Stock Exchange.

#### *Certain Risk Factors Concerning India*

Risks associated with the investments in India, including but not limited to the risks described below, could adversely affect the performance of the Sub-Fund and result in substantial losses. No assurance can be given as to the ability of the Sub-Fund to achieve any return on its investments and, in turn, any return on an investor's investment in the Sub-Fund. Accordingly, in acquiring Shares in the Sub-Fund, appropriate consideration should be given to the following factors:

#### *Currency Exchange Rate Risks*

Exchange controls have traditionally been administered with stringent measures under the Foreign Exchange Regulation Act ("**FERA**"). The Indian rupee is not convertible on the capital account and most capital account transactions require the prior permission of the RBI. However, throughout the 1990s, the RBI eased the exchange control regime and made it more market-friendly. In the year 1999, the Indian Parliament enacted the Foreign Exchange Management Act ("**FEMA**") to replace FERA. FEMA and the rules made thereunder constitute the body of exchange controls applicable in India. The significant shift in the approach to exchange controls under FEMA is the move from a regime of limited permitted transactions to one in which all transactions are permitted except a limited number to which restrictions apply. FEMA and the notifications under FEMA were effective commencing June 1, 2000. FEMA differentiates foreign exchange transactions between Capital Account Transactions and Current Account Transactions. A "Capital Account Transaction" is generally defined as one that alters the assets or liabilities, including contingent liabilities outside India, of persons resident in India or assets or liabilities in India of persons resident outside India. FEMA further provides for specific classes of transactions that fall within the ambit of Capital Account Transactions and the RBI has issued regulations governing each such class of transactions. Transactions other than Capital Account Transactions, including payments in connection with foreign trade, current businesses, services, short term credit and banking facilities, interest payments, living expenses, foreign travel, education and medical care are Current Account Transactions.

The RBI has issued regulations governing such Current Account Transactions. While the regulatory regime for hedging genuine currency risk has been relaxed, it is still not practical, given the costs, to hedge currency risks for more than relatively short periods of time, and even for short term hedging the cost can be high. Accordingly, currency risk in relation to the Indian rupee remains a significant risk factor, and the cost of hedging this currency risk (if available) could reduce the Sub-Fund's returns. A decrease in the value of the Indian rupee would adversely affect the Sub-Fund's returns, and such a decrease may be likely given India's current account deficits and its budget deficits.

The operation of the Sub-Fund's bank account in India is subject to regulation by RBI under the Indian foreign exchange regulations. The Indian domestic custodian acting also as the remitting banker will be authorised to convert currency and repatriate capital and income on behalf of the Sub-Fund. There can be no assurance that the Indian Government would not, in the future, impose certain restrictions on foreign exchange. The repatriation of capital may be hampered by changes in Indian regulations concerning exchange controls or political circumstances. In addition, India may in the future re-introduce foreign exchange control regulations which can limit the ability of the Sub-Fund to repatriate the dividends, interest or other income from the investments or the proceeds from sale of securities. Any amendments to the Indian exchange control regulations may impact adversely on the performance of the Sub-Fund.

Also, the exchange rate between the Indian rupee and the US Dollar has changed substantially in recent years and may fluctuate substantially in the future. During the period commencing on 1 January 2010 and ending on 31 December 2013, the value of the Indian rupee has depreciated against the US Dollar by an aggregate of approximately 32.83 per cent. Further depreciation of the value of the Indian rupee as regards foreign currencies will result in a higher cost to the Sub-Fund for foreign currency denominated expenses, including the purchase of certain capital equipment. In the past the Indian economy has experienced severe fluctuations in the exchange rates. There can be no assurance that such fluctuations will not occur in the future.



### *Indian Legal System*

Indian civil judicial process to enforce remedies and legal rights is less developed, more lengthy and, therefore, more uncertain than that in more developed countries. Enforcement by the Sub-Fund of civil liabilities under the laws of a jurisdiction other than India may be adversely affected by the fact that the Sub-Fund's portfolio companies may have a significant amount of assets in India. The laws and regulations in India can be subject to frequent changes as a result of economic, social and political instability. In addition, the level of legal and regulatory protections customary in countries with developed securities markets to protect investors and securities transactions, and to ensure market discipline, may not be available. Where the legal and regulatory framework is in place, the enforcement may be inadequate or insufficient. Regulation by the exchanges and self-regulatory organisations may not be recognised as law that can be enforced through the judiciary or by means otherwise available to the investors in developed markets.

### *Indian Capital Gains Tax*

The Sub-Fund currently expects to take benefit of the India-Ireland tax treaty by which capital gains arising from transfer of debt securities in India would not be subject to tax. It is however uncertain whether the treaty claim of the Sub-Fund would be granted by the Indian tax authorities. The denial of India – Ireland tax treaty benefits may adversely affect taxability of the Sub-Fund which in turn may impact the return to investors.

### *Taxation of Interest Income in India*

Subject to satisfaction of certain conditions, interest earned from investments made by FPIs in government securities and rupee denominated corporate bonds would be subject to tax at the rate of 5% (plus surcharge and education cess). Where the conditions are not satisfied, interest income from investment in debt securities in India would be subject to tax at a beneficial rate of 10% under the India-Ireland tax treaty.

It is however uncertain whether the treaty claim of the Sub-Fund would be granted by the Indian tax authorities. The denial of India-Ireland tax treaty benefits may adversely affect taxability of the Sub-Fund which in turn may impact the return to investors. These risks are described in more detail under "India Taxation" in the "Taxation" section below.

### *Updates to the SEBI and the RBI*

Under the FPI Regulations, for the Sub-Fund to be registered as an FPI under Category II which is a "broad based fund" or as a "broad based sub-account", it should have at least 20 investors with no single investor holding more than 49% of the units or shares of the fund. Though, if any institutional investor holds more than 49% of the units or shares of the fund, then such institutional investor should, in turn, be a "broad based fund" itself, and must satisfy the above criteria.

FPIs are obliged, under the terms of the undertakings and declarations made by them at the time of registration, to immediately notify the SEBI or the designated depository participant (as the case may be) of any change in the information provided in the application for registration. Failure by FPIs to

adhere to the provisions of the Securities Exchange Board of India Act, 1992 ("**SEBI Act**"), the rules and the FPI Regulations thereunder renders them liable for punishment prescribed under the SEBI Act and the Securities Exchange Board of India (Intermediaries) Regulations, 2008 which include, inter alia, imposition of penalty and suspension or cancellation of the certificate of registration.

Investors should note that the Company may provide personal information and data regarding its beneficial owners of the Sub-Fund as and when sought by SEBI. In this regard, investors should note that the Company may disclose investor's personal information to SEBI where required by SEBI.

#### *Corporate Disclosure, Accounting, Custody and Regulatory Standards*

Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that the Sub-Fund may experience difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which the Sub-Fund has invested which may, in turn, lead to difficulties in determining the Net Asset Value with the same degree of accuracy which might be expected from more established markets. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries. Indian trading, settlement and custodial systems are not as developed as certain OECD countries, and the assets of the Sub-Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk.

#### *Investigations*

Any investigations of, or actions against, the Sub-Fund initiated by SEBI or any other Indian regulatory authority may impose a ban of the investment and advisory activities of the Sub-Fund.

#### *No Investment Guarantee*

Investment in the Sub-Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. Any investment in the Sub-Fund is subject to fluctuations in value.

#### *Risks Associated with the Connect Scheme*

The Connect Scheme is a programme novel in nature. The relevant regulations are untested and subject to change. The programme is subject to quota limitations which may restrict the Sub-Fund's ability to invest in China A Shares through the programme on a timely basis and as a result, the Sub-Fund's ability to access the China A Shares market (and hence to pursue its investment strategy) will be adversely affected. The PRC regulations impose certain restrictions on selling and buying of China A Shares. Hence the Sub-Fund may not be able to dispose of holdings of China A Shares in a timely manner. Also, a stock may be recalled from the scope of eligible stocks for trading via the Connect Scheme. This may adversely affect the investment portfolio or strategies of the Sub-Fund, for example, when the Investment Manager wishes to purchase a stock which is recalled from the scope of eligible stocks. Due to the differences in trading days, the Sub-Fund may be subject to a

risk of price fluctuations in China A Shares on a day that the PRC market is open for trading but the Hong Kong market is closed.

#### *Liquidity Risk of Investing in China A Shares*

China A Shares may be subject to trading bands which restrict increases and decreases in the trading price. The Sub-Fund if investing through the Connect Scheme will be prevented from trading underlying China A Shares when they hit the "trading band limit". If this happens on a particular trading day, the Sub-Fund may be unable to trade China A Shares. As a result, the liquidity of the China A Shares may be adversely affected which in turn may affect the value of the Sub-Funds investments.

Investments in the securities markets of the PRC are in principle subject to the same risks as investments in emerging markets as well as, additionally, the specific market risks applying to the PRC. To date, not enough is known or can be assessed in respect of the impact of the reforms in the PRC as well as the related opening up of the Chinese economy and local equity markets. These measures could also have a negative effect on the economy and, thus, investments in the PRC. Additional regulations and uncertainties apply as a result of supplementary local restrictions on the buying and selling of equities (quotas), the convertibility of local currency, tax aspects and the trading/settlement of investments. At the present time, it is impossible to rule out future changes or amendments in respect of the regulations which apply.

#### *PRC tax considerations in relation to investment in China A Shares via the Connect Scheme*

On 14 November 2014, the Ministry of Finance, the State of Administration of Taxation and the CSRC jointly issued a notice in relation to the taxation rule on the Connect Scheme under Caishui 2014 No.81 ("**Notice No.81**"). Under Notice No.81, corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas resident investors (including the Sub-Fund) on the trading of China A Shares through the Connect Scheme with effect from 17 November 2014. However, Hong Kong and overseas investors are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies, unless an applicable double tax treaty could be applied to reduce the dividend withholding tax rate. As a result of Notice No.81, the uncertainty of providing for tax on gains derived from the disposal of Chinese securities now solely relates to investment in other types of Chinese securities (e.g. China B or H Shares).

Hong Kong and overseas investors are required to pay stamp duty arising from the trading of China A Shares and the transfer of China A Shares by way of succession or gift in accordance with the existing taxation rules in the PRC.

#### *Performance Fee Equalisation*

No equalisation methodology is employed in respect of the performance fee calculation. As a result, the methodology used in calculating the performance fees (as described above) may result in inequalities between Shareholders in relation to the payment of performance fees (with some investors paying disproportionately higher performance fees in certain circumstances) and may also result in certain Shareholders having more of their capital at risk at any time than others.

Furthermore, Shareholders who purchase Shares during a Calculation Period may benefit from an increase in the Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an individual Shareholder level. The Sub-Fund will not apply an equalization per share method or a series accounting method. Consequently, there can be no guarantee that the performance fee applicable to the Sub-Fund will be equitably borne by the Shareholders in the Sub-Fund and the rateable performance fee to be borne by the Shareholders may be greater than or lesser than the performance fee borne by other Shareholders depending on, among other things, the performance of the Sub-Fund and the payment periods.

#### **14. Material Contracts**

Investment Management Agreement between the Manager and UBS Asset Management (UK) Ltd dated 29 November 2022, as may be amended or supplemented from time to time in accordance with the requirements of the Central Bank, under which UBS Asset Management (UK) Ltd was appointed investment manager to the Sub-Fund subject to the overall supervision of the Manager. The Investment Management Agreement may be terminated by either party on 6 months' written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or remedied breach after notice. The Investment Manager has the power to delegate its duties with the prior approval of the Central Bank. The Investment Management Agreement provides that where they are the defaulting party, the Manager and UBS Asset Management (UK) Ltd shall indemnify against and hold harmless the other in case of any loss, damage, costs and liabilities incurred by the other as a result of the defaulting party's negligence, wilful default or fraud.

## SCHEDULE

(EUR) PF Class

Example of Calculation of the Performance Fee

			<u>Scenario 1</u> <b>PM has positive performance</b>	<u>Scenario 2</u> <b>PM has negative performance</b>
Initial asset allocation to PM sub-account	<b>A</b>		1000	1000
(High Water Mark)				
<b>Performance of the Investment Manager sub-account</b>				
Hurdle Rate			1%	1%
Period performance after deduction of management fees and hurdle rate (if applicable)	<b>B</b>		5%	-5%
Net Assets of the PM sub-account (after deduction of management fees and hurdle rate subject to Performance Fee calculation rate if applicable)	<b>C</b>	$= A * (1 + B)$	<u>1050</u>	<u>950</u>
Net New Appreciation	<b>G</b>	$= C - A$	50	-50
<b>Performance Fee @ 20% *</b>	<b>H</b>	$G > 0, 20\% * G$	<b>10</b>	<b>0</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>		1040	1000

\* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted

				2nd Period		
				<u>Scenario 3</u>	<u>Scenario 4</u>	<u>Scenario 5</u>
				<b>PM has negative performance</b>	<b>PM has positive performance, but below HWM</b>	<b>PM has positive performance and is above HWM</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>			1040	1000	1000
Net Asset Value after 1 <sup>st</sup> Period	<b>J</b>			1040	950	950
<b>Performance of the Investment Manager sub-account</b>						
<b>Hurdle Rate</b>				1%	1%	1.00%
Period performance after deduction of management fees and hurdle rate (if applicable)	<b>K</b>			-10%	2%	12%
Net Assets of the PM sub-account (after deduction of management fees and hurdle rate subject to Performance Fee calculation rate if applicable)	<b>L</b>	$= J * (1 + K)$		<u>936</u>	<u>969</u>	<u>1064</u>
Net New Appreciation	<b>M</b>	$= L - I$		-104	0	64
<b>Performance Fee @ 20% MIN(IF L&gt;I; L&gt;I)*</b>	<b>N</b>	$M > 0, 20\% * M$		<b>0</b>	<b>0</b>	<b>12.8</b>
High Water Mark after 2nd Period				1040	1000	1051.2

\* - The Net Asset Value per Share has to be superior to the HWM per Share before Performance Fee is deducted

## SUPPLEMENT 6

**Dated 14 February 2025 to the Prospectus issued for  
UBS (Irl) Investor Selection PLC**

### **UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS**

This Supplement contains information relating specifically to UBS (Irl) Investor Selection PLC – O'Connor China Long/Short Alpha Strategies UCITS (the "**Sub-Fund**"), a Sub-Fund of UBS (Irl) Investor Selection PLC (the "**Company**"), an open-ended umbrella fund with segregated liability between Sub-Funds authorised by the Central Bank on 16 December, 2009 as a UCITS pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 14 February 2025 (the "Prospectus"), as amended and supplemented from time to time and is incorporated herein.**

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

**Investors' attention is drawn to the fact that Shares in the Sub-Fund are not the same as deposits or obligations which are guaranteed or endorsed by any bank and accordingly, the value of any amount invested in the Sub-Fund may fluctuate.**

UBS Asset Management (Americas) LLC has been appointed as the investment manager to the Sub-Fund (the "**Investment Manager**"). UBS Asset Management (Singapore) Ltd (the "**Sub-Investment Manager**") has been appointed by the Investment Manager in accordance with the requirements of the Central Bank to provide discretionary sub-investment management services to the Investment Manager.

The Sub-Fund intends to use derivatives as a significant part of its investment policies. Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments. The Sub-Investment Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Sub-Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of a Value At Risk ("**VaR**") measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a 99% confidence level and the historical observation period will not be less than one year. **The use of derivatives entails certain risks to the Sub-Fund including those set out under "Risk Factors" in the Prospectus and this Supplement.** Investors are also encouraged to read Appendix III of the Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

**An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should read and consider the section entitled "Risk Factors" before investing in the Sub-Fund.**

**No Shares may be purchased or held by any person which is a Pension Plan. A "Pension Plan" is (i) an employee benefit plan (as described in Section 3(3) of the United States Employee Retirement Income Securities Act of 1974, as amended ("ERISA"), that is subject to the provisions of Title I of ERISA, (ii) a plan to which Section 4975 of the United States Internal Revenue Code of 1986, as amended, applies, or (iii) an entity whose assets are treated as assets of any such plan or employee benefit plan. If a Shareholder is found to be a Pension Plan by the Company, the Company will compulsorily redeem all Shares owned by the Pension Plan.**

## **1. Interpretation**

The expressions below shall have the following meanings:

"Business Day"	means any day (except Saturday, Sunday or a public holiday) on which banks in Dublin, London, Luxembourg, New York, Cayman Islands, Singapore, People's Republic of China and/or Hong Kong are generally open for business or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders
"Initial Offer Period"	the Initial Offer Period for all Classes will last for six months from the date of noting of this Supplement or such earlier or later date on which the first Shares of the relevant Class are issued at which point the Initial Offer Period of such Class shall automatically end. Shares in inactive Classes will be issued during their respective Initial Offer Periods at their respective Initial Prices. Thereafter, Shares in such Classes will be issued as at the relevant Subscription Day at their Net Asset Value per Share.
"Initial Price"	the Initial Price for each Class is set out in the table in the section of the Prospectus entitled "Available Classes". These Initial Prices apply during the Initial Offer Period, following which such Classes are available for subscription on any Subscription Day at their respective Net Asset Values.
"Redemption Day"	means each Business Day and/or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders provided that there shall be at least two Redemption Days in each month occurring at regular intervals.



"Redemption Deadline"	means 12.30 p.m. Irish time two Business Days immediately preceding the relevant Redemption Day or such other time and/or day as the Directors and/or the Manager may determine on an exceptional basis only and notify in advance to all Shareholders, provided always that the Redemption Deadline is no later than the Valuation Point.
"SEC"	means the United States Securities and Exchange Commission.
"Subscription Day"	means each Business Day and/or such other day or days as may be determined by the Directors and/or the Manager and notified in advance to Shareholders provided that there shall be at least two Subscription Days in each month occurring at regular intervals.
"Subscription Deadline"	means 12.30p.m. Irish time two Business Days immediately preceding the relevant Subscription Day or such other time and/or day as the Directors and/or the Manager may determine on an exceptional basis only and notify in advance to all Shareholders, provided always that the Subscription Deadline is no later than the Valuation Point.
"Valuation Day"	means each Subscription Day and Redemption Day, as the case may be, and/or such other day or days as the Directors and/or the Manager may from time to time determine and notify in advance to Shareholders provided that there shall be at least one Valuation Day in respect of each Subscription Day and Redemption Day.
"Valuation Point"	means 10.45pm Irish time on the Valuation Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## 2. **Classes of Shares**

As at the date of this Supplement, the following categories of Shares are available for investment: Class P, Class N, Class K-1, Class F, Class Q, Class I-A1, Class I-A2, Class I-A3, Class I-B and Class U-B.

Please see the section of the Prospectus entitled "Available Classes" to see the various Classes available in these categories. No 'PF' share class shall be launched other than in base currency or on a 'hedged' basis. As at the date of this Supplement, all of the Classes available for issue are accumulation. Classes which pay dividends may in the future be available. Confirmation of whether a Class is available, has launched/is active and its date of launch/activation are available from the Administrator upon request.

Share Classes	Initial Offer Period
Classes with "P" or "N" or "K-1" or "F" or "Q" or "I-A1" or "I-A2" or "I-A3" or "I-B" or "U-B" or "I-B-PF" in their name.	The Initial Offer Period will last for six months from the date of noting of this Supplement or such earlier or later date on which the first Shares of the relevant Class are issued at which point the Initial Offer Period of such Class shall automatically end.

### 3. Base Currency of the Sub-Fund

The Base Currency of the Sub-Fund shall be the USD.

### 4. Typical Investor Profile

The actively managed Sub-Fund is aimed at risk-conscious investors who are looking to invest for the medium to long term in a diversified fund and are prepared to accept fluctuations in the value of their capital, including capital loss.

### 5. Investment Objective

The Sub-Fund seeks to achieve capital growth by investing in an equity portfolio focused on the alpha opportunities (meaning opportunities that provide an active return on investment) in the Chinese equity markets.

There can be no guarantee that the Sub-Fund will be able to achieve its investment objective or be profitable.

### 6. Investment Policies

The Sub-Fund's portfolio will comprise equity, equity derivatives and equity index derivatives of corporates predominantly listed in China, Hong Kong, Taiwan and the US with an expected net beta adjustment of 30% of the Sub-Fund's NAV. 'Beta adjustment' means using a measure of the risk arising from exposure to market movements as an adjustment factor to look at overall portfolio exposure. The Fund may gain exposure to Chinese companies listed on the US stock exchanges or markets set out in Appendix II of the Prospectus. The portfolio will utilize a combination of equity hedge strategies as well as relative value, as further described below. Equity Hedge strategies will invest in publicly traded equities using fundamental research to generate alpha from exceptional stock picking. Portfolio construction is based primarily on fundamental bottom-up research combined with a top-down macro analysis. Relative Value covers non-directional strategies that use arbitrage to exploit valuation discrepancies and other opportunities between different stocks in the same sector or those listed in different countries.

The Sub-Fund may gain exposure to China A Shares ("A Shares") through the trading counterparties' approved status under the regimes operated by the government of the PRC to include the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect ("Stock Connect") as well as the Qualified Foreign Institutional Investor ("QFII") regimes, UCITS or other AIFs exposed to Chinese A shares and/or entry products such as ETFs, subject to any applicable regulatory limits.

The Sub-Fund is actively managed without reference to a benchmark index. The Sub-Fund complies with Article 6 of SFDR.

Principal adverse impacts (the "PAI") are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters. UBS integrates PAI indicators in its decision-making process. At present, the following PAI indicators are considered by means of exclusions from the investment universe:

- 1.14 "Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)":
  - UBS AM does not invest in companies involved in cluster munitions, anti-personnel mines or chemical and biological weapons, nor does it invest in companies in breach of the Treaty on the Non- Proliferation of Nuclear Weapons. UBS AM considers a company to be involved in controversial weapons if the company is involved in development, production, storage, maintenance or transport of controversial weapons, or is a majority shareholder (>50% ownership stake) of such a company.
- The link to the Sustainability Exclusion Policy can be found in the main body of the Prospectus.

The annual report of the Company will include information on the principal adverse impacts on sustainability factors.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities (TR Art. 7). Sustainability risks are not systematically integrated due to the limited nature of available instruments. Sustainability risks are not expected to have a significant impact on the Fund's return.

The Investment Manager (or Sub-Investment Manager) may, where local market conditions allow, seek to gain access to specific markets or market segments directly by investing in underlying instruments. Alternatively, the Investment Manager or Sub-Investment Manager will gain access to these markets or market segments through the use of derivatives, as further outlined below.

Investment will predominantly be made in derivatives which reference equity securities and equity indices via equity portfolio swaps ("**Portfolio Swaps**") or Total Return Swaps (where the economic performance of a single equity security, a basket of securities or an equity index over a specific period of time is obtained by the Sub-Fund in exchange for a physical cash payment by the Sub-Fund to the counterparty), equity futures (as further described in Appendix III to the Prospectus) and volatility index derivatives as further described below. The use of exchange traded and over-the-counter equity derivatives forms an important part of the investment approach of the Sub-Fund and will result in the Sub-Fund being leveraged. Market risk exposure is monitored through the use of VaR as described below. Leverage will be generated by the Sub-Fund through the leverage inherent in some derivative instruments and shall be calculated as the sum of the notionals of the derivatives used. Under normal market conditions, the Sub-Fund will not be leveraged in excess of 300% of the Net Asset Value of the Sub-Fund and in exceptional circumstances leverage may reach 400% of the Net Asset Value of the Sub-Fund, with gross long positions not exceeding 150% of the Net Asset Value of the Sub-Fund and gross short positions not exceeding 150% of the Net Asset Value of the Sub-Fund. However, in exceptional circumstances (i.e.

market movements) leverage and levels of long and short positions may exceed this level at times. The types of exchange traded derivative investments which the Sub-Fund may use are outlined further below.

Although investment will predominantly be made in derivatives which reference equity securities as set out above, the Sub-Fund may also invest directly in common and preferred stock and other equity-related securities such as warrants (received passively following corporate actions), Real Estate Investment Trusts ("**REITs**"), American Depositary Receipts ("**ADRs**") and Global Depositary Receipts ("**GDRs**") (as further described in Appendix III to the Prospectus where relevant) where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market. ADRs and GDRs are certificates issued by a depository bank, representing shares held by the bank, usually by a branch or correspondent in the country of issue of the shares, which trade independently from the shares. REITs are a type of pooled investment vehicle which invests in real property or real property related loans or interests. REITs are used for portfolio diversification purposes and to provide yield income. They are established effectively as a "pass through" entity, the effect of which is to transfer the income and gains of the business through the company exempt of tax to investors who will then assume the tax liabilities. Tax treatment is not identical in each country. REITs in which the Sub-Fund shall invest will be listed, traded or dealt in on Recognised Exchanges. The Sub-Fund may invest up to 5% of its Net Asset Value in REITs.

The OTC counterparties of these transactions will be highly rated financial institutions specialising in these types of transactions and approved by the Investment Manager or Sub-Investment Manager. In this regard, where the Sub-Fund enters into Portfolio Swaps and Total Return Swaps it will only do so on behalf of the Sub-Fund with counterparties which shall be entities which satisfy the OTC counterparty criteria set down by the Central Bank in the Central Bank UCITS Regulations and set out in the Prospectus under the heading Securities Financing Transactions in Appendix III and shall specialise in such transactions. Subject to compliance with those conditions, the Investment Manager or Sub-Investment Manager has full discretion as to the appointment of counterparties when entering into Portfolio Swaps or Total Return Swap in furtherance of the Sub-Fund's investment objective and policies. It is not possible to comprehensively list in this Supplement all the counterparties as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time. The Sub-Fund may not enter into such a swap or other derivative transaction where (1) the counterparty is permitted to have discretion over the composition or management of the Sub-Fund's portfolio or over the underlying of financial derivative instruments used by the Sub-Fund or (2) counterparty approval is required in relation to any investment decision made by the Sub-Fund. Risks associated with the use of Portfolio Swaps and Total Return Swaps, are detailed in the Prospectus under the heading "Risk Factors". The use of Total Return Swaps, in particular shall be subject to the requirements of SFTR.

Investment can also be made, up to a maximum of 10% of the Sub-Fund's net assets, in open-ended collective investment schemes, including exchange traded funds, including UCITS domiciled in the EU (including, but not limited to, Austria, Belgium, France, Germany, Ireland, Italy and Luxembourg) and the UK). As part of this 10% limit, the Sub-Fund may also invest in regulated open-ended AIFs, which will primarily be AIFs domiciled in the EU, and which fall within the requirements set out in the Central Bank Rules and the level of protection of which is equivalent to that provided to unitholders of a UCITS. As part of this 10% limit, the Sub-Fund may invest in other Sub-Funds of the Company and funds that are managed by affiliates of the Investment Manager and or the Sub-Investment Manager. Investment is not

permitted in Sub-Funds of the Company which in turn invest in other Sub-Funds of the Company. Where the Sub-Fund invests in a collective investment scheme linked to the Investment Manager or Sub-Investment Manager, the manager of the underlying collective investment scheme cannot charge subscription, conversion or redemption fees on account of the investment. The Sub-Fund will not charge an annual Investment Management fee in respect of that portion of its assets invested in other Sub-Funds of the Company. The Sub-Fund will invest in such schemes primarily when the investment focus of such schemes is consistent with the Sub-Fund's primary investment focus. Investment in other funds is not a primary investment focus of the Sub-Fund. The Sub-Fund may also use options on equity indices for the purpose of generating income and capturing money making opportunities through stock, sector or market mispricings and for efficient portfolio risk management.

Any investment in open-ended exchange traded funds will be in accordance with the investment limits for collective investment schemes and any investment in close-ended exchange traded funds will be in accordance with the investment limits for transferable securities, as set out under the heading "Permitted Investments and Investment Restrictions" in the Prospectus.

The Sub-Investment Manager's focused stock-picking methodology is reflected in a relatively diversified portfolio with higher concentration in positions in which the Sub-Investment Manager has a higher degree of conviction. The Sub-Investment Manager will not restrict the investments to a particular capitalisation range or industrial spread. The Sub-Investment Manager will assess whether the Sub-Fund should hold long or short positions in stocks. The Sub-Investment Manager will take long positions in stocks which it anticipates, based on the analysis described below, are undervalued by the market and will rise in value and short positions in stocks which it anticipates are overvalued by the market and will fall in value. Portfolios are constructed primarily from the bottom up utilising both in-house and external research sources. The Sub-Investment Manager will select companies according to a combination of fundamental, quantitative and qualitative research as described below. The combination of these mutually independent information sources provides the Sub-Investment Manager with a picture of the stock price anomalies and investment opportunities. Fundamental analysis is usually approached either on a macroeconomic or "top-down" basis or a company specific or "bottom up" basis. The top-down approach involves an analysis of global, regional and/or national economic factors. The bottom up approach involves analysing specific businesses. The Sub-Investment Manager uses internal analysts and selected external analysts in order to assess the fundamental value of a company using different approaches depending on the company and/or Industry in focus. Quantitative analysis involves data-driven analysis at individual stock level. This analysis includes valuation characteristics (for example, the market price of a stock compared to its book value, price to earnings multiples), momentum characteristics (for example, the rate at which earnings are increasing or decreasing and the rate at which the market price of stocks is increasing or decreasing) and qualitative characteristics (for example, changes in return on equity and changes in working capital). Qualitative information is obtained from on a network of sources including, but not limited to sell side investment analysts and strategists, expert networks, corporate meetings, on the ground due diligence and attending Industry Conferences. The Sub-Investment Manager avails of the services of expert networks and analysts in local jurisdictions to provide certain advisory services. Any such expert network or analyst will not have discretionary investment powers in respect of the Fund (these powers rest with the Investment Manager and Sub-Investment Manager).

The Manager employs a risk management system, which aims to accurately measure, monitor and

manage the risk generated by individual positions, sectors and countries. Risk management for the Manager starts at the individual company level, by analysing company management, balance sheets and cash flows. The Sub-Investment Manager may employ spot foreign exchange transactions (as further described in Appendix III to the Prospectus) to convert subscription proceeds into the relevant currency and in order to pay fees in a particular currency. The Sub-Investment Manager may employ forward foreign exchange contracts and currency futures (as further described in Appendix III to the Prospectus) for the purpose of hedging the foreign exchange exposure of the assets of the Sub-Fund in order to neutralise, so far as possible, the impact of fluctuations in the relevant exchange rates, however the Sub-Fund may have foreign exchange exposure which is reflective of the global markets in which it is investing. When seeking to neutralise the foreign exchange exposure of the assets of the Sub-Fund, the Sub-Investment Manager may use such spot foreign exchange transactions, forward foreign exchange contracts and currency futures to sell the currency in which a particular asset is denominated against the Base Currency of the Sub-Fund, or against another currency, as determined by the Sub-Investment Manager in its discretion.

The Sub-Fund intends to use derivatives as a significant part of its investment policies. The Manager will employ a risk management process in order to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Sub-Investment Manager will not utilise derivatives which have not been included in the risk management process. The market risks generated by the Sub-Fund through the use of instruments will be measured through the use of VaR measure. Absolute VaR is measured over a holding period (of 20 days) and should not be greater than 20% of the Net Asset Value of the Sub-Fund. The VaR will be calculated using a 99% confidence level and the historical observation period will not be less than one year. The Sub-Investment Manager is satisfied that the Absolute VaR methodology can cope adequately with the complexity of variance and volatility derivatives set out above. The use of derivatives entails certain risks to the Sub-Fund including those set out under "Risk Factors" in this Supplement. Investors are also encouraged to read Appendix III of the Prospectus which describes the types of derivatives which the Company may use, the purposes of their intended use and their effect.

As the use of derivatives is an important part of the approach of the Sub-Fund, the Sub-Fund may at any one time have significant cash balances to invest. Such cash balances may be invested in money market funds and money market instruments, including, but not limited to, certificates of deposit, fixed or floating rate notes and fixed or variable rate commercial paper (which are considered investment grade as rated by the principal rating agencies) and in cash deposits denominated in such currency or currencies as the Sub-Investment Manager may determine and in fixed or floating rate bonds (including notes, bills and other fixed and variable-rate secured and unsecured investments) issued by corporations, governments and supranationals (which are considered investment grade by the principal rating agencies). The Sub-Fund's assets may also be invested in sight, term and time deposits of banks (which are considered investment grade or above by the principal rating agencies). The residual maturity of each investment described in this paragraph may not exceed one year. Such investment is made in order to manage the cash held by the Sub-Fund which is required for investment in derivatives outlined above. For example, investing in long and short equity swaps in equal measure leaves a cash balance which needs to be invested so that there is no drag on the performance of the Sub-Fund and it is for this purpose that these instruments will be used. Though investment in money market funds and money market instruments is not a primary investment focus of the Sub-Fund, the Sub-Fund will at times be significantly invested in

these assets in order to manage the cash held by the Sub-Fund.

The Sub-Fund may use repurchase/reverse repurchase agreements and securities lending (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR and the Central Bank Rules. Any type of assets that may be held by the Sub-Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The Sub-Fund may also use Portfolio Swaps and Total Return Swaps and apply these to certain types of assets held by the Sub-Fund as disclosed in the section "Investment Policies" above. There is no restriction on the proportion of assets that may be subject to Portfolio Swaps or Total Return Swaps which at any given time is expected to be between 100% and 300% of the Net Asset Value of the Sub-Fund. The maximum proportion of assets that may be subject to Securities Financing Transactions is 300% of the Net Asset Value of the Sub-Fund. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the Sub-Fund's assets the amount of Sub-Fund assets subject to Securities Financing Transactions, the Portfolio Swaps and Total Return Swaps. In addition, Shareholders should note the anticipated leverage ranges of the Sub-Fund as disclosed further above.

In this regard, the Sub-Fund may lend stocks that it has bought to generate additional income. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby the Sub-Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. For example, the Sub-Investment Manager may enter into repurchase agreements when interest rates are low to enhance income earned in the Sub-Fund, or to manage interest rate exposure of fixed rate bonds more precisely than via the use of interest rate futures.

Transaction costs may be incurred in respect of Securities Financing Transactions and efficient portfolio management techniques in respect of the Sub-Fund. The Company shall ensure that all revenues arising from Securities Financing Transactions and efficient portfolio management techniques and instruments, net of direct and indirect operational costs and fees, are returned to the Sub-Fund. Any direct and indirect operational costs/fees arising from Securities Financing Transactions and efficient portfolio management techniques do not include hidden revenue and will be paid to such entities as outlined in the annual report of the Company, which shall indicate if the entities are related to the Depositary.

In the event of a change to the investment strategy of the Fund, the Supplement will be updated accordingly.

Information on the collateral management policy for the Sub-Fund is set out under the heading "Collateral Management Policy" in the Prospectus.

Investors should consult the sections of the Prospectus entitled "Risk Factors- Counterparty Risk", "Risk Factors- Derivatives and Securities Financing Transactions and Techniques and Instruments Risk" and "Conflicts of Interest" for more information on the risks associated with efficient portfolio management.

## *Financial Indices*

As outlined above, the Sub-Fund may use certain derivative instruments to invest in financial indices which provide exposure to the asset classes listed above. Further information relating to same is contained at the section of the Prospectus entitled "Appendix III – Financial Derivative Instruments for the Purpose of Investment and/or Efficient Portfolio Management".

## **7. Investment Manager and Sub-Investment Manager**

The Manager has appointed UBS Asset Management (Americas) LLC as investment manager to the Sub-Fund with discretionary powers pursuant to an Investment Management Agreement. Under the terms of the Investment Management Agreement, UBS Asset Management (Americas) LLC, is responsible, subject to the overall supervision and control of the Manager, for managing the assets and investments of the Sub-Fund in accordance with the investment objective and policies.

UBS Asset Management (Americas) LLC, a limited liability company organized under the laws of the State of Delaware, United States (formerly, UBS Asset Management (Americas) Inc., a corporation incorporated under the laws of the State of Delaware, United States), serves as the Investment Manager of the Sub-Fund and is responsible for the Sub-Fund's investment activities. The Investment Manager is exempt from registration with the CFTC as a commodity trading advisor pursuant to Section 4(3) of the U.S. Commodity Exchange Act. The Investment Manager is an indirect wholly-owned subsidiary of UBS Group AG ("**UBS**") and is part of UBS's Asset Management Division. The Investment Manager is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended. The Investment Manager is, as part of the UBS group, subject to UBS group policies and procedures and the Investment Manager will manage the Sub-Fund in accordance with these policies and procedures as appropriate to the investment objective and policies of the Sub-Fund. The Investment Manager's address is 787 7th Avenue, New York, New York 10019, United States.

UBS Asset Management (Singapore) Ltd has been appointed to provide discretionary sub-investment management services to the Investment Manager.

UBS Asset Management (Singapore) Ltd.'s registered office is 9 Penang Road, Singapore 238459. UBS Asset Management (Singapore) Ltd., a subsidiary of UBS Asset Management AG incorporated in Singapore, is regulated by the Monetary Authority of Singapore. UBS Asset Management (Singapore) Ltd. has been managing collective investment schemes and discretionary funds since 1993.

## **8. Offer**

Shares in the Sub-Fund will be issued at the Initial Price when first issued during their Initial Offer Period and subsequently at their Net Asset Value per Share.

The Initial Offer Period described above may be shortened or extended at the discretion of the Directors and/or the Manager (in the case of all Classes) in accordance with the requirements of the Central Bank.

## **9. Application for Shares**

Applications for Shares may be made through the Administrator (or its delegate) on behalf of the  
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Company. Applications received and accepted by the Administrator (or its delegate) prior to the Subscription Deadline for the relevant Subscription Day will be processed on that Subscription Day. Any applications received after the Subscription Deadline for a particular Subscription Day will be processed on the following Subscription Day unless the Directors and/or the Manager in their absolute discretion and on an exceptional basis only otherwise determine to accept one or more applications received after the Subscription Deadline for processing on that Subscription Day provided that such application(s) have been received prior to the Valuation Point for the particular Subscription Day.

#### *Currency of Payment*

Subscription monies are payable in the Base Currency or in the denominated currency of the relevant Class. The Company may accept payment in such other currencies as the Directors and/or the Manager may agree at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

#### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Depositary no later than 5 p.m. Irish time on the third Business Day immediately following the Subscription Day or by such other time and/or day as the Directors and/or the Manager may determine provided that the Directors and/or the Manager reserve the right to defer the issue of Shares until receipt of cleared subscription monies by the Depositary. If payment in cleared funds in respect of a subscription has not been received by the relevant time, the Directors and/or the Manager or their delegate may cancel the allotment and/or charge the investor interest to cover the expenses incurred by the Sub-Fund as a result, which will be paid into the assets of the Sub-Fund. The Directors and/or the Manager may waive such charges in whole or in part. In addition, the Directors and/or the Manager have the right to sell all or part of the investor's holding of Shares in the Sub-Fund in order to meet such charges.

Dealing is carried out at forward pricing basis, i.e., the Net Asset Value next computed after receipt of subscription requests.

#### *Sales Charge*

In accordance with the Prospectus, a sales charge of up to 3% of the subscription amount may be added to the Initial Price and the Net Asset Value per Share.

### **10. Redemption of Shares**

Shareholders may redeem their Shares on and with effect from any Redemption Day at the Net Asset Value per Share calculated on or with respect to the relevant Redemption Day in accordance with the procedures specified below (save during any period when the calculation of Net Asset Value is suspended).

Dealing is carried out at forward pricing basis, i.e. the Net Asset Value next computed after receipt of redemption requests.

#### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator (or its delegate) in writing. Redemption payments following processing of instruments received by facsimile will only be made to the account of record of a Shareholder.

#### *Currency of Payment*

Shareholders will normally be repaid in the Base Currency or in the denominated currency of the relevant Class. If, however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the Administrator or its delegate at its discretion on behalf of and for the account, risk and expense of the Shareholder.

#### *Timing of Payment*

Redemption proceeds in respect of Shares will be paid as soon as practicable following the finalisation of the calculation of the Net Asset Value of the relevant Class for the relevant Valuation Day, which will normally be within 3 Business Days of the Redemption Day and in any event within 10 Business Days of the Redemption Deadline, provided that all the required documentation has been furnished to and received by the Administrator (or its delegate) in original form.

### **11. Anti-dilution Measures**

The Directors and/or the Manager may adjust the price of Shares as described in the section in the Prospectus entitled "Swing Pricing".

### **12. Fees and Expenses**

The fees and expenses relating to the establishment of the Sub-Fund which are approximately USD203,000 are being borne out of the assets of the Sub-Fund and being amortised over the first five Accounting Periods of the Sub-Fund or such other period as the Directors may determine and in such manner as the Directors in their absolute discretion deem fair. Once launched the Sub-Fund shall bear its share, as determined by the Directors and/or the Manager, of (i) the fees and expenses relating to its registration for sale in various markets and (ii) its attributable portion of the fees and operating expenses of the Company. The fees and operating expenses of the Company are set out in detail under the heading "Fees and Expenses" in the Prospectus.

On an annual basis, the aggregate administrative fees and expenses relating to the management and administration costs of the Sub-Fund, being, generally, the fees of the Manager, the Depositary and the Administrator together with auditors' fees, legal fees, registration fees and Directors' fees ("Administrative Costs") charged to each Class of the Sub-Fund shall be 0.30% of the Net Asset Value of the Sub-Fund. Costs associated with acquisition or disposal of any of the Sub-Fund's assets do not form part of the Administrative Costs. The aggregate fees of the Investment Manager (the "Investment

Management Fee") and the Administrative Costs shall be the percentage of the Net Asset Value of the Sub-Fund as set out in the table below. For the avoidance of doubt where Administrative Costs exceed 0.30% any deficit is paid by the Investment Manager. Where Administrative Costs are less than 0.30%, a surplus will not be charged, meaning only actual costs incurred will be charged.

The fees of the Manager, the Investment Manager, the Administrator and the Depositary shall accrue as of each Valuation Point and shall be payable monthly in arrears. Any compensation to the Sub-Investment Manager will be paid directly by the Investment Manager and not out of the assets of the Sub-Fund.

The attention of investors is drawn to the following fees and charges:

<b>Share Classes</b>	<b>Aggregate of Investment Management Fee and Administrative Costs as a % of Net Asset Value</b>	<b>Aggregate of Investment Management Fee and Administrative Costs as a % of Net Asset Value for currency hedged share classes</b>
Classes with "P" in their name	2.30%	2.35%
Classes with "N" in their name	3.00%	3.05%
Classes with "K-1" in their name	1.90%	1.93%
Classes with "F" in their name	1.40%	1.43%
Classes with "Q" in their name	1.70%	1.75%
Classes with "I-A1" in their name	1.65%	1.68%
Classes with "I-A2" in their name	1.60%	1.63%
Classes with "I-A3" in their name	1.40%	1.43%
Classes with "I-B" in their name	0.30%	0.30%
Classes with "U-B" in their name	0.30%	0.30%

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to Shareholders part or all of the Investment Management Fee and/or Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash. The Investment Manager will also be entitled to a Performance Fee as described in "Performance Fee" below.

#### *Performance Fee*

Performance fee paying Classes will have a designation "PF" in their name as per the following example: (CAD hedged) I-A1-PF-qdist. No 'PF' share class shall be launched other than in base currency or on a 'hedged' basis

The Performance Fee will be calculated and accrued as at each Valuation Point. The Performance Fee will crystallise annually. The Performance Fee will be calculated in respect of each financial year (a "**Calculation Period**"). The first Calculation Period in respect of any Class of Shares will be the period

commencing on the Business Day immediately following the close of the Initial Offer Period for that Class and ending on the following September 30.

For each Calculation Period, the Performance Fee payable will be equal to 20% of the Net Outperformance of the Net Asset Value per share (prior to the deduction of the Performance Fee) over the High Water Mark NAV, as adjusted for any subscriptions, conversions and redemptions since the last payment of a Performance Fee at the end of a Calculation Period. The "Net Outperformance" is defined as the excess gain of the Net Asset Value per share (prior to deduction of any Performance Fee) over the High Water Mark, accumulated from the end of the Calculation Period where performance fees were last paid. The "High Water Mark NAV" shall be the last Net Asset Value per share where a Performance Fee was paid at the end of a Calculation Period. For the purposes of the first calculation of the Performance Fee, the starting point for the relevant High Water Mark NAV is the Initial Price. For distributing Classes, the High Water Mark is adjusted for dividend distributions. A Performance Fee will be paid only if the Net Asset Value per share exceeds the High Water Mark. Any under-performance in a Calculation Period will be recovered before a Performance Fee becomes due in subsequent Calculation Periods. No performance fee is accrued or paid until the net asset value per share exceeds the previous highest net asset value per share on which the performance fee was paid or accrued, or the initial offer price, if higher. The Initial Price will be taken as the starting price for this calculation. The performance fee is only payable or paid on the increase of the net asset value per share over the High Water Mark or the Initial Price, whichever is higher.

The performance reference period is the time horizon over which the performance is measured and compared with that of the reference indicator, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset.

The performance reference period is not reset and thus corresponds to the whole life of the Class. Shareholders should note that, as the Performance Fee is calculated at Class level and not at an individual Shareholder level, they may be charged a Performance Fee even where the Net Asset Value of their Shares have remained the same or dropped in value, for example, where Shareholders purchase or redeem Shares at points other than the start of the Calculation Period. Furthermore, Shareholders who purchase Shares during a Calculation Period may benefit from an increase in the Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an individual Shareholder level.

For Classes where investment management fees are charged based on a written agreement between UBS Asset Management Switzerland AG or one of its authorised distribution partners where costs are charged based on the agreements, the performance fee is calculated based on the Net Asset Value of the respective Class. For the avoidance of doubt, the Net Asset Value of such Classes does not include any costs which are charged in accordance with the provisions of those written agreements.

Excess performance shall be calculated net of all costs but can be calculated without deducting the Performance Fee itself, provided that in doing so it is in the best interest of Shareholders.

The Performance Fee will normally be payable to the Investment Manager in arrears within 20 Business Days of the end of each Calculation Period. However, in the case of Shares redeemed during a

Calculation Period, the accrued Performance Fee in respect of those Shares will be payable within 20 Business Days after the date of redemption.

If the Investment Management Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

Calculation of the Performance Fee is verified by the Depositary and not open to the possibility of manipulation. The Performance Fee will be calculated by the Administrator and verified by the Depositary.

Performance Fees are payable on realised and unrealised capital gains taking into account realised and unrealised losses at the end of the Calculation Period. Consequently, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

Please refer to the Schedule to this Supplement for an example of the calculation of the Performance Fee. The tabulation is provided as an illustration for information only. The tabulation does not constitute any warranty as to success and is qualified in its entirety by the express provisions of the Prospectus and this Supplement.

### **13. Risk Factors**

Prospective investors should in addition take into account the Risk Factors referred to under "Risk Factors" in the Prospectus when considering whether to invest in Shares of the Sub-Fund.

#### *Derivatives Risk*

The Sub-Fund will use Portfolio Swaps as part of its investment capabilities. However, the Sub-Fund could potentially be exposed to additional risk and costs should the market move in the opposite direction to the Sub-Fund's strategies.

The Sub-Fund will use derivatives to take 'short positions' in some investments. This will allow the Sub-Fund to take an equivalent economic exposure to a sale of an investment that the Sub-Fund does not own in the expectation that the investment's value will fall. However, if the value of that investment increases, it will have a negative effect on the Sub-Fund's value. In extreme stock market conditions, the Sub-Fund may be faced with unlimited losses which would mean your investment could potentially become worthless.

In aiming to reduce the volatility of the Sub-Fund, the Sub-Investment Manager utilises a risk management process to monitor the level of risk taken by the portfolio.

#### *Counterparty Risk*

The Company's current intention is that it will enter into derivative trading agreements with a number of trading counterparties on behalf of the Sub-Fund. Whilst the Sub-Investment Manager will assess the

credit worthiness of a counterparty before entering into any trading agreements, the Sub-Fund is at risk if a counterparty does not fulfil its obligations under any agreements. For example, any collateral paid by the Sub-Fund to a counterparty may fail to be returned and any payment due to the Sub-Fund by a counterparty may fail to be made.

### *Emerging Markets Risk*

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to the Sub-Fund.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share (and consequently subscription and redemption prices for Shares) than would be the case in relation to funds invested in more developed markets. In addition, if a large number of securities have to be realised at short notice to meet substantial redemption requests for Shares in the Sub-Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share.

In addition, settlement, clearing, safe custody and registration procedures may be underdeveloped, increasing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply in more developed markets. Investments in certain emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to the Sub-Fund. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and so transactions may need to be made on a neighbouring exchange.

Emerging markets securities may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of sale. The issuers of emerging markets securities, such as banks and other financial institutions, may be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk. In addition custodial expenses for emerging market securities are generally higher than for developed market securities. Dividend and interest payments from, and capital gains in respect of, emerging markets securities may be subject to foreign taxes that may or may not be reclaimable.

Laws governing foreign investment and securities transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, the Sub-Fund may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market

participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the Sub-Fund are invested. Furthermore, the standard of corporate governance and investor protection in emerging markets may not be equivalent to that provided in other jurisdictions.

*Specific risks of investing in the People's Republic of China ("PRC")*

The Sub-Fund may gain exposure to A Shares through the trading counterparties' approved status under the regimes operated by the government of the PRC including through the Stock Connect and QFII regimes, UCITS or other AIFs exposed to Chinese A shares and/or entry products such as ETFs.

*a) Market risks in China*

Investments in the securities markets in the PRC are subject to the general risks of investing in emerging markets and the specific risks of investing in the markets in the PRC. Many of the economic reforms implemented in the PRC are unprecedented or experimental and are subject to adjustment and modification, and such adjustment and modification may not always have a positive effect on foreign investment in joint stock companies in the PRC or in listed securities such as A shares.

The profitability of the investments could be adversely affected by a worsening of general economic conditions in the PRC or on the global markets. Factors such as government policy, fiscal policy, interest rates, inflation, investor sentiment, the availability and cost of credit in the PRC, the liquidity of the financial markets in the PRC and the level and volatility of share prices could significantly affect the value of a sub-fund's underlying investments and thus the share price.

The choice of A shares and RMB-denominated debt instruments currently available to the Investment Manager and or the Sub Investment Manager may be limited relative to the choice available in other markets. There may also be a lower level of liquidity in the relevant markets in the PRC, which are smaller, in terms of both the overall market value and the number of securities available for investment, than other markets. This could potentially lead to strong price volatility.

The national regulatory and legal framework for capital markets and joint stock companies in the PRC is still developing relative to that of industrialised countries. However, the overall effects of such reforms on the A share market remain to be seen. In addition, there is a relatively low level of regulation and enforcement activity in these securities markets. Settlement of transactions may be subject to delay and administrative uncertainties. Furthermore, the regulations are under development and may change without notice, which may further delay redemptions or restrict liquidity. The Chinese securities markets and activities of investors, brokers and other market participants may not be regulated and monitored to the same extent as in more-developed markets.

Companies in the PRC are required to follow PRC accounting standards and practices, which, to a certain extent, correspond to international accounting standards. However, there may be significant differences between financial statements prepared by accountants following PRC accounting standards and practices and those prepared in accordance with international accounting standards.

Both the Shanghai and Shenzhen securities markets are in the process of development and are subject to change. This may lead to volatile trading, difficulties with the settlement and recording of transactions and problems interpreting and applying the relevant regulations. The government of the PRC has developed a comprehensive regime of commercial laws and considerable progress has been made in the promulgation of laws and regulations dealing with economic matters such as corporate organisation and governance, foreign investment, commerce, taxation and trade. Because these laws, regulations and legal requirements are relatively recent, there are some uncertainties regarding their interpretation and enforcement. In addition, the laws for investor protection in the PRC are still under development and may be less sophisticated than those in industrialised countries. Investments in the PRC will be very sensitive to any significant changes in social, economic or other policy in the PRC. Such sensitivity may, for the reasons specified above, adversely affect the capital growth and thus the performance of these investments. State control over currency conversion in the PRC and future movements in exchange rates may adversely affect the operations and financial results of the companies in which a sub-fund invests. In light of the above-mentioned factors, the price of A shares may fall significantly in certain circumstances.

*b) RMB currency risk*

The risk associated with state currency control in the PRC and future movements in exchange rates may adversely affect the operations and financial results of companies in which the sub-fund invests. RMB is not a freely convertible currency and is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. If such policies or restrictions change in the future, the position of the sub-fund or its investors may be adversely affected.

No guarantee can be given that conversion will not become more difficult or impossible, or that the RMB will not be subject to devaluation, revaluation or short supply. There is no guarantee that RMB will not depreciate.

*c) Risk of investing in other undertakings with exposure to PRC securities*

The Sub-Fund will be subject to the same types of risks as the other undertakings in proportion to its holdings of those specific underlying funds. Different underlying securities in which the sub-fund invests have different underlying investments. The risks associated with such underlying investments, in particular with exposure to PRC securities, would be similar to the risks as set out above.

*Performance Fee Equalisation*

No equalisation methodology is employed in respect of the Performance Fee calculation. As a result, the methodology used in calculating the Performance Fees (as described above) may result in inequalities between Shareholders in relation to the payment of Performance Fees (with some Shareholders paying disproportionately higher performance fees in certain circumstances) and may also result in certain Shareholders having more of their capital at risk at any time than others.

Furthermore, Shareholders who purchase Shares during a Calculation Period may benefit from an increase in the Net Asset Value of their Shares and may not be charged a Performance Fee or may be charged a lesser Performance Fee than would be the case if the Performance Fee was calculated at an



individual Shareholder level. The Sub-Fund will not apply an equalization per share method or a series accounting method. Consequently, there can be no guarantee that the Performance Fee applicable to the Sub-Fund will be equitably borne by the Shareholders in the Sub-Fund and the rateable Performance Fee to be borne by the Shareholders may be greater than or lesser than the Performance Fee borne by other Shareholders depending on, among other things, the performance of the Sub-Fund and the payment period.

#### **14. Material Contracts**

Investment Management Agreement dated 3 June 2021 as amended and novated by way of a novation agreement dated 29 November 2022 to the Manager, as may be amended or supplemented from time to time in accordance with the requirements of the Central Bank, under which UBS Asset Management (Americas) LLC was appointed investment manager to the Sub-Fund subject to the overall supervision of the Manager. The Investment Management Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. UBS Asset Management (Americas) LLC has the power to delegate its duties in accordance with the requirements of the Central Bank. The Investment Management Agreement provides that where they are the defaulting party, the Manager and UBS Asset Management (Americas) LLC shall hold harmless the other in case of any loss, damage, costs and liabilities incurred by the other as a result of the defaulting party's negligence, wilful default, bad faith or fraud. The Investment Management Agreement further provides that the Manager shall indemnify the Investment Manager out of the assets of the Sub-Fund against any loss, damage, costs and liabilities incurred by the Investment Manager, its employees, agents and duly appointed delegates, other than those arising due to their negligence, wilful default, bad faith or fraud.

## SCHEDULE

### Example of Calculation of the Performance Fee

		<b>1<sup>st</sup> Period</b>	
		<u>Scenario 1</u>	<u>Scenario 2</u>
		<b>PM has positive performance</b>	<b>PM has negative performance</b>
Initial asset allocation to PM sub-account (High Water Mark)	<b>A</b>	1000	1000
<b>Performance of the Investment Manager sub-account</b>			
Period performance after deduction of management fees	<b>B</b>	15%	-20%
Total Net Assets of the PM sub-account	<b>C = A * (1 + B)</b>	<u>1150</u>	<u>800</u>
Net New Appreciation	<b>G = C – A</b>	150	-200
<b>Performance Fee @ 20% *</b>	<b>H G &gt; 0, 20%*G</b>	<b>30.00</b>	<b>0</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1120.	1000

\* - The Net Asset Value per Fund Share has to be superior to the HWM per Share before and Performance Fee is deducted

- The Performance Fee could reduce the Net Asset Value per Fund Share and may fall below the HWM per Share

		2nd Period		
		<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
		<b>PM has negative performance</b>	<b>PM has positive performance, but below HWM</b>	<b>PM has positive performance above HWM</b>
High Water Mark after 1 <sup>st</sup> Period	<b>I</b>	1120	1000	1000
Net Asset Value after 1 <sup>st</sup> Period	<b>J</b>	1120	800	800
<b>Performance of the Investment Manager sub-account</b>				
Period performance after deduction of management fees	<b>K</b>	-15%	+10%	+50%
Total Net Assets of the PM sub-account	<b>L</b> = J * (1 + K)	<u>952</u>	<u>880</u>	<u>1200</u>
Net New Appreciation	<b>M</b> = L – I	-168	-120	200
<b>Performance Fee @ 20% MIN(IF L&gt;I; L&gt;I)*</b>	<b>N</b> M > 0, 20%*M	<b>0</b>	<b>0</b>	<b>40</b>
High Water Mark after 2nd Period		1120	1000	1160

- \* - The Net Asset Value per Share has to be superior to the HWM per Share before Performance Fee is deducted  
 - The Performance Fee could reduce the Net Asset Value per Share and may fall below the HWM per Share.

