

SCOR FUNDS

Société d'investissement à capital variable (SICAV)

an undertaking for collective investment in transferable securities (UCITS)
in the form of an open-ended investment company with variable share capital

subject to the Luxembourg law of 17 December 2010 relating to
undertakings for collective investment, as amended

Prospectus

December 2021

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1. INTRODUCTION

This Prospectus contains information about **SCOR FUNDS** that a prospective investor should consider before investing in the Fund and should be retained for future reference.

The Fund is a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended or supplemented from time to time.

The Fund has been authorised by the *Commission de Surveillance du Secteur Financier* (CSSF) which is the Luxembourg supervisory authority of the financial sector. However, such authorisation does not require the CSSF to approve or disapprove either the adequacy or accuracy of this Prospectus or the portfolio of assets held by the Fund. Any declaration to the contrary should be considered as unauthorised and illegal.

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Shares in the Fund are shares in a specific Sub-Fund. The Fund may issue Shares of different Share Classes in each Sub-Fund. Such Share Classes may each have specific characteristics. Certain Share Classes may be reserved to certain categories of investors. Investors should refer to the Supplement for further information on characteristics of Share Classes.

The Fund is registered with the Luxembourg Trade and Companies Register under number B215175. The latest version of the Articles of Association was published on the *Recueil électronique des sociétés et associations* (RESA), the central electronic platform of the Grand-Duchy of Luxembourg on 2 June 2017.

Neither delivery of the Prospectus nor anything stated herein should be taken to imply that any information contained herein is correct as of any time subsequent to the date hereof. The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful or to any person to whom it is unlawful to make such offer, solicitation or sale.

The information contained in this Prospectus is supplemented by the financial statements and further information contained in the latest Annual Report and Semi-Annual Report of the Fund, copies of which may be requested free of charge at the registered office of the Fund.

No distributor, agent, salesman or other person has been authorised to give any information or to make any representation other than those contained in the Prospectus and in the documents referred to herein in connection with the offer of Shares and, if given or made, such information or representation must not be relied upon as having been authorised.

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

The distribution of the Prospectus and/or the offer and sale of the Shares in certain jurisdictions or to certain investors may be restricted or prohibited by law. No Shares may be acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. In particular, the Board of Directors has decided that US Persons may be considered as Prohibited Persons.

The Fund must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Fund or its agent to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the relationship on an ongoing basis. Failure to provide information or documentation may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisers to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax and accounting consequences which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

THE VALUE OF THE SHARES MAY FALL AS WELL AS RISE AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INITIALLY INVESTED. INVESTING IN THE FUND INVOLVES RISK INCLUDING THE POSSIBLE LOSS OF CAPITAL.

2. DIRECTORY

Registered office of the Fund

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

Board of Directors

Benoit Andrienne
Managing Partner I.D. Associates
I.D. ASSOCIATES Sarl
Urban Office, 4 rue d'Arlon,
L-8399 Windhof (Luxembourg)

Benjamin Ayache (Chairman)
Chief Operating Officer
SCOR Investment Partners SE
Paris

Fabrice Rossary
Chief Investment Officer
SCOR Investment Partners SE
Paris

Management Company

SCOR Investment Partners S.E.
5, Avenue Kléber, 75016 Paris, France

Depository

BNP Paribas Securities Services,
Luxembourg Branch
60, avenue J.F. Kennedy,
L-1855 Luxembourg
Grand Duchy of Luxembourg

Administrator

BNP Paribas Securities Services,
Luxembourg Branch
60, avenue J.F. Kennedy,
L-1855 Luxembourg
Grand Duchy of Luxembourg

Auditor

MAZARS LUXEMBOURG
5, rue Guillaume Kroll
L-1882 Luxembourg
Grand Duchy of Luxembourg

Legal adviser as to matters of Luxembourg law

Arendt & Medernach SA
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

3. DEFINITIONS

1915 Law	the Luxembourg law of 10 August 1915 on commercial companies, as may be amended from time to time.
1993 Law	the law of 5 April 1993 on the financial sector, as may be amended from time to time.
2004 Law	the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as may be amended from time to time.
2010 Law	the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as may be amended from time to time.
Administration Agreement	the agreement entered into between the Fund, the Management Company and the Administrator governing the appointment of the Administrator, as may be amended or supplemented from time to time.
Administrator	the central administration, registrar and transfer agent appointed by the Management Company in accordance with the provisions of the 2010 Law and the Administration Agreement, as identified in the Directory.
Annual Report	the report issued by the Fund as of the end of the latest financial year in accordance with the 2010 Law.
Articles of Association	the articles of association of the Fund, as may be amended from time to time.
Board of Directors	the board of directors of the Fund.
Business Day	any day on which banks are open the whole day for non-automated business in Luxembourg and in such other countries or cities as may be specified for a Sub-Fund or Share Class in a Supplement.
Capitalisation Shares	Shares with respect to which the Fund does not intend to distribute dividends.
CHF	the legal currency of Switzerland.

Controlling Person	the natural persons who exercise control over an entity. In the case of a trust, the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.
Conversion Day	the day or days on which Original Shares may be converted into New Shares, being a day which is a Redemption Day for the Original Shares and, if that day is not a Subscription Day for the New Shares, the day which is the immediately following Subscription Day for the New Shares, provided that the Cut-Off Time for a Conversion Day shall be the earlier of the Cut-Off Time for redemption of the Original Shares on that Redemption Day and the Cut-Off Time for subscription to the New Shares on that Subscription Day. For the avoidance of doubt, the Conversion Day may be a different day for the Original Shares and the New Shares.
Conversion Fee	a fee which the Fund may charge upon conversion of Shares and which is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such other amount as specified for each Share Class in the Supplement, where applicable.
Conversion Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the conversion of all or part of his Shares. The term "Conversion Form" shall be deemed to include conversion applications placed on electronic or other online trading platforms authorised by the Fund for such purposes.
CRS	the Common Reporting Standard, within the meaning of the Standard for Automatic Exchange of Financial Account Information in Tax Matters, as set out in the Luxembourg law on the Common Reporting Standard.
CSSF	the <i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority of the financial sector.

Cut-Off Time	for any Subscription Day, Redemption Day or Conversion Day, the day and time by which an application for subscription, redemption or conversion, as applicable, must in principle be received by the Fund in order for the application to be processed, if accepted, by reference to the Net Asset Value per Share calculated as of that Subscription Day, Redemption Day or Conversion Day, as applicable. The Cut-Off Time is specified for each Sub-Fund or Share Class in the Supplement.
Depository	the depository bank appointed by the Fund in accordance with the provisions of the 2010 Law and the Depository Agreement, as identified in the Directory.
Depository Agreement	the agreement entered into between the Fund, the Management Company and the Depository governing the appointment of the Depository, as may be amended or supplemented from time to time.
Directive 2005/60/EC	Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing as may be amended from time to time,
Directive 2006/48/EC	Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (recast), as may be amended from time to time.
Directive 2013/34/EU	Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC, as may be amended from time to time.
Distribution Shares	Shares with respect to which the Fund intends to distribute dividends and which confer on their holder the right to receive such dividends, if and when declared by the Fund.
Distributors	intermediaries appointed by the Management Company or the Fund to distribute the Shares.
Eligible Investor	an investor who satisfies all additional eligibility requirements for a specific Sub-Fund or Share Class, as specified for the Sub-Fund or Share Class in the Supplement.
ESMA	the European Securities and Markets Authority.
EU	the European Union.

EUR	the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.
FATCA	the provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010 commonly referred to as the Foreign Account Tax Compliance Act (FATCA).
Feeder Fund	as the context indicates, a Sub-Fund or another UCITS or sub-fund thereof qualifying as a feeder fund in the meaning of the 2010 Law.
Fund	SCOR FUNDS.
Green and Social Bond Principles	voluntary best practice guidelines that promote integrity in the Green and Social Bond market through guidelines that recommend transparency, disclosure and reporting. They are intended for use by market participants and they assist underwriters by moving the market towards standard disclosures which will facilitate transactions. The Green and Social Bond Principles are coordinated by the International Capital Market Association (ICMA)
Initial Offer	the first day or period on or during which Shares of a Share Class will be or were available for subscription.
Initial Offer Price	the price at which Shares may be subscribed for on or during the Initial Offer.
Institutional Investor	an institutional investor as defined by the administrative practice of the CSSF
Management Company	the management company appointed by the Fund in accordance with the provisions of the 2010 Law and the Management Company Agreement, as identified in the Directory.
Management Company Agreement	the agreement entered into between the Fund and the Management Company governing the appointment of the Management Company, as may be amended or supplemented from time to time.
Management Fee	the fee payable by the Fund to the Management Company under the Management Company Agreement, as described in section 9.2 (Management Fee) of this Prospectus.
Master Fund	as the context indicates, a Sub-Fund or another UCITS or sub-fund thereof qualifying as a master fund in the meaning of the 2010 Law.

Member State	a State that is a contracting party to the Agreement creating the European Union. The States that are contracting parties to the Agreement creating the European Economic Area, other than the Member States of the European Union, within the limits set forth by such Agreement and related acts, are considered as equivalent to Member States of the European Union.
MiFID	Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments, as may be amended from time to time.
Money Market Instrument	instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
Net Asset Value	as the context indicates, the net asset value of the Fund, a Sub-Fund, or a Share Class determined in accordance with the provisions of this Prospectus.
Net Asset Value per Share	the Net Asset Value of a Share Class in a Sub-Fund divided by the total number of Shares of that Share Class which are in issue as of the Valuation Day for which the Net Asset Value per Share is calculated.
Non-Member State	any State, other than a Member State, in Europe, America, Africa, Asia or Oceania.
New Shares	Shares described in section 7.6 (Conversion of Shares) of this Prospectus.
OECD	the Organisation for Economic Cooperation and Development.
Original Shares	Shares described in section 7.6 (Conversion of Shares) of this Prospectus.
Performance Fee	the fee which may be payable to the Management Company depending on the performance of certain Sub-Funds or Share Classes, where applicable, as described in section 9.3 (Performance Fee) of this Prospectus.
Prohibited Person	any person considered as a Prohibited Person in the opinion of the Board of Directors according to the criteria set out in the Articles of Association and section 7.10 (Prohibited Persons) of the Prospectus.
Prospectus	this prospectus including all Supplements, as may be amended from time to time.

Redemption Day	a Valuation Day on which Shares may be redeemed by the Fund at a Redemption Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Redemption Days are specified for each Sub-Fund or Share Class in the Supplement.
Redemption Fee	a fee which the Fund may charge upon redemption of Shares, equal to a percentage of the Redemption Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.
Redemption Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to request the redemption of all or part of his Shares. The term "Redemption Form" shall be deemed to include redemption applications placed on electronic or other online trading platforms authorized by the Fund for such purposes.
Redemption Price	the price at which the Fund may redeem Shares on a Redemption Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Redemption Day and in accordance with the provisions of this Prospectus.
Redemption Settlement Period	the period of time, as specified for each Sub-Fund or Share Class in the Supplement, by the end of which the Fund will normally pay the Redemption Price (less any Redemption Fee, if any) to redeeming investors, subject to the further provisions of this Prospectus.
Reference Currency	as the context indicates, (i) in relation to the Fund, the Euro, or (ii) in relation to a Sub-Fund, the currency in which the assets and liabilities of the Sub-Fund are valued and reported, as specified in each Supplement, or (iii) in relation to a Sub-Fund or Share Class, the currency in which the Shares of that Sub-Fund or Share Class are denominated, as specified in each Supplement.
Regulated Market	a regulated market within the meaning of MiFID.
Semi-Annual Report	the report issued by the Fund as of the first half of the current financial year in accordance with the 2010 Law.
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.

Share Class	a class of Shares of a Sub-Fund created by the Board of Directors, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus. For the purposes of this Prospectus, each Sub-Fund shall be deemed to comprise at least one Share Class.
Shares	shares of a Sub-Fund or Share Class issued by the Fund.
Sub-Fund	a sub-fund of the Fund, as described in section 7.1 (Shares, Sub-Funds and Share Classes) of this Prospectus.
Subscription Day	a Valuation Day on which investors may subscribe for Shares at a Subscription Price determined by reference to the Net Asset Value per Share calculated as of that Valuation Day. Subscription Days are specified for each Sub-Fund or Share Class in the Supplement.
Subscription Fee	a fee which the Fund may charge upon subscription for Shares, equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.
Subscription Form	the forms and other documents, as issued or accepted by the Fund from time to time, which the Fund requires the investor or the person acting on behalf of the investor to complete, sign, and return to the Fund or its agent, with the supporting documentation, in order to make an initial and/or additional application for subscription to Shares. The term "Subscription Form" shall be deemed to include subscription applications placed on electronic or other online trading platforms authorised by the Fund for such purposes.
Subscription Price	the price at which investors may subscribe for Shares on a Subscription Day, as determined for each Sub-Fund or Share Class on the basis of the Net Asset Value per Share as of that Subscription Day and in accordance with the provisions of this Prospectus.
Subscription Settlement Period	the period of time by the end of which the subscriber is required to pay the Subscription Price (plus any Subscription Fee) to the Fund. The Subscription Settlement Period is specified for each Sub-Fund or Share Class in the Supplement.
Supplement	the supplement(s) to this Prospectus for each specific Sub-Fund, which form part of this Prospectus.
Sustainability Factors	means environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Sustainability Risk	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by a Sub-Fund.
Sustainable Investment	means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.
Target Sub-Fund	a Sub-Fund into which another Sub-Fund has invested in accordance with the provisions of this Prospectus.
Transferable Security	shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange.
UCI	undertaking for collective investment within the meaning of Article 1(2)(a) and (b) of the UCITS Directive, being an open-ended undertaking with the sole object of collective investment of capital raised from the public, in accordance with the principle of risk-spreading, in transferable securities and other liquid financial assets.
UCITS	undertaking for collective investment in transferable securities
UCITS Directive	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (recast), as may be amended from time to time.

US Person or United States Person	<p>unless otherwise specified in this Prospectus, any resident or person with the nationality of the United States of America or one of their territories or possessions or regions under their jurisdiction, or any other company, association or entity incorporated under or governed by the laws of the United States of America or any person falling within the definition of “US Person” under such laws</p> <p>“United States Persons” or “US Persons” shall be construed accordingly. For the purposes of further clarity, the term US Person shall not include any person whose application has been approved by the Board of Directors in its sole discretion.</p>
USD	<p>the legal currency of the United States of America.</p>
Valuation Day	<p>a Business Day as of which the Net Asset Value per Share is calculated, as specified in the Supplement.</p>

4. INVESTMENT STRATEGY AND RESTRICTIONS

Each Sub-Fund has a specific investment objective and policy described in its Supplement. The investments of each Sub-Fund must comply with the provisions of the 2010 Law. The investment restrictions and policies set out in this section apply to all Sub-Funds, without prejudice to any specific rules adopted for a Sub-Fund, as described in its Supplement where applicable. The Board of Directors may impose additional investment guidelines for each Sub-Fund from time to time, for instance where it is necessary to comply with local laws and regulations in countries where Shares are distributed. Each Sub-Fund should be regarded as a separate UCITS for the purposes of this section.

Adverse impacts of investment decisions on Sustainability Factors

As of the date of this Prospectus, the Management Company does not consider the adverse impacts of its investment decisions on Sustainability Factors considering that non-financial data is still not available in satisfactory quality and quantity to allow the Management Company to adequately assess the potential adverse impact of its investment decisions on Sustainability Factors.

4.1 Authorised investments

4.1.1 The investments of each Sub-Fund must comprise only one or more of the following.

- (A) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market.
- (B) Transferable Securities and Money Market Instruments dealt in on another market in a Member State that is regulated, operates regularly and is recognised and open to the public.
- (C) Transferable Securities and Money Market Instruments admitted to the official listing on a stock exchange in a Non-Member State or dealt in on another market in a Non-Member State which is regulated, operates regularly and is recognised and open to the public.
- (D) Recently issued Transferable Securities and Money Market Instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or dealing on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section, and that such admission is secured within one year of issue.
- (E) Shares or units of UCITS or other UCI, whether or not established in a Member State, provided that the following conditions are satisfied:
 - (1) such other UCI are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;

- (2) the level of protection for shareholders or unitholders in such other UCI is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
 - (3) the business of the other UCI is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and
 - (4) no more than 10% of the assets of the UCITS or the other UCI whose acquisition is contemplated can, according to their constitutive documents, be invested in aggregate in shares or units of other UCITS or other UCI.
- (F) Deposits with credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, which are repayable on demand or have the right to be withdrawn and maturing in no more than twelve months.
- (G) Financial derivative instruments, including equivalent cash-settled instruments, listed on a stock exchange or dealt in on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section, or financial derivative instruments dealt in over-the-counter (OTC) provided that:
- (1) the underlying consists of assets covered by this section 4.1.1 including instruments with one or more characteristics of those assets, and/or financial indices, interest rates, foreign exchange rates or currencies, in which a Sub-Fund may invest according to its investment objective;
 - (2) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
 - (3) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the initiative of the Fund.
- (H) Money Market Instruments other than those dealt in on a Regulated Market or on another regulated market referred to in paragraphs (A) to (C) of this section, provided that the issuer or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and that such instruments are:
- (1) issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in case of a federal State, by one of the members making up the federation, or

by a public international body to which one or more Member States belong;

- (2) issued by an undertaking any securities of which are listed on a stock exchange or dealt in on a Regulated Market or another regulated market referred to in paragraphs (A) to (C) of this section;
- (3) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
- (4) issued by other bodies provided that investments in such instruments are subject to investor protection equivalent to that set out in paragraphs (H)(1) to (H)(3) of this section and provided that the issuer is a company whose capital and reserves amount to at least EUR 10,000,000 and which presents and publishes its annual accounts in accordance with Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

4.1.2 Each Sub-Fund may invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those identified in paragraphs (A) to (D) and (H) of section 4.1.1.

4.1.3 Each Sub-Fund may hold ancillary liquid assets. Liquid assets held to cover exposure to financial derivative instruments do not fall under this restriction. Each Sub-Fund may exceptionally and temporarily hold liquid assets on a principal basis if the Board of Directors considers this to be in the best interest of its investors.

4.1.4 Each Sub-Fund may borrow up to 10% of its net assets on a temporary basis. Collateral arrangements to cover exposure to financial derivative instruments are not considered borrowings for the purposes of this restriction. Each Sub-Fund may also acquire foreign currency by means of a back-to-back loan.

4.1.5 The Fund may acquire movable and immovable property which is essential for the direct pursuit of its business. Each Sub-Fund may borrow up to 10% of its net assets for this purpose. However, the total amount of borrowing for this purpose and any borrowing on a temporary basis permitted by section 4.1.4 above may not exceed 15% of the net assets of the Sub-Fund.

4.1.6 Each Sub-Fund may invest into Shares issued by other Sub-Funds of the Fund (called Target Sub-Funds) provided that, during the period of investment:

- (A) the Target Sub-Fund does not, in turn, invest in the investing Sub-Fund and no more than 10% of the net assets of the Target Sub-Fund may be invested in other Sub-Funds;
- (B) the voting rights attached to such Shares of the Target Sub-Fund are suspended; and
- (C) the value of such Shares of the Target Sub-Fund will not be taken into consideration for the calculation of the Net Asset Value of the Fund for the purposes of verifying the minimum threshold of net assets imposed by the 2010 Law.

4.2 Prohibited investments

4.2.1 The Sub-Funds may not acquire commodities or precious metals or certificates representing them or hold any right or interest therein. Investments in financial instruments linked to, or backed by the performance of, commodities or precious metals, or any right or interest therein, do not fall under this restriction.

4.2.2 Except as set out in section 4.1.5, the Sub-Funds may not invest in real estate or hold any right or interest in real estate. Investments in financial instruments linked to, or backed by the performance of real estate or any right or interest therein, or shares or debt instruments issued by companies which invest in real estate or interests therein, do not fall under this restriction.

4.2.3 The Sub-Funds may not grant loans or guarantees in favour of a third party. Such restriction will not prevent any Sub-Fund from investing in Transferable Securities, Money Market Instruments, shares or units of UCITS or other UCI or financial derivative instruments referenced in section 4.1.1 which are not fully paid-up. Furthermore, such restriction will not prevent any Sub-Fund from entering into repurchase, reverse repurchase or securities lending transactions as described in section 4.6 (Efficient portfolio management techniques) below.

4.2.4 The Sub-Funds may not enter into uncovered sales of Transferable Securities, Money Market Instruments, shares or units of UCITS or other UCI or financial derivative instruments referenced in section 4.1.1.

4.3 Risk diversification limits

4.3.1 If an issuer or body is a legal entity with multiple sub-funds or compartments where the assets of each sub-fund or compartment are exclusively reserved to the investors of that sub-fund or compartment and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund or compartment, each sub-fund or compartment is to be considered as a separate issuer or body for the purpose of the application of these risk diversification limits.

Transferable Securities and Money Market Instruments

4.3.2 No Sub-Fund may purchase additional Transferable Securities or Money Market Instruments of any single issuer if, upon such purchase:

- (A) more than 10% of its net assets would consist of Transferable Securities or Money Market Instruments of such issuer; or
- (B) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of its net assets.

4.3.3 The limit of 10% set out in section 4.3.2, paragraph (A) is increased to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities (“Covered Bonds”). In particular, the proceeds from the issue of Covered Bonds must be invested, in accordance with applicable law, in assets which are capable of covering claims attached to such bonds until their maturity and which, in case of bankruptcy of the issuer, would be used on a priority basis for the repayment of principal and payment of accrued interest. To the extent a Sub-Fund invests more than 5% of its net assets in Covered Bonds, the total value of such investments may not exceed 80% of its net assets. Covered Bonds are not included in the calculation of the limit of 40% set out in section 4.3.2, paragraph (B).

4.3.4 The limit of 10% set out in section 4.3.2, paragraph (A) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any non-Member State or by a public international body of which one or more Member States are members. Such securities are not included in the calculation of the limit of 40% set out in section 4.3.2, paragraph (B).

4.3.5 Notwithstanding the limits set out above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by one of its local authorities, by a member State of the OECD or the Group of Twenty (G20) such as the United States of America, by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China or by a public international body of which one or more Member States are members, provided that the Sub-Fund holds in its portfolio securities from at least six different issues and that securities from any issue do not account for more than 30% of the net assets of the Sub-Fund.

Financial derivative instruments and efficient portfolio management techniques

4.3.6 The counterparty risk exposure arising from OTC derivative transactions and efficient portfolio management techniques (as described below) undertaken with a single body for the benefit of a Sub-Fund may not exceed 10% of the net assets of the Sub-Fund where the counterparty is a credit institution which has its registered office in a Member State or a credit institution located in a third-country which is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law, or 5% of its net assets in other cases.

Bank deposits

4.3.7 Each Sub-Fund may invest up to 20% of its net assets in deposits made with a single body.

Combined limits

4.3.8 Notwithstanding the individual limits set out in sections 4.3.2, 4.3.6 and 4.3.7, a Sub-Fund may not combine, where this would lead to an exposure of more than 20% of its net assets to a single body:

- (A) investments in Transferable Securities or Money Market Instruments issued by that body;
- (B) bank deposits made with that body; and
- (C) counterparty exposure arising from OTC financial derivative instruments and efficient portfolio management techniques (as described below) undertaken with that body.

4.3.9 The limits set out in sections 4.3.2 to 4.3.8 (with the exception of section 4.3.5) may not be combined: investments in Transferable Securities or Money Market Instruments, bank deposits, counterparty exposure arising from OTC financial derivative instruments and efficient portfolio management techniques, issued by or undertaken with, a single issuer or body, each in accordance with the limits set out in sections 4.3.2 to 4.3.8 (with the exception of section 4.3.5) may not exceed a total of 35% of the net assets of the Sub-Fund.

4.3.10 For the purposes of the combined limits set out in sections 4.3.8 and 4.3.9, issuers or bodies that are part of the same group of companies are considered as a single issuer or body. A group of companies comprises all companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules.

Index-replicating Sub-Funds

4.3.11 Without prejudice to the limits laid down in section 4.4 (Control limits) below, the limits set out in section 4.3.2 are raised to 20% for investments in Transferable Securities or Money Market Instruments issued by a single issuer where the investment objective of the Sub-Fund is to replicate the composition of a certain financial index of stock or debt securities which is recognised by the CSSF.

4.3.12 The limit of 20% set out in the preceding section is raised to 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain Transferable Securities or Money Market Instruments are highly dominant, provided that any investment up to this 35% limit is only permitted for a single issuer.

4.3.13 A financial index is an index which complies, at all times, with the following conditions: the composition of the index is diversified in accordance with the limits set out in sections 4.3.11 and 4.3.12, the index represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner. These conditions are further specified in and supplemented by regulations and guidance issued by the CSSF from time to time.

Shares or units of UCITS or other UCI

4.3.14 If a Sub-Fund is permitted to invest in aggregate more than 10% of its net assets in shares or units of UCITS or other UCI, as specified in its Supplement:

- (A) investments made in shares or units of a single other UCITS or other UCI may not exceed 20% of the net assets of the Sub-Fund; and
- (B) investments made in shares or units of other UCI may not, in aggregate, exceed 30% of the net assets of the Sub-Fund.

4.3.15 The underlying assets of the UCITS or other UCI into which a Sub-Fund invests do not have to be combined with any other direct or indirect investment of the Sub-Fund into such assets for the purposes of the limits set out in section 4.3 (Risk diversification limits) above.

4.3.16 If a Sub-Fund invests in shares or units of UCITS or other UCI that are managed, directly or by delegation, by the Management Company or by any other company which is linked to the Management Company by common management or control, or by a substantial direct or indirect holding, the Management Company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the shares or units of such UCITS and/or other UCI.

4.3.17 If a Sub-Fund invests a substantial proportion of its assets in UCITS or other UCI, the Supplement will disclose the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the UCITS or other UCI in which it intends to invest. The Fund will disclose in the Annual Report the maximum proportion of management fees charged to both the Sub-Fund itself and the UCITS or other UCI in which the Sub-Fund invests.

Derogation

4.3.18 During the first six (6) months following its authorisation, a new Sub-Fund may derogate from the limits set out in this section 4.3 (Risk diversification limits) above, provided that the principle of risk-spreading is complied with.

4.4 Control limits

4.4.1 The Fund may not acquire such amount of shares carrying voting rights which would enable the Fund to exercise legal or management control or to exercise a significant influence over the management of the issuer.

4.4.2 No Sub-Fund may acquire more than:

- (A) 10% of the non-voting shares of the same issuer;
- (B) 10% of the outstanding debt securities of the same issuer;
- (C) 10% of the Money Market Instruments of any single issuer; or
- (D) 25% of the outstanding shares or units of the same UCITS or other UCI.

4.4.3 The limits set out in section 4.4.2, paragraphs (B) to (D) may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

4.4.4 The limits set out in sections 4.4.1 to 4.4.2 do not apply in respect of:

- (A) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- (B) Transferable Securities and Money Market Instruments issued or guaranteed by any non-Member State;
- (C) Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member States are members;
- (D) shares in the capital of a company which is incorporated under or organised pursuant to the laws of a non-Member State provided that (i) such company invests its assets principally in securities issued by issuers having their registered office in that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible

way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set out in section 4.3 (Risk diversification limits) above (with the exceptions of sections 4.3.5 and 4.3.11 to 4.3.13) and sections 4.4.1 to 4.4.2; and

- (E) shares held by the Fund in the capital of subsidiary companies which carry on the business of management, advice or marketing in the country where the subsidiary is established, in regard to the redemption of shares at the request of shareholders exclusively on its or their behalf.

4.5 Financial derivative instruments

4.5.1 General

Each Sub-Fund may use financial derivative instruments such as options, futures, forwards and swaps or any variation or combination of such instruments, for hedging or investment purposes, in accordance with the conditions set out in this section 4 and the investment objective and policy of the Sub-Fund, as set out in its Supplement. The use of financial derivative instruments may not, under any circumstances, cause a Sub-Fund to deviate from its investment objective.

Financial derivative instruments used by any Sub-Fund may include, without limitation, the following categories of instruments.

- (A) Options: an option is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to buy or sell a specified amount of an underlying asset at an agreed price (the strike or exercise price) on or until the expiration of the contract. A call option is an option to buy, and a put option an option to sell.
- (B) Futures contracts: a futures contract is an agreement to buy or sell a stated amount of a security, currency, index (including an eligible commodity index) or other asset at a specific future date and at a pre-agreed price.
- (C) Forward agreements: a forward agreement is a customised, bilateral agreement to exchange an asset or cash flows at a specified future settlement date at a forward price agreed on the trade date. One party to the forward is the buyer (long), who agrees to pay the forward price on the settlement date; the other is the seller (short), who agrees to receive the forward price.
- (D) Interest rate swaps: an interest rate swap is an agreement to exchange interest rate cash flows, calculated on a notional principal amount, at specified intervals (payment dates) during the life of the agreement.
- (E) Swaptions: a swaption is an agreement that gives the buyer, who pays a fee or premium, the right but not the obligation to enter into an interest rate swap at a present interest rate within a specified period of time.

- (F) Credit default swaps: a credit default swap or CDS is a credit derivative agreement that gives the buyer protection, usually the full recovery, in case the reference entity or debt obligation defaults or suffers a credit event. In return the seller of the CDS receives from the buyer a regular fee, called the spread.
- (G) Total return swaps: a total return swap is an agreement in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses.
- (H) Contracts for differences: a contract for differences or CFD is an agreement between two parties to pay the other the change in the price of an underlying asset. Depending on which way the price moves, one party pays the other the difference from the time the contract was agreed to the point in time where it ends.

Each Sub-Fund must hold at any time sufficient liquid assets to cover its financial obligations arising under financial derivative instruments used.

The global exposure of a Sub-Fund to financial derivative instruments and efficient portfolio management techniques may not exceed the Net Asset Value of the Sub-Fund, as further described in section 4.8 (Global exposure limits) below.

The exposure of a Sub-Fund to underlying assets referenced by financial derivative instruments, combined with any direct investment in such assets, may not exceed in aggregate the investment limits set out in section 4.3 (Risk diversification) above. However, to the extent a Sub-Fund invests in financial derivative instruments referencing financial indices (as described in section 4.5.3) the exposure of the Sub-Fund to the underlying assets of the financial indices do not have to be combined with any direct or indirect investment of the Sub-Fund in such assets for the purposes of the limits set out in section 4.3 (Risk diversification) above.

Where a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account in complying with the risk diversification rules, global exposure limits and information requirements of this section 4 applicable to financial derivative instruments.

4.5.2 OTC financial derivative instruments

To the extent provided for in the relevant Supplement, a Sub-Fund may invest into financial derivative instruments that are traded 'over-the-counter' or OTC including, without limitation, total return swaps or other financial derivative instruments with similar characteristics, in accordance with its investment objective and policy and the conditions set out in this section 4.

The counterparties to OTC financial derivative instruments will be selected among financial institutions subject to prudential supervision (such as credit institutions or investment firms) and specialised in the relevant type of transaction. The identity of the counterparties will be disclosed in the Annual Report. The counterparties will have no discretion over the composition or management of the portfolio of the Sub-Fund or the underlying assets of the financial

derivative instruments. Otherwise, for regulatory purposes, the agreement between the Fund and such counterparty will be considered as an investment management delegation.

The Management Company uses a process for accurate and independent assessment of the value of OTC financial derivative instruments in accordance with applicable laws and regulations.

As of the date of this Prospectus, none of the Sub-Funds will be entering into total return swaps.

4.5.3 Financial indices

Each Sub-Fund may use financial derivative instruments to replicate or gain exposure to one or more financial indices in accordance with its investment objective and policy. The underlying assets of financial indices may comprise eligible assets described in section 4.1 (Authorised investments) above and instruments with one or more characteristics of those assets, as well as interest rates, foreign exchange rates or currencies, other financial indices and/or other assets, such as commodities or real estate.

For the purposes of this Prospectus, a 'financial index' is an index which complies, at all times, with the following conditions: the composition of the index is sufficiently diversified (each component of a financial index may represent up to 20% of the index, except that one single component may represent up to 35% of the index where justified by exceptional market conditions), the index represents an adequate benchmark for the market to which it refers, and the index is published in an appropriate manner. These conditions are further specified in and supplemented by regulations and guidance issued by the CSSF from time to time.

4.6 Efficient portfolio management techniques

To the extent provided for in the relevant Supplement, a Sub-Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments, such as securities lending, repurchase and reverse repurchase transactions, provided that such techniques and instruments are used for the purposes of efficient portfolio management. The use of such techniques and instruments should not result in a change of the declared investment objective of any Sub-Fund or substantially increase the stated risk profile of the Sub-Fund.

In order to limit the exposure of a Sub-Fund to the risk of default of the counterparty under a securities lending, repurchase or reverse repurchase transaction, the Sub-Fund will receive cash or other assets as collateral, as will be further specified in section 4.7 (Collateral policy) below.

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

Depository or the Management Company, if applicable, will be available in the Annual Report. All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund.

As of the date of this Prospectus, none of the Sub-Funds is using efficient portfolio management techniques.

4.6.1 Securities lending

Securities lending transactions consist of transactions whereby a Sub-Fund will lend a security to a counterparty for an agreed fee. Securities lending transactions are, in particular, subject to the following conditions:

the counterparty must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

a Sub-Fund may only lend securities to a borrower either directly, through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction; and

a Sub-Fund may only enter into securities lending transactions provided that it is entitled at any time, under the terms of the agreement, to request the return of the securities lent or to terminate the agreement.

4.6.2 Repurchase and reverse repurchase transactions

Repurchase agreements consist in transactions whereby a Sub-Fund will sell securities to a counterparty and agree to buy them back from the counterparty at an agreed price in the future. Reverse repurchase agreements consist in transactions whereby a Sub-Fund will purchase securities from a counterparty and agree to sell them back to the counterparty at an agreed price in the future. Each Sub-Fund may also enter into transactions that consist in the purchase or sale of securities with a clause giving the counterparty or the Sub-Fund, as applicable, the right to repurchase the securities from the Sub-Fund or the counterparty, as applicable, at a price and term specified by the parties in their contractual arrangements. Such transactions are, in particular, subject to the following conditions:

- (A) the counterparty must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law; and
- (B) the Sub-Fund must be able, at any time, to terminate the agreement or recall the full amount of cash in a reverse repurchase agreement (on either an accrued basis or a mark-to-market basis) or any securities subject to a repurchase agreement. Fixed-term transactions 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 Sub-Fund.

4.7 Collateral policy

This section will be updated once a Sub-Fund uses efficient portfolio management techniques.

4.8 Global exposure limits

4.8.1 General

In accordance with Luxembourg laws and regulations, the Management Company has adopted and implemented a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Sub-Fund.

The global exposure of a Sub-Fund to financial derivative instruments and efficient portfolio management techniques may not exceed the Net Asset Value of the Sub-Fund. Global exposure is calculated, at least on a daily basis, using either the commitment approach or the value-at-risk or “VaR” approach, as further explained below. Global exposure is a measure designed to limit either the incremental exposure and leverage generated by a Sub-Fund through the use of financial derivative instruments and efficient portfolio management techniques (where the Sub-Fund uses the commitment approach) or the market risk of the Sub-Fund’s portfolio (where the Sub-Fund uses the VaR approach). The method used by each Sub-Fund to calculate global exposure is mentioned in its Supplement.

4.8.2 Commitment approach

Under the commitment approach, all financial derivative positions of the Sub-Fund are converted into the market value of the equivalent position in the underlying assets. Netting and hedging arrangements may be taken into account when calculating global exposure, where these arrangements do not disregard obvious and material risks and result in a clear reduction in risk exposure. Under this approach, the global exposure for all financial derivative positions of a Sub-Fund is limited to 100% of its Net Asset Value.

4.8.3 VaR approach

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Fund is subject to periodic stress tests.

VaR limits are set using an absolute or relative approach. The Management Company will decide which VaR approach is the most appropriate methodology given the risk profile and investment strategy of the Sub-Fund. The VaR approach selected for each Sub-Fund using VaR is specified in its Supplement.

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark for the Sub-Fund (for instance, where the Sub-Fund has an absolute return target). Under the absolute VaR approach a limit is set as a percentage of the Net Asset Value of the Sub-Fund. Based on the above calculation parameters, the absolute VaR of each Sub-Fund is limited to 20% of its Net Asset Value. The Management Company may set a lower limit if appropriate.

The relative VaR approach is used for Sub-Funds where a leverage-free VaR benchmark or reference portfolio may be defined, reflecting the investment strategy of the Sub-Fund. The relative VaR of a Sub-Fund is expressed as a multiple of the VaR of the defined benchmark or reference portfolio and is limited to no more than twice the VaR on that benchmark or reference portfolio. The VaR benchmark or reference portfolio of the Sub-Fund, which may be different from the benchmark used for other purposes, is specified in its Supplement.

4.9 Leverage

Unless otherwise indicated in its Supplement, a Sub-Fund may use leverage to increase its exposure through the use of financial derivative instruments. Leverage may be used at the discretion of the Management Company in accordance with the investment objective and policy of each Sub-Fund and its defined risk profile. Leverage involves certain risks for the Sub-Fund, as further described in section 5 (General Risk Factors) below. Leverage is monitored on a regular basis by the Management Company.

Under applicable laws and regulations, the level of leverage is defined as the sum of the absolute value of the notional amount of all financial derivative instruments used by the Sub-Fund, as well as any additional exposure generated by the reinvestment of cash collateral in relation to efficient portfolio management techniques. For each Sub-Fund using the VaR approach to calculate and monitor its global exposure, the expected level of leverage, expressed as a percentage of the Net Asset Value of the Sub-Fund, is disclosed for each Sub-Fund in its Supplement.

The “sum of notionals” methodology, which is mandatory under applicable laws and regulations, does not allow for the offset of hedging transactions and other risk mitigation strategies involving financial derivative instruments, such as currency hedging or duration management. Similarly, the “sum of notionals” methodology does not allow for the netting of derivative positions and does not take into account the underlying assets’ volatility or make any distinction between short term and long term assets. As a result, strategies that aim to reduce risks may contribute to an increased level of leverage for the Sub-Fund.

In order to take into account the specific use of financial derivative instruments and their contribution to the risks of the Sub-Fund, the expected level of leverage disclosed in the Supplement, based on the “sum of notionals” methodology, may be supplemented by expected leverage figures calculated on the basis of the commitment approach, as described above, which takes into account hedging and netting arrangements.

4.10 Breach of investment limits

The Sub-Funds need not comply with the limits set out above in this section 4 when exercising subscription rights attached to Transferable Securities and Money Market Instruments which form part of its assets.

If the limits set out above in this section 4 are exceeded for reasons beyond the control of the Fund or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective in its sales transactions the remedying of that situation, taking due account of the interest of investors.

5. GENERAL RISK FACTORS

The performance of the Shares depends on the performance of the investments of the Sub-Fund, which may increase or decrease in value. The past performance of the Shares is not an assurance or guarantee of future performance. The value of the Shares at any time could be significantly lower than the initial investment and investors may lose a portion or even the entire amount originally invested.

Investment objectives express an intended result only. Unless otherwise specified in a Supplement, the Shares do not include any element of capital protection and the Fund gives no assurance or guarantee to any investors as to the performance of the Shares. Depending on market conditions and a variety of other factors outside the control of the Fund, investment objectives may become more difficult or even impossible to achieve. The Fund gives no assurance or guarantee to any investors as to the likelihood of achieving the investment objective of a Sub-Fund.

An investment in the Shares is only suitable for investors who have sufficient knowledge, experience and/or access to professional advisors to make their own financial, legal, tax and accounting evaluation of the risks of an investment in the Shares and who have sufficient resources to be able to bear any losses that may result from an investment in the Shares. Investors should consider their own personal circumstances and seek additional advice from their financial adviser or other professional adviser as to possible financial, legal, tax and accounting consequences which they might encounter under the laws of the countries of their citizenship, residence, or domicile and which might be relevant to the subscription, purchase, holding, redemption, conversion or disposal of the Shares of the Fund.

Investors should also carefully consider all of the information set out in this Prospectus and the Supplement of the Sub-Fund before making an investment decision with respect to Shares of any Sub-Fund or Share Class. The following sections are of general nature and describe certain risks that are generally relevant to an investment in Shares of any Sub-Fund or Share Class. Other risks may be described in the Supplement. This section and the Supplements do not purport to be a complete explanation of all risks involved in an investment in the Shares of any Sub-Fund or Share Class and other risks may also be or become relevant from time to time.

5.1 Market risk

Market risk is understood as the risk of loss for a Sub-Fund resulting from fluctuation in the market value of positions in its portfolio attributable to changes in market variables, such as general economic conditions, interest rates, foreign exchange rates, or the creditworthiness of the issuer of a financial instrument. This is a general risk that applies to all investments, meaning that the value of a particular investment may go down as well as up in response to changes in market variables. Although it is intended that each Sub-Fund will be diversified with a view to reducing market risk, the investments of a Sub-Fund will remain subject to fluctuations in market variables and the risks inherent in investing in financial markets.

5.1.1 Economic risk

The value of investments held by a Sub-Fund may decline in value due to factors affecting financial markets generally, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The value of investments may also decline due to factors affecting a particular, industry, area or sector, such as changes in production costs and competitive conditions. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict. When the economy performs well, there can be no assurance that investments held by a Sub-Fund will benefit from the advance.

5.1.2 Emerging markets risk

Securities traded in certain markets may be subject to additional risks due to, among other factors, the inexperience of financial intermediaries, weaker safekeeping frameworks, a lack of modern technology, the possibility of temporary or permanent termination of trading, and social, political and economic instability generally. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened.

Unanticipated political or social developments may affect the values of a Sub-Fund's investments in a country and the availability to the Sub-Fund of additional investments in that country.

Additional factors that may affect the value of a Sub-Fund's investments are: interest rates, inflation, import and export growth, commodity prices, the ability to service foreign debt, the size of the external debt relative to the gross domestic product, and the level of support from external sources such as the International Monetary Fund or the World Bank. As a result, the risks relating to investments in securities described above, including the possibility of nationalisation or expropriation, may be heightened.

The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make a Sub-Fund's investments illiquid and more volatile than investments in more established markets, and a Sub-Fund may be required to establish special custodial or other arrangements before making certain investments. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment. In addition, certain countries may restrict or prohibit investment opportunities in issuers or industries deemed important to national interests, which may affect the market price, liquidity and rights of securities that may be purchased by a Sub-Fund.

Settlement mechanisms in some securities markets may be less efficient and reliable than in other markets, which could impede a Sub-Fund's ability to effect portfolio transactions and may result in investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk. Moreover, the payment of redemptions proceeds in Sub-Funds that invest in emerging markets may be delayed. Certain countries may also operate margining or pre-payment systems whereby margin or the entire settlement proceeds for a transaction need to be posted prior to the settlement date which can give rise to credit and operational risks as well as potentially borrowing costs for the Sub-Fund.

Some countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates and corresponding currency devaluations and fluctuations in the rate of exchange between currencies and costs associated with currency conversion have had and may continue to have negative effects on the economies and securities markets of certain countries.

Sovereign debt of issuers in some countries can be deemed to be the equivalent, in terms of quality, to securities rated below investment grade. A Sub-Fund may have difficulty disposing of certain sovereign debt obligations because there may be a limited trading market for such securities.

A number of countries restrict, to varying degrees, foreign investment in stocks. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some countries. New or additional repatriation restrictions might be imposed subsequent to a Sub-Fund's investment. If such restrictions were imposed subsequent to a Sub-Fund's investment in the securities in a particular country, the Sub-Fund's response might include, among other things, applying to the appropriate authorities for waiver of the restrictions or engaging in transactions in other markets designed to offset the risks of decline in that country. Such restrictions will be considered in relation to such Sub-Fund's liquidity needs and all other acceptable positive and negative factors. Further, some attractive equity securities may not be available to a Sub-Fund because foreign shareholders hold the maximum amount permissible under current laws.

Government involvement in the private sector varies in degree between countries in which a Sub-Fund may invest. Such involvement may, in some cases, include government ownership of companies in certain sectors, wage and price controls or imposition of trade barriers and other protectionist measures. With respect to any particular country, there is no assurance that some future economic or political crisis will not lead to price controls, forced mergers of companies, expropriation, or creation of government monopolies, to the possible detriment of a Sub-Fund's investments.

In addition, in certain markets, local regulations may limit investment into local securities to certain qualifying foreign institutions and investors through licensing requirements and may also limit investment through quotas granted by local authorities. Potential investors should note that there is no guarantee that a Sub-Fund will benefit from quotas granted to such qualifying institutions and investors nor that, if it does, that it will always be available to the Sub-Fund. Withdrawal or failure to obtain a renewal of any such quota may have material adverse consequences to the Sub-Fund. A further consequence of investing via such quota may be that there is a limit on the amount that the Sub-Fund, and/or foreign investors as a

whole, can own of the equity capital of a particular company. The actions of other foreign investors independent of the Sub-Fund can therefore impact the position of the Sub-Fund. Use of quotas often requires the transmission of funds through government designated service providers and accounts. Mandatory use of such providers may not provide the Sub-Fund with terms as advantageous as those which would be available if the selections were made on an open market basis.

5.1.3 Interest rate risk

The performance of a Sub-Fund may be influenced by changes in the general level of interest rates. Generally, the value of fixed income instruments will change inversely with changes in interest rates: when interest rates rise, the value of fixed income instruments generally can be expected to fall and vice versa. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce interest rate risk, generally through the use of interest rate futures or other derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

5.1.4 Foreign exchange risk

Each Sub-Fund investing in securities denominated in currencies other than its Reference Currency may be subject to foreign exchange risk. As the assets of each Sub-Fund are valued in its Reference Currency, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in such other currencies. Foreign exchange exposure may increase the volatility of investments relative to investments denominated in the Reference Currency. In accordance with its investment objective and policy, a Sub-Fund may attempt to hedge or reduce foreign exchange risk, generally through the use of derivatives. However, it may not be possible or practical to hedge or reduce such risk at all times.

In addition, a Share Class that is denominated in a Reference Currency other than the Reference Currency of the Sub-Fund exposes the investor to the risk of fluctuations between the Reference Currency of the Share Class and that of the Sub-Fund. Currency hedged Share Classes seek to limit the impact of such fluctuations through currency hedging transactions. However, there can be no assurance that the currency hedging policy will be successful at all times. This exposure is in addition to foreign exchange risk, if any, incurred by the Sub-Fund with respect to investments denominated in other currencies than its Reference Currency, as described above.

5.1.5 Credit risk

Sub-Funds investing in fixed income instruments will be exposed to the creditworthiness of the issuers of the instruments and their ability to make principal and interest payments when due in accordance with the terms and conditions of the instruments. The creditworthiness or perceived creditworthiness of an issuer may affect the market value of fixed income instruments. Issuers with higher credit risk typically offer higher yields for this added risk, whereas issuers with lower credit risk typically offer lower yields. Generally, government debt is considered to be the safest in terms of credit risk, while corporate debt involves a higher

credit risk. Related to that is the risk of downgrade by a rating agency. Rating agencies are private undertakings providing ratings for a variety of fixed income instruments based on the creditworthiness of their issuers. The agencies may change the rating of issuers or instruments from time to time due to financial, economic, political, or other factors, which, if the change represents a downgrade, can adversely impact the market value of the affected instruments.

5.1.6 Purchases of securities and other obligations of financially distressed companies

A Sub-Fund may directly or indirectly purchase securities and other obligations of companies that are experiencing significant financial or business distress ("**Distressed Companies**"), including companies involved in bankruptcy, insolvency or other reorganisation and liquidation proceedings. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time or any return at all. Evaluating investments in Distressed Companies is highly complex and there is no assurance that the Management Company will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a Distressed Company in which a Sub-Fund invests, such Sub-Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

Given their financial situation, Distressed Companies also face increased risk that they may be involved in bankruptcy or insolvency proceedings. There are a number of significant risks when investing in Distressed Companies that are or may be involved in bankruptcy or insolvency proceedings, including adverse and permanent effects on an issuer, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Many events in a bankruptcy or insolvency are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Bankruptcy or insolvency proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return on investment. The bankruptcy and insolvency courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Stockholders, creditors and other interested parties are all entitled to participate in bankruptcy or insolvency proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to a bankruptcy or insolvency proceedings will be paid out of the debtor's estate prior to any returns to creditors. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors.

5.1.7 Volatility

The volatility of a financial instrument is a measure of the variations in the price of that instrument over time. A higher volatility means that the price of the instrument can change significantly over a short time period in either direction. Each Sub-Fund may make investments in instruments or markets that are likely to experience high levels of volatility. This may cause the Net Asset Value per Share to experience significant increases or decreases in value over short periods of time.

5.1.8 Leverage

Leverage refers to the use of borrowed funds or financial derivative instruments to increase exposure to an asset in excess of the capital amount invested in that asset. Each Sub-Fund is subject to strict restrictions on borrowings which are generally not permitted for investment purposes. However, in accordance with its investment objective and policy, a Sub-Fund may use financial derivative instruments to gain additional market exposure to underlying assets in excess of its Net Asset Value, thereby creating a leverage effect. While leverage presents opportunities for increasing gains of a Sub-Fund, it also has the effect of potentially increasing losses incurred by the Sub-Fund. The maximum expected level of leverage of each Sub-Fund calculating its global exposure under the VaR approach is disclosed in the Supplement. For regulatory purposes, leverage must be calculated by reference to the gross notional amounts of the derivatives used. This calculation method does not take into account the market risk and volatility of the underlying assets. A relatively high notional amount may be required in order to achieve the desired level of exposure to the underlying assets. This may be the case in particular for short-term interest rate derivatives to the extent their sensitivity to interest rate changes is low relative to other assets.

5.1.9 Investing in High Yield Bonds

High yield bonds are regarded as being predominately speculative as to the issuer's ability to make payments of principal and interest. Investment in such securities involves substantial risk. Issuers of high yield debt securities may be highly leveraged and may not have available to them more traditional methods of financing. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, the Sub-Fund may experience losses and incur costs.

5.2 Liquidity risk

Liquidity refers to the speed and ease with which investments can be sold or liquidated or a position closed. On the asset side, liquidity risk refers to the inability of a Sub-Fund to dispose of investments at a price equal or close to their estimated value within a reasonable period of time. On the liability side, liquidity risk refers to the inability of a Sub-Fund to raise sufficient cash to meet a redemption request due to its inability to dispose of investments. In principle, each Sub-Fund will only make investments for which a liquid market exists or which can otherwise be sold, liquidated or closed at any time within a reasonable period of time. However, in certain circumstances, investments may become less liquid or illiquid due to a variety of factors including adverse conditions affecting a particular issuer, counterparty, or the market generally, and legal, regulatory or contractual restrictions on the sale of certain instruments. In addition, a Sub-Fund may invest in financial instruments traded over-the-counter or OTC, which generally tend to be less liquid than instruments that are listed and traded on exchanges. Market quotations for less liquid or illiquid instruments may be more volatile than for liquid instruments and/or subject to larger spreads between bid and ask prices. Difficulties in disposing of investments may result in a loss for a Sub-Fund and/or compromise the ability of the Sub-Fund to meet a redemption request.

5.3 Counterparty risk

Counterparty risk refers to the risk of loss for a Sub-Fund resulting from the fact that the counterparty to a transaction entered into by the Sub-Fund may default on its contractual obligations. There can be no assurance that an issuer or counterparty will not be subject to credit or other difficulties leading to a default on its contractual obligations and the loss of all or part of the amounts due to the Sub-Fund. This risk may arise at any time the assets of a Sub-Fund are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements. For instance, counterparty risk may arise when a Sub-Fund has deposited cash with a financial institution, posted collateral, invests into debt securities and other fixed income instruments, enters into OTC financial derivative instruments, or enters into securities lending, repurchase and reverse repurchase agreements.

5.4 Operational risk

Operational risk means the risk of loss for the Fund resulting from inadequate internal processes and failures in relation to people and systems of the Fund, the Management Company and/or its agents and service providers, or from external events, and includes legal and documentation risk and risk resulting from the trading, settlement and valuation procedures operated on behalf of the Fund.

5.4.1 Valuation

Certain Sub-Funds may hold investments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market. In addition, in certain circumstances, investments may become less liquid or illiquid. Such investments will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or liquidation prices of investments.

5.4.2 Laws and regulations

The Fund may be subject to a number of legal and regulatory risks, including contradictory interpretations or applications of laws, incomplete, unclear and changing laws, restrictions on general public access to regulations, practices and customs, ignorance or breaches of laws on the part of counterparties and other market participants, incomplete or incorrect transaction documents, lack of established or effective avenues for legal redress, inadequate investor protection, or lack of enforcement of existing laws. Difficulties in asserting, protecting and enforcing rights may have a material adverse effect on the Sub-Funds and their operations.

5.4.3 FATCA

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

Failure to provide the requested information will lead to a 30% withholding tax applying to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends. Under the terms of FATCA, the Fund will be treated as a Foreign Financial Institution (within the meaning of FATCA). As such, the Fund may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

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

5.4.4 Common Reporting Standard

The Fund may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "Standard") and its Common Reporting Standard (the "CRS") as set out in the Luxembourg law on the Common Reporting Standard (the "CRS Law").

Under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Fund documentation, the Fund will be required to annually report to the Luxembourg tax authorities personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to (i) investors that are reportable persons, and (ii) Controlling Persons of certain non-financial entities which are themselves reportable persons. This information, as exhaustively set out in the CRS Law, will include personal data related to the reportable persons (the "CRS Information").

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Fund with the required CRS Information, as explained above, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as data controller, the Fund will process such CRS Information for the purposes as set out in the CRS Law. The investors undertake to inform their co Controlling Persons, if applicable, of the processing of their CRS Information by the Fund.

The investors are further informed that the CRS Information related to reportable persons within the meaning of the CRS Law will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. In particular, reportable persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities. Similarly, investors undertake to inform the Fund within thirty (30) days of receipt of these statements should any personal data not be accurate. The investors

further undertake to immediately inform the Fund of and provide the Fund with all supporting documentary evidence of any changes related to the CRS Information after occurrence of such changes. Any investor that fails to comply with the Fund's CRS Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such investor's failure to provide the Information or subject to disclosure of the CRS Information by the Fund to the Luxembourg tax authorities.

5.4.5 Segregation of Sub-Funds

The Fund is a single legal entity incorporated as an "umbrella fund" comprised of separate Sub-Funds. Under Luxembourg law, each Sub-Fund represents a segregated pool of assets and liabilities. By operation of the law, the rights and claims of creditors and counterparties of the Fund arising in respect of the creation, operation or liquidation of a Sub-Fund will be limited to the assets allocated to that Sub-Fund. However, while these provisions are binding in a Luxembourg court, these provisions have not been tested in other jurisdictions, and a creditor or counterparty might seek to attach or seize assets of a Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds. Moreover, under Luxembourg law, there is no legal segregation of assets and liabilities between Share Classes of the same Sub-Fund. In the event that, for any reason, assets allocated to a Share Class become insufficient to pay for the liabilities allocated to that Share Class, the assets allocated to other Share Classes of the Sub-Fund will be used to pay for those liabilities. As a result, the Net Asset Value of the other Share Classes may also be reduced.

5.5 Certain financial instruments and investment techniques

5.5.1 OTC financial derivative instruments

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

The principal risk when engaging in OTC financial derivative instruments (such as non-exchange traded options, forwards, swaps or contracts for difference) is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations as required by the terms of the instrument. OTC derivatives may expose a Sub-Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not *bona fide*) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund.

Investments in OTC derivatives may be subject the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants

who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivatives are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivatives may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

5.5.2 Securities lending, repurchase and reverse repurchase transactions

Securities lending, repurchase or reverse repurchase transactions involve certain risks and there can be no assurance that the objective sought to be obtained from the use of such techniques will be achieved.

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Fund as required by the terms of the transaction. Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, there are certain risks associated with collateral management, including difficulties in selling collateral and/or losses incurred upon realization of collateral, as described below.

Securities lending, repurchase or reverse repurchase transactions also entail liquidity risks due, *inter alia*, to locking cash or securities positions in transactions of excessive size or duration relative to the liquidity profile of the Sub-Fund or delays in recovering cash or securities paid to the counterparty. These circumstances may delay or restrict the ability of the Fund to meet redemption requests. The Sub-Fund may also incur operational risks such as, *inter alia*, non-settlement or delay in settlement of instructions, failure or delays in satisfying delivery obligations under sales of securities, and legal risks related to the documentation used in respect of such transactions.

5.5.3 Collateral management

Counterparty risk arising from investments in OTC financial derivative instruments and securities lending, repurchase and reverse repurchase agreements is generally mitigated by the transfer or pledge of collateral in favour of the Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Sub-Fund could realise a loss due, *inter alia*, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded.

Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

5.6 Sustainability Risks

Each of the Sub-Funds may be exposed to Sustainability Risks. Such Sustainability Risks are integrated into the investment decision making and risk monitoring to the extent that they could have a material adverse impact on the value of the investments and affect the returns of each of the Sub-Funds.

Each of the Sub-Funds may be affected by Sustainability Risks that may reduce the value of an investment. Sustainability Risks are principally linked to climate-related events resulting from climate change (so-called physical risks) or to the society's response to climate change (so-called transition risks), which may result in unanticipated losses that could affect one or several investments of the Sub-Funds and therefore the returns of the Sub-Funds. Social factors (such as unequal pay, discrimination, working conditions, health and safety practices in the workplace, etc) and governance factors (such as breaches of international agreements, bribery or fraud including accounting fraud, etc) may translate to Sustainability Risks.

6. MANAGEMENT AND ADMINISTRATION

6.1 The Board of Directors

The members of the Board of Directors will be elected by the general meeting of shareholders subject to the approval of the CSSF. The Board of Directors is vested with the broadest powers to act on behalf of the Fund and to take any actions necessary or useful to fulfil the Fund's corporate purpose, subject to the powers expressly assigned by law or the Articles of Association to the general meeting of shareholders.

The Board of Directors is responsible for conducting the overall management and business affairs of the Fund in accordance with the Articles of Association. In particular, the Board of Directors is responsible for defining the investment objective and policy of the Sub-Funds and their risk profile, subject to the principle of risk diversification, and for the overall supervision of the management and administration of the Fund, including the selection and supervision of the Management Company and the general monitoring of the performance and operations of the Fund.

For the current composition of the Board of Directors, please refer to the Directory.

6.2 The Management Company

The Fund has appointed the Management Company as its management company in accordance with the provisions of the 2010 Law pursuant to the Management Company Agreement.

The Management Company is a Societas Europaea incorporated under the laws of France. The Management Company is authorised and regulated by the Autorité des Marchés Financiers in France.

The Management Company acts as the management company of the Fund under the principle of freedom to provide services established by the UCITS Directive and the 2010 Law. Consequently, the Management Company will comply with the applicable laws and regulations of France, being the 'home Member State' of the Management Company, with respect to its organisation, including delegation arrangements, risk management procedures, prudential rules and supervision, administrative procedures and control mechanisms, the management of conflicts of interest and reporting requirements. The Management Company will comply with Luxembourg laws and regulations with respect to the constitution and functioning of the Fund.

The relationship between the Fund and the Management Company is subject to the terms of the Management Company Agreement. Under the terms of the Management Company Agreement, the Management Company is responsible for the investment management and administration of the Fund as well as the marketing of the Shares, subject to the overall supervision of the Board of Directors. The Management Company is in charge of the day-to-day business activities of the Fund. The Management Company has authority to act on behalf of the Fund within its function.

For the purpose of a more efficient conduct of its business, the Management Company may delegate to third parties the power to carry out some of its functions on its behalf, in accordance with applicable laws and regulations of France and with the prior consent of the Fund. The delegated functions shall remain under the supervision and responsibility of the Management Company and the delegation shall not prevent the Management Company from acting, or the Fund from being managed, in the best interests of the investors. The delegation to third parties is subject to the prior approval of the CSSF.

The Management Company Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Management Company Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Management Company Agreement contains provisions exempting the Management Company from liability and indemnifying the Management Company in certain circumstances. However, the liability of the Management Company towards the Fund will not be affected by any delegation of functions by the Management Company.

The Management Company acts also as management company for other investment funds and will in the future be appointed to act for other investment funds as management company. The list of the funds managed by the Management Company may be obtained from the Management Company on simple request.

Remuneration policy

The Management Company's remuneration policy fully reflects the SCOR group compensation policy and is based on the corporate values thereof.

The Management Company has developed a global remuneration approach that notably promotes sound and efficient risk management. In this regard, the remuneration policy integrates governance, balanced pay structure between fixed and variable components as well as risk and long-term performance alignment rules, in a multi-year framework, that are designed to be consistent with the business strategy, objectives, values and interests of the Management Company, the Fund and the Shareholders, includes measures to avoid conflicts of interest and does not encourage risk-taking which is inconsistent with the risk profiles and investment guidelines of the mandates and funds managed by the company. The Management Company's remuneration policy is based on objective criteria of competence, experience and seniority within the company, and on the development of fair and measured ways to achieve individual and collective goals, including the behaviour of its employees in pursuing these objectives.

SCOR'S remuneration packages contain several distinct components:

- one part is fixed, and the other variable;
- one part is paid immediately, while the payment of the other part is deferred;
- one part is individual, and the other collective.

These elements include the base gross salary (fixed salary), as well as, potentially, an annual cash bonus, a profit sharing scheme, free SCOR SE shares and SCOR SE stock options.

All employees are required to undergo an annual Appraisal and Development interview (ADI). If necessary, they can query their appraisal rating with the direct manager of their own manager. This assessment takes into account both financial and non-financial criteria.

The Management Company offers rewarding gross base salaries in order to be competitive and to attract talent. The base salaries are defined in accordance with various factors such as local labour market conditions, education, previous work experience, level of seniority at the Management Company, current position, management skills, responsibilities, etc. The Management Company reviews the salaries on an annual basis in order to reward individual performance and the taking on of new responsibilities. There is no automatic indexing to inflation or collective raise.

The base salary may be supplemented, in a balanced way, by a variable remuneration that recognizes individual and collective performance in terms of value creation for the management company.

The variable part of the remuneration may include, where appropriate, up to five items:

- The payment of a cash bonus;
- The payment of profit sharing;
- The allocation of free SCOR SE shares ("PAGA");
- The granting of SCOR SE stock options ("SOP");
- The allocation of free SCOR SE shares as a Long-Term Incentive Plan ("LTIP"), to ensure the retention of certain key employees while expanding the horizon of performance measurement.

Part of the variable remuneration may be subject to the general performance conditions of the SCOR group and / or a "specific" SCOR Investment Partners SE performance condition over a given reference period.

In addition, the Management Company's employees are subject to a condition of attendance, full respect of SCOR's Code of conduct and the Management Company's Code of Ethics.

SCOR and the Management Company promote equal opportunities among their employees and promote diversity in terms of age, sex, race, religious belief, orientation and professional aptitude.

The Management Company's remuneration policy complies with French labour law, with the French regulatory requirements and with the professional standards set by the "Association Française de Gestion" (AFG).

The details of the updated remuneration policy, including, in particular, a description of how the remuneration and benefits are calculated, the identity of the responsible for the allocation

of the remuneration and benefits, including the composition of the remuneration committee, are available on the website of the management company (<https://www.scor-ip.com/informations-reglementaires/INFORMATIONS-REGLEMENTAIRES.html?jsessionid=649B986CEE8D6735BB35CB4F8509C101.scorgi?famille=Informations+r%C3%A9glementaires>). A paper copy of the remuneration policy is available free of charge on request to the Management Company.

6.3 The Depositary

BNP Paribas Securities Services, Luxembourg Branch has been appointed Depositary of the Fund under the terms of a written agreement dated 19 May 2017 (the "Depositary Agreement") between BNP Paribas Securities Services, Luxembourg Branch (the "Depositary"), the Management Company and the Fund.

BNP Paribas Securities Services Luxembourg is a branch of BNP Paribas Securities Services SCA, a wholly-owned subsidiary of BNP Paribas SA. BNP Paribas Securities Services SCA is a licensed bank incorporated in France as a *Société en Commandite par Actions* (partnership limited by shares) under No.552 108 011, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* ("**ACPR**") and supervised by the *Autorité des Marchés Financiers* ("**AMF**"), with its registered address at 3 rue d'Antin, 75002 Paris, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, and is supervised by the CSSF.

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Art 34(1) of the law of 17 December 2010), (ii) the monitoring of the cash flows of the Fund (as set out in Art 34(2) of the law of 17 December 2010) and (iii) the safekeeping of the Fund's assets (as set out in Art 34(3) of the law of 17 December 2010).

Under its oversight duties, the Depositary is required to:

- (1) ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Fund are carried out in accordance with Luxembourg law and with the Articles of Association,
- (2) ensure that the value of Shares is calculated in accordance with Luxembourg law and the Articles of Association,
- (3) carry out the instructions of the Fund or the Management Company acting on behalf of the Fund, unless they conflict with Luxembourg law and the Articles of Association,
- (4) ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits;
- (5) ensure that the Fund's income are allocated in accordance with Luxembourg law and its Articles of Association.

The overriding objective of the Depositary is to protect the interests of the shareholders of the Fund, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Fund maintains other business relationships with BNP Paribas Securities Services, Luxembourg Branch in

parallel with an appointment of BNP Paribas Securities Services, Luxembourg Branch acting as Depositary.

Such other business relationships may cover services in relation to:

- Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas Securities Services or its affiliates act as agent of the Fund or the Management Company, or
- Selection of BNP Paribas Securities Services or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary is required to ensure that any transaction relating to such business relationships between the Depositary and an entity within the same group as the Depositary is conducted at arm's length and is in the best interests of Shareholders.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analyzing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
 - Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
 - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned shareholders of the Fund, or (ii) refuse to carry out the activity giving rise to the conflict of interest;
 - Implementing a deontological policy;
 - Recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Fund's interests; or
 - Setting-up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

In the event that such conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Fund and the shareholders are fairly treated.

The Depositary may delegate to third parties the safe-keeping of the Fund's assets subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from crystalizing, the Depositary has implemented and maintains an internal organisation whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates' performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available in the website http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf.

Such list may be updated from time to time.

Updated information on the Depositary's custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise, may be obtained, free of charge and upon request, from the Depositary.

Updated information on the Depositary's duties and the conflict of interests that may arise are available to investors upon request.

The Management Company or the Fund may release the Depositary from its duties with ninety (90) days written notice to the Depositary. Likewise, the Depositary may resign from its duties with ninety (90) days written notice to the Fund. In that case, a new depositary must be designated within sixty (60) days of the termination of the Depositary's contract to carry out the duties and assume the responsibilities of the Depositary, as defined in the agreement signed to this effect.

6.4 The Administrator

With the consent of the Fund, the Management Company has appointed BNP Paribas Securities Services, Luxembourg Branch, as administrative, registrar and transfer agent of the Fund pursuant to the Administration Agreement. Under the same agreement, the Fund has appointed BNP Paribas Securities Services, Luxembourg Branch as domiciliary agent.

The relationship between the Fund, the Management Company and the Administrator is subject to the terms of the Administration Agreement. Under the terms of the Administration Agreement, the Administrator will carry out all general administrative duties related to the

administration of the Fund required by Luxembourg law, calculate the Net Asset Value per Share, maintain the accounting records of the Fund, as well as process all subscriptions, redemptions, conversions, and transfers of Shares, and register these transactions in the register of shareholders. In addition, as registrar and transfer agent of the Fund, the Administrator is also responsible for collecting the required information and performing verifications on investors to comply with applicable anti-money laundering rules and regulations.

The Administrator is not responsible for any investment decisions of the Fund or the effect of such investment decisions on the performance of the Fund.

The Administration Agreement has no fixed duration and each party may, in principle, terminate the agreement on not less than ninety (90) calendar days' prior written notice. The Administration Agreement may also be terminated on shorter notice in certain circumstances, for instance where one party commits a material breach of its obligations. The Administration Agreement may be terminated by the Management Company with immediate effect if this is deemed by the Management Company to be in the interest of the investors. The Administration Agreement contains provisions exempting the Administrator from liability and indemnifying the Administrator in certain circumstances. However, the liability of the Administrator towards the Management Company and the Fund will not be affected by any delegation of functions by the Administrator.

6.5 The Auditor

The Fund has appointed MAZARS LUXEMBOURG, as its approved statutory auditor (*réviseur d'entreprises agréé*) within the meaning of the 2010 Law. The Auditor is elected by the general meeting of shareholders. The Auditor will inspect the accounting information contained in the Annual Report and fulfil other duties prescribed by the 2010 Law.

6.6 Conflicts of interest

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

As further described in the Articles of Association, any director of the Fund who has, directly or indirectly, an interest in a transaction submitted to the approval of the Board of Directors which conflicts with the Fund's interest, must inform the Board of Directors. The director may not take part in the discussions on and may not vote on the transaction.

The Management Company has adopted and implemented a conflicts of interest policy and has made appropriate organisational and administrative arrangements to identify and manage conflicts of interests so as to minimise the risk of the Fund's interests being prejudiced, and if they cannot be avoided, ensure that the Fund is treated fairly.

7. SHARES

7.1 Shares, Sub-Funds and Share Classes

7.1.1 Shares

The share capital of the Fund is represented by fully paid up Shares of no par value. The share capital of the Fund is at all times equal to the Net Asset Value of the Fund, which is the total Net Asset Value of all Sub-Funds expressed in the Reference Currency of the Fund. The share capital of the Fund must at all times be at least equal to the minimum required by the 2010 Law, which is currently 1,250,000 EUR.

The Shares will be issued in registered form only. Written confirmation of registration will be issued upon request and at the expense of the requesting shareholder. The registration of a shareholder in the register of shareholders of the Fund evidences the shareholder's ownership right towards the Fund.

Shares may also be eligible for clearing and settlement by Clearstream, Euroclear and/or other recognised securities clearing and settlement systems. In such case, Shares may be held and transferred through securities accounts maintained within such systems in accordance with applicable laws and regulations, and the operating rules of the systems.

The Fund will recognise only one single shareholder per Share. In case a Share is owned by several persons, they must appoint a single representative who will represent them towards the Fund. The Fund has the right to suspend the exercise of all rights attached to that Share until such representative has been appointed.

The Shares carry no preferential or pre-emptive rights: the Fund is authorised without limitation to issue an unlimited number of fully paid up Shares on any Valuation Day without reserving to existing investors a preferential or pre-emptive right to subscribe for the Shares to be issued.

Each Share entitles the shareholder to one (1) vote at all general meetings of shareholders of the Fund and at all meetings of the Sub-Fund or Share Class concerned.

No fractions of Shares will be issued unless otherwise provided for in the Supplement for the relevant Sub-Fund. To the extent fractional Shares are issued, such fractional Shares will be entitled to participate on a *pro rata* basis in the net assets attributable to the Sub-Fund or Share Class to which they belong in accordance with their terms, as set out in this Prospectus. Fractions of Shares do not confer any voting rights on their holders. However, if the sum of the fractional Shares held by the same shareholder in the same Share Class represents one or more entire Shares, such shareholder will benefit from the corresponding voting right attached to the number of entire Shares.

Shares are each entitled to participate in the net assets allocated to the relevant Sub-Fund or Share Class in accordance with their terms, as set out in the Supplements. Shares will be issued on each Subscription Day immediately after the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class as of that point, as described in more detail in section 7.4 (Subscription for Shares) below. Shares will be redeemed on each Redemption Day

at the time of valuation and entitled to participate in the net assets of the Sub-Fund or Share Class until and including that point, as described in more detail in section 7.5 (Redemption of Shares) below.

Shares redeemed will generally be cancelled unless the Fund decides otherwise.

7.1.2 Sub-Funds

The Fund is a single legal entity incorporated as an umbrella fund comprised of separate Sub-Funds. Each Share issued by the Fund is a share in a specific Sub-Fund. Each Sub-Fund has a specific investment objective and policy as further described in its Supplement. A separate portfolio of assets is maintained for each Sub-Fund and invested for its exclusive benefit in accordance with its investment objective and policy.

With regard to third parties, in particular towards the Fund's creditors, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it. As a consequence, the assets of each Sub-Fund may only be used to meet the debts, liabilities and obligations attributable to that Sub-Fund. In the event that, for any reason, the liabilities arising in respect of the creation, operation and liquidation of a Sub-Fund exceed the assets allocated to it, creditors will have no recourse against the assets of any other Sub-Fund to satisfy such deficit. Assets and liabilities are allocated to each Sub-Fund in accordance with the provisions of the Articles of Association, as set out in section 8.2 (Valuation procedure) below.

Each Sub-Fund may be established for an unlimited or limited duration as specified in its Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Sub-Fund once or several times. Investors will be notified at each extension. At the expiry of the duration of a Sub-Fund, the Fund will redeem all the Shares in that Sub-Fund. The Supplement will indicate the duration of each Sub-Fund and its extension, where applicable.

Additional Sub-Funds may be established from time to time without the consent of investors in other Sub-Funds. A new Supplement will be added to this Prospectus for each new Sub-Fund established.

7.1.3 Share Classes

The Sub-Funds may offer several Share Classes, as set out in the Supplements. Each Share Class within a Sub-Fund may have different features such as the fee structure, minimum subscription or holding amounts, currency, different hedging techniques or distribution policy or other distinctive features, or be offered or reserved to different types of investors. Investors will be able to choose the Share Class with the features most suitable to their individual circumstances.

In particular, the Sub-Funds may offer currency hedged Share Classes. The Management Company may use various techniques and instruments, such as forward contracts and currency swaps, in accordance with the provisions of the Prospectus, intended to limit the impact of exchange rate movements between the Reference Currency of the Sub-Fund and that of a currency hedged Share Class on the performance of such Share Class. The costs and any benefit of currency hedging transactions will be allocated solely to the currency hedged Share Class to which the hedging relates.

Currency hedged Share Classes involve certain risks, as described in section 5 (General Risk Factors) above.

Each Share Class may be created for an unlimited or limited duration, as specified in the Supplement. In the latter case, upon expiry of the term, the Fund may extend the duration of the Share Class once or several times. Investors will be notified at each extension. At the expiry of the duration of a Share Class, the Fund will redeem all the Shares in that Share Class. The Supplement will indicate the duration of each Share Class and its extension, where applicable.

Additional Share Classes may be established in any Sub-Fund from time to time without the approval of investors. New Share Classes will be added to the relevant Supplement. Such new Share Classes may be issued on terms and conditions that differ from the existing Share Classes. The list and details of the Share Classes established within each Sub-Fund, if any, are set out in the Supplements. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company and the Administrator upon request.

7.1.4 Change of rights, restrictions and characteristics of Sub-Funds and Share Classes

The rights and restrictions attached to Shares may be modified from time to time, subject to the provisions of the Articles of Association. Any changes to the Articles of Association will require a resolution of the general meeting of shareholders, as further described in section 10.2 (Meetings of shareholders) below.

Subject to the above, the Board of Directors may change the characteristics of any existing Sub-Fund, including its objective and policy, or any existing Share Class, without the consent of investors. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of any proposed material changes in order for them to request the redemption of their Shares should they disagree. This Prospectus will be updated as appropriate.

7.2 Dividend distribution policy

Each Sub-Fund may comprise distributing Shares and non-distributing Shares. The Supplement shall indicate whether Shares confer the right to dividend distributions (Distribution Shares) or do not confer this right (Capitalisation Shares). Distribution Shares and Capitalisation Shares issued within the same Sub-Fund will be represented by different Share Classes.

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

The Fund shall determine how the earnings of Distribution Shares shall be distributed and may declare distributions from time to time, at such time and in relation to such periods as the Fund shall determine, in the form of cash or Shares, in accordance with the dividend distribution policy adopted for such Distribution Shares. The dividend distribution policy may vary between

Distribution Shares within the same or different Sub-Funds. Dividend distributions are not guaranteed with respect to any Share Class. In any event, no distribution may be made if, as a result, the total Net Asset Value of the Fund would fall below the minimum share capital required by the 2010 Law which is currently EUR 1,250,000.

If requested by an investor, dividends will be reinvested in Shares of the same Share Class and investors will be advised of the details by a dividend statement.

No interest shall be paid on dividend distributions declared by the Fund which have not been claimed. Dividends not claimed within five years of their declaration date will lapse and revert to the relevant Share Class.

7.3 Eligible Investors

Shares may only be acquired or held by investors who satisfy all eligibility requirements for a specific Sub-Fund or Share Class, if any, as specified for the Sub-Fund or Share Class in the Supplement (an Eligible Investor). Certain Sub-Funds or Shares Classes may indeed be reserved to specified categories of investors such as Institutional Investors, investors investing through a specified distribution channel or investors who are residents of or domiciled in specific jurisdictions.

The Board of Directors has decided that any investor not qualifying as an Eligible Investor will be considered as a Prohibited Person, in addition to those persons described in section 7.10 (Prohibited Persons) below. The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons in accordance with the procedure set out in this Prospectus (see section 7.10 (Prohibited Persons) below).

7.4 Subscription for Shares

Applications for subscriptions can be submitted for each Subscription Day provided that a complete application is submitted by the Cut-Off Time for that Subscription Day. Applications will be processed, if accepted, at the Subscription Price applicable to that Subscription Day. The Subscription Price (plus any Subscription Fee) must be settled by the end of the Subscription Settlement Period. The subscription procedure is further described below. Shares will be issued on the Subscription Day and entitled to participate in the Net Asset Value of the Share Class from their issue. The Subscription Day, Cut-Off Time, and Subscription Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

7.4.1 Subscription application

Shares in any new Sub-Fund or Share Class may be available for subscription during an Initial Offer and will be issued on the first Subscription Day following the Initial Offer at the Initial Offer Price. Information on the Initial Offer and the Initial Offer Price of any new Sub-Fund or Share Class will be set out in the Supplement and available from the Administrator upon request. The Fund may reschedule the Initial Offer and/or amend the Initial Offer Price.

Shares will be available for subscription on each Subscription Day at a Subscription Price equal to the Net Asset Value per Share for that Subscription Day. The Net Asset Value per Share for the Subscription Day at which an application will be processed is unknown to the investors when they place their subscription applications.

The Fund may charge a Subscription Fee on subscriptions for Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below, which will be added to the Subscription Price. The Subscription Fee is equal to a percentage of the Subscription Price or such other amount specified for each Sub-Fund or Share Class in the Supplement, where applicable.

Investors wishing to subscribe for Shares of a Sub-Fund or Share Class will be requested to complete a Subscription Form in which they commit to subscribe and pay for the Shares. The Subscription Form must be submitted to the Administrator following the instructions on such form. The Subscription Form is available from the Management Company and the Administrator on request.

The Fund will only process subscription applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications. No interest will be paid to investors on subscription proceeds received by the Fund prior to receiving clear and complete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Subscription Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Subscription Price applicable to that Subscription Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Subscription Day. However, the Fund may accept subscription applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The Fund reserves the right to accept or refuse any application in whole or in part at its discretion. Without limitation, the Fund may refuse an application for subscription where the Fund determines that the Shares would or might be held by, on behalf or for the account or benefit of, Prohibited Persons. In such event, subscription proceeds received by the Fund will be returned to the applicant as soon as practicable, at the risks and costs of the applicant, without interest.

The issue of Shares of a Sub-Fund or Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended by the Fund, as described in section 8.5 (Temporary suspension of the Net Asset Value calculation) below. The issue of Shares of a Share Class may also be suspended at the discretion of the Board of Directors, in the best interest of the Fund, notably under other exceptional circumstances.

7.4.2 Settlement of subscription

The Subscription Price (plus any Subscription Fee) must be paid in the Reference Currency of the Share Class.

Cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) must be received by the Fund by the end of the Subscription Settlement Period specified in the Supplement. Settlement details are available in the Subscription Form.

If the payment of the Subscription Price (plus any Subscription Fee) has not been received by the end of the Subscription Settlement Period, any pending application for Shares may be rejected or, if the application had previously been accepted by the Fund, any allocation of Shares made on the basis of the application may be cancelled by a compulsory redemption of the Shares at the applicable Redemption Price (less any Redemption Fee). The Administrator will inform the applicant that the application has been rejected or the subscription cancelled, as applicable, and the money received after the end of the Subscription Settlement Period, if any, will be returned to the applicant at its risks and costs, without interest.

The Fund reserves the right to require indemnification from the applicant against any losses, costs or expenses arising as a result of any failure to settle the Subscription Price (plus any Subscription Fee) by the end of the Subscription Settlement Period. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor's other Shares, if any, in order to pay for such losses, costs or expenses.

7.4.3 Subscription in kind

The Fund may agree to issue Shares as consideration for a "contribution in kind" of assets with an aggregate value equal to the Subscription Price (plus any Subscription Fee), provided that such assets comply with the investment objective and policy of the Sub-Fund and any restrictions and conditions imposed by applicable laws and regulations. In accepting or rejecting such a contribution at any given time, the Fund shall take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. To the extent required by applicable laws and regulations, any contribution in kind will be valued independently in a special report issued by the Auditor or any other authorised statutory auditor (*réviseur d'entreprises agréé*) agreed by the Fund. The Fund and the contributing investor will agree on specific settlement procedures. Any costs incurred in connection with a contribution in kind, including the costs of issuing a valuation report, shall be borne by the contributing investor.

7.5 Redemption of Shares

Applications for redemptions can be submitted by investors for each Redemption Day provided that a complete application is submitted by the Cut-Off Time for that Redemption Day. Applications will be processed, if accepted, at the Redemption Price applicable to that Redemption Day. The Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period. The redemption procedure is further described below. Shares will be redeemed on the Redemption Day and entitled to participate in the net assets of the Sub-Fund or Share Class until their redemption. The Redemption Day, Cut-Off

Time, and Redemption Settlement Period for each Sub-Fund or Share Class are specified in the Supplement.

7.5.1 Redemption application

Investors may apply for redemption of all or any of their Shares on each Redemption Day at a Redemption Price equal to the Net Asset Value per Share for that Redemption Day. The Net Asset Value per Share for the Redemption Day at which an application will be processed is unknown to the investors when they place their redemption applications.

The Fund may charge a Redemption Fee on redemptions of Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below, which will be deducted from the payment of the Redemption Price. The Redemption Fee is equal to a maximum percentage of the Redemption Price or such other amount as specified for each Sub-Fund or Share Class in the Supplement, where applicable.

Investors wishing to redeem their Shares in part or in whole must submit a Redemption Form. The Redemption Form must be submitted to the Administrator following the instructions on such form. The Redemption Form is available from the Management Company and the Administrator on request.

The Fund will only process redemption applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Redemption Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at the Redemption Price applicable to that Redemption Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Redemption Day. However, the Fund may accept redemption applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The redemption of Shares of a Sub-Fund or Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Sub-Fund or Share Class is suspended by the Fund, as described in section 8.5 (Temporary suspension of the Net Asset Value calculation) below. The redemption of Shares of a Sub-Fund or Share Class may also be suspended in other exceptional cases where the circumstances and the best interest of the investors so require.

7.5.2 Settlement of redemption

Redemption proceeds equal to the full amount of the Redemption Price (less any Redemption Fee) will normally be paid by the end of the Redemption Settlement Period specified in the Supplement. Different settlement procedures may apply in certain jurisdictions in which Shares are distributed due to constraints under local laws and regulations. Investors should contact

their local paying agent for further information. The Fund is not responsible for any delays or charges incurred at any receiving bank or clearing system.

Payment of redemption proceeds will be made by wire transfer on the bank account of the redeeming investor and at its risks and costs. Redemption proceeds will be paid in the Reference Currency of the Sub-Fund or the Share Class.

The Fund reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period when there is insufficient liquidity or in other exceptional circumstances. If redemption proceeds cannot be paid by the end of the Redemption Settlement Period, the payment will be made as soon as reasonably practicable thereafter. The Fund may also delay the settlement of redemptions until reception of all information and supporting documentation deemed necessary to process the application, as described above. In any event, no redemption proceeds will be paid unless and until cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) due but not yet paid for the Shares to be redeemed has been received by the Fund. No interest will be paid to investors on redemption proceeds paid after the end of the Redemption Settlement Period.

7.5.3 Redemption in kind

The Fund may, in order to facilitate the settlement of substantial redemption applications or in other exceptional circumstances, propose to an investor a “redemption in kind” whereby the investor receives a portfolio of assets of the Sub-Fund of equivalent value to the Redemption Price (less any Redemption Fee). In such circumstances the investor must specifically consent to the redemption in kind and may always request a cash redemption payment instead. In proposing or accepting a request for redemption in kind at any given time, the Fund shall take into account the interest of other investors of the Sub-Fund and the principle of fair treatment. Where the investor accepts a redemption in kind, he will receive a selection of assets of the Sub-Fund. To the extent required by applicable laws and regulations, any redemption in kind will be valued independently in a special report issued by the Auditor or any other authorised statutory auditor (*réviseur d'entreprises agréé*) agreed by the Fund. The Fund and the redeeming investor will agree on specific settlement procedures. Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, shall be borne by the redeeming investor.

7.6 Conversion of Shares

Applications for conversions of Shares of any Share Class (called the Original Shares) into Shares of another Share Class of the same or another Sub-Fund (called the New Shares) can be submitted for each Conversion Day provided that a complete application is submitted by the Cut-Off Time for that Conversion Day. The number of New Shares issued upon a conversion will be based on the respective Net Asset Values per Share of the Original Shares and the New Shares for the Conversion Day (which, for the avoidance of doubt, may be a different day for the Original Shares and the New Shares). The Original Shares will be redeemed and the New Shares will be issued on the Conversion Day. The conversion procedure is further described below.

7.6.1 Conversion application

Unless set out otherwise in the Supplement, investors may apply for conversion of Original Shares into New Shares on each Conversion Day. However, the right to convert the Original Shares is subject to compliance with any investor eligibility requirements applicable to the New Shares. In addition, conversion applications are subject to the provisions on the minimum initial or additional subscription amounts applicable to the New Shares and the minimum holding amount applicable to the Original Shares.

The number of New Shares issued upon a conversion will be based upon the respective Net Asset Values of the Original Shares and the New Shares for the Conversion Day. These Net Asset Values are unknown to the investors when they place their conversion application.

The Fund may charge a Conversion Fee on conversions of Shares, as set out in section 9.1 (Subscription Fee and Redemption Fee) below and specified in the Supplement. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

Investors wishing to convert their Shares must submit a Conversion Form. The Conversion Form must be submitted to the Administrator following the instructions on such form. The Conversion Form is available from the Management Company and the Administrator.

The Fund will only process conversion applications that it considers clear and complete. Applications will be considered complete only if the Fund has received all information and supporting documentation it deems necessary to process the application. The Fund may delay the acceptance of unclear or incomplete applications until reception of all necessary information and supporting documentation in a form satisfactory to the Fund. Unclear or incomplete applications may lead to delays in their execution. The Fund will not accept liability for any loss suffered by applicants as a result of unclear or incomplete applications.

Applications must be submitted to the Administrator by the Cut-Off Time for the Conversion Day, as specified in the Supplement, in order for such applications to be processed, if accepted, at a conversion rate based on the respective Net Asset Values of the Original Shares and the New Shares on the Conversion Day. Applications received after the Cut-Off Time will be treated as deemed applications received by the Cut-Off Time for the next Conversion Day. However, the Fund may accept conversion applications received after the Cut-Off Time subject to certain conditions, as set out in section 7.9 (Late trading, market timing and other prohibited practices) below.

The Fund reserves the right to reject any application for conversion of Shares into New Shares, in whole or in part, including, without limitation, where the Fund decides to close the Sub-Fund or Share Class to new subscriptions or new investors. In any event, no conversion application will be processed unless and until cleared funds equal to the full amount of the Subscription Price (plus any Subscription Fee) for the Original Shares has been received by the Fund.

The conversion of Shares shall be suspended whenever the determination of the Net Asset Value per Share of the Original Shares or the New Shares is suspended by the Fund in accordance with section 8.5 (Temporary suspension of the Net Asset Value calculation) below,

or when the redemption of Original Shares or the subscription for New Shares is suspended in accordance with the Articles of Association and this Prospectus.

7.6.2 Conversion rate

The rate at which the Original Shares are converted into New Shares is determined on the basis of the following formula:

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

where:

- A is the number of New Shares to be allocated;
- B is the number of Original Shares to be converted into New Shares;
- C is the Net Asset Value per Share of the Original Shares for the Conversion Day;
- D is the exchange rate, as determined by the Fund, between the Reference Currency of the Original Shares and that of the New Shares. Where the Reference Currencies are the same, D equals one (1); and
- E is the Net Asset Value per Share of the New Shares for the Conversion Day.

A Conversion Fee may be applied, if and to the extent set out in the Supplement. The Conversion Fee is equal to the positive difference, if any, between the Subscription Fee applicable to the New Shares and the Subscription Fee paid on the Original Shares, or such lower amount as specified for each Share Class in the Supplement, where applicable.

7.7 Transfer of Shares

7.7.1 Conditions and limitations on transfer of Shares

Shares are freely transferable subject to the restrictions set out in the Articles of Association and this Prospectus. In particular, the Fund may deny giving effect to any transfer of Shares if it determines that such transfer would result in the Shares being held by, on behalf or for the account or benefit of, Prohibited Persons.

Subject to the above, the transfer of Shares will normally be given effect by the Fund by way of declaration of transfer entered in the register of shareholders of the Fund following the delivery to the Administrator of an instrument of transfer duly completed and executed by the transferor and the transferee, in a form accepted by the Fund.

The Fund will only give effect to Share transfers that it considers clear and complete. The Administrator may require from the transferor and/or the transferee all of the information and supporting documentation it deems necessary to give effect to the transfer. Investors are advised to contact the Administrator prior to requesting a transfer to ensure that they have all the correct documentation for the transaction. The Fund may delay the acceptance of unclear or incomplete transfer orders until reception of all necessary information and supporting

documentation in a form satisfactory to the Fund. Unclear or incomplete transfer orders may lead to delays in their execution. The Fund will not accept liability for any loss suffered by transferors and/or transferees as a result of unclear or incomplete transfer orders.

Shares which are eligible for clearing and settlement by Clearstream, Euroclear and/or other recognised securities clearing and settlement systems may also be transferred through securities accounts maintained within such systems in accordance with applicable laws and regulations, and the operating rules of the systems.

7.7.2 Trading of Shares on a stock exchange

Shares of certain Share Classes may be listed and admitted to trading on the Luxembourg Stock Exchange or other market segments or stock exchanges as the Fund may determine from time to time. The Supplement will specify if Shares are or are intended to be listed. Although the Shares must be freely negotiable and transferable upon their listing and admission to trading on such stock exchanges (and trades carried out on such stock exchanges cannot be cancelled by the Fund) the restrictions of ownership and conditions on holding Shares (as set out in this Prospectus and the Articles of Association) will nevertheless apply to any person to which Shares are transferred on such stock exchanges. The holding at any time of any Shares by, on behalf of or for the account or benefit of, a Prohibited Person may result in the compulsory redemption of such Shares in accordance with the provisions of this Prospectus and the Articles of Association.

The listing and admission to trading on such stock exchanges does not constitute a warranty or representation by the stock exchange as to the competence of the service providers to or any other party connected with the Fund or the suitability of the Fund for investment or for any other purpose.

7.8 Special considerations

7.8.1 Minimum subscription and holding amounts

The subscription for Shares may be subject to a minimum initial subscription amount and/or additional subscription amount, as specified for each Share Class in the Supplement. The Fund may reject any application for subscription for or conversion into Shares of a Share Class which does not meet the applicable minimum initial subscription amount or additional subscription amount for that Share Class, if any.

In addition, the holding of Shares may be subject to a minimum holding amount, as specified for each Share Class in the Supplement. The Fund may treat any application for redemption or conversion of part of a holding of Shares in a Share Class as a deemed application for redemption or conversion of the entire holding of the redeeming investor in that Share Class if, as a result of such application, the Net Asset Value of the Shares retained by the investor in that Share Class would fall below the applicable minimum holding amount. Alternatively, the Fund may grant a grace period to the investor so as to allow him to increase his holding to at least the minimum holding amount.

The Fund may further deny giving effect to any transfer of Shares if, as a result of such transfer, the Net Asset Value of the Shares retained by the transferor in a Share Class would fall below the minimum holding amount for that Share Class, or if the Net Asset Value of the Shares acquired by the transferee in a Share Class would be less than the minimum initial or additional subscription amounts, as applicable. In such cases, the Fund will notify the transferor that it will not give effect to the transfer of the Shares.

Alternatively, the Fund has the discretion, from time to time, to waive any applicable minimum initial subscription amount, minimum additional subscription amount and/or minimum holding amount provided that investors are treated fairly.

7.8.2 Minimum or maximum level of assets under management

The Fund may decide to cancel the launch of a Sub-Fund or Share Class before the end of the Initial Offer where that Sub-Fund or Share Class has not reached the minimum or expected level of assets under management for such Sub-Fund or Share Class to be operated in an economically efficient manner. In such event, applications for subscription will be refused and subscription proceeds previously received by the Fund will be returned to the applicant.

Where applications for redemptions or conversions out of a Sub-Fund or Share Class on a particular Redemption Day or Conversion Day represent the total number of Shares in issue in that Sub-Fund or Share Class, or the remaining number of Shares in issue after such redemptions or conversions would represent a total Net Asset Value below the minimum level of assets under management required for such Sub-Fund or Share Class to be managed and/or administered in an efficient manner, the Fund may decide to terminate and liquidate the Sub-Fund or Share Class in accordance with the procedure set out in section 10.9 (Liquidation) below. In such a case, all remaining Shares of the Sub-Fund or Share Class will be redeemed.

The Fund may also decide to close a Sub-Fund or Share Class to new subscriptions or new investors where that Sub-Fund or Share Class has reached its maximum or expected level of assets under management. In such event, applications for subscription will be refused, in whole or in part, and subscription proceeds previously received by the Fund will be returned to the applicant.

7.8.3 Suspension of issue, redemption or conversion of Shares

The issue, redemption or conversion of Shares in a Share Class shall be suspended whenever the determination of the Net Asset Value per Share of such Share Class is suspended by the Fund in accordance with section 8.5 (Temporary suspension of the Net Asset Value calculation) below and in other circumstances specified in the Articles of Association and this Prospectus.

Suspended subscriptions, redemptions and conversions will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the first Subscription Day, Redemption Day or Conversion Day following the end of the suspension period unless the investors have withdrawn their applications for subscription, redemption or conversion by written notification received by the Fund before the end of the suspension period.

7.8.4 Deferral of redemption or conversion of Shares

If on any given Redemption or Conversion Day, applications for redemption or conversion of Shares out of a Sub-Fund or Share Class represent in aggregate more than ten percent (10%) of the Net Asset Value of the Sub-Fund or Share Class, the Fund may decide that part (on a *pro rata* basis) or all of such requests for redemption or conversion will be deferred to the next or subsequent Redemption or Conversion Days for a period generally not exceeding ten (10) Business Days until the application is processed in full. On a next or subsequent Redemption or Conversion Day, deferred redemption or conversion requests will be met in priority to requests submitted in respect of such Redemption Day or Conversion Day.

The Fund also reserves the right to postpone the payment of redemption proceeds after the end of the normal Redemption Settlement Period in accordance with the provisions set out in section 7.5 (Redemption of Shares) above.

As an alternative to deferring applications for redemptions, the Fund may propose to an investor, who accepts, to settle a redemption application, in whole or in part, by a distribution in kind of certain assets of the Sub-Fund or Share Class in lieu of cash, subject to the conditions set out in section 7.5 (Redemption of Shares) above.

7.9 Late trading, market timing and other prohibited practices

The Fund does not permit late trading practices as such practices may adversely affect the interests of investors. In general, late trading is to be understood as the acceptance of a subscription, redemption or conversion order for Shares after the Cut-Off Time for a Subscription, Redemption or Conversion Day and the execution of such order at a price based on the Net Asset Value applicable to such same day. However, as mentioned above, the Fund may accept subscription, conversion or redemption applications received after the Cut-Off Time, in circumstances where the subscription, redemption or conversion applications are dealt with on an unknown Net Asset Value basis, provided that it is in the interest of the Sub-Fund and that investors are fairly treated. In particular, the Fund may waive the Cut-Off Time where a Distributor submits the application to the Administrator after the Cut-Off Time provided that such application has been received by the Distributor from the investor in advance of the Cut-Off Time.

Subscriptions and conversions of Shares should be made for investment purposes only. The Fund does not permit market timing or other excessive trading practices. Market timing is to be understood as an arbitrage method by which an investor systematically subscribes and redeems or converts Shares of the same Sub-Fund or Share Class within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value. Excessive, short-term (market timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Fund and other investors, the Fund has the right to reject any subscription or conversion order, or levy in addition to any Subscription Fee, Redemption Fee or Conversion Fee which may be charged according to the Supplement, a fee of up to three percent (3%) of the value of the order for the benefit of the Sub-Fund or Share Class, from any investor who is engaging or is suspected of engaging in excessive trading, or has a history of excessive trading, or if an investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to

the Fund. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control.

The Fund also has the power to compulsorily redeem all Shares held by, on behalf or for the account or benefit of, an investor who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, in accordance with the procedure set out in this Prospectus. The Board of Directors considers such persons as Prohibited Persons.

The Fund will not be held liable for any loss resulting from rejected orders or compulsory redemptions.

7.10 Prohibited Persons

The Articles of Association give powers to the Board of Directors to restrict or prevent the legal or beneficial ownership of Shares or prohibit certain practices such as late trading and market timing by any person (individual, corporation, partnership or other entity), if in the opinion of the Board of Directors such ownership or practices may (i) result in a breach of any provisions of the Articles of Association, the Prospectus or the laws or regulations of any jurisdiction, or (ii) require the Fund or the Management Company to be registered under any laws or regulations whether as an investment fund or otherwise, or cause the Fund to be required to comply with any registration requirements in respect of any of its Shares, whether in the United States of America or any other jurisdiction, or (iii) may cause the Fund or the Management Company or the investors any legal, regulatory, taxation, administrative or financial disadvantages which they would not have otherwise incurred (a Prohibited Person).

The Board of Directors has decided that US Persons may be considered as Prohibited Persons. **By signing a Subscription Form, an applicant will certify, represent, warrant and agree that he is not a US Person or that the Shares applied for are not being acquired directly or indirectly by, on behalf or for the account or benefit of, a US Person. An applicant will further certify, represent, warrant and agree that the applicant will notify the Administrator or the Fund (as the case may be) in the event that either the applicant becomes a US Person or holds the Shares on behalf of, or for the account or benefit of, a US Person. If an applicant's status changes and it becomes a US Person, it must notify the relevant party as mentioned above within thirty (30) days.**

The Board of Directors has also decided that any person not qualifying as an Eligible Investor will be considered as a Prohibited Person.

Furthermore, the Board of Directors has decided that any person who is or has been engaged in, or is suspected of being engaged in, late trading, market timing or other excessive trading, directly or indirectly, as described in section 7.9 (Late trading, market timing and other prohibited practices) above, will be considered as a Prohibited Person.

The Fund may decline to issue any Shares and to accept any transfer of Shares, where it appears that such issue or transfer would or might result in Shares being acquired or held by, on behalf or for the account or benefit of, Prohibited Persons. The Fund may require at any time any investor or prospective investor to provide the Fund with any information, together with

supporting documentation, which the Fund may consider necessary for the purpose of determining whether the issue or transfer would result in Shares being held by, on behalf or for the account or benefit of, a Prohibited Person.

The Fund may compulsorily redeem all Shares held by, on behalf or for the account or benefit of, Prohibited Persons. In such cases, the Fund will notify the investor of the reasons which justify the compulsory redemption of Shares, the number of Shares to be redeemed and the indicative Redemption Day on which the compulsory redemption will occur. The Redemption Price shall be determined in accordance with section 7.5 (Redemption of Shares) above.

The Fund may also grant a grace period to the investor for remedying the situation causing the compulsory redemption, for instance by transferring the Shares to one or more investors who are not Prohibited Persons and do not act on behalf or for the account or benefit of, Prohibited Persons, and/or propose to convert the Shares held by any investor who fails to satisfy the investor eligibility requirements for a Shares Class into Shares of another Share Class available for such investor.

The Fund reserves the right to require the investor to indemnify the Fund against any losses, costs or expenses arising as a result of any Shares being held by, on behalf or for the account or benefit of, a Prohibited Person. The Fund may pay such losses, costs or expenses out of the proceeds of any compulsory redemption described above and/or redeem all or part of the investor's other Shares, if any, in order to pay for such losses, costs or expenses.

7.11 Prevention of money laundering

The Fund must comply with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including in particular with the 2004 Law, and implementing regulations and CSSF circulars adopted from time to time. In particular, anti-money laundering measures in force in the Grand Duchy of Luxembourg require the Fund, on a risk sensitive basis, to establish and verify the identity of subscribers for Shares (as well as the identity of any intended beneficial owners of the Shares if they are not the subscribers) and the origin of subscription proceeds and to monitor the business relationship on an ongoing basis.

Subscribers for Shares will be required to provide to the Administrator the information set out in the Subscription Form, depending on their legal form (individual, corporate or other category of subscriber).

The Fund and the Administrator are required to establish anti-money laundering controls and may require from subscribers for Shares all documentation deemed necessary to establish and verify this information. The Fund and the Administrator have the right to request additional information until the Fund and the Administrator are reasonably satisfied they understands the identity and economic purpose of the subscriber. Furthermore, any investor is required to notify the Fund and the Administrator prior to the occurrence of any change in the identity of any beneficial owner of Shares. The Fund may require from existing investor, at any time, additional information together with all supporting documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg.

Depending on the circumstances of each application, a simplified customer due diligence might be applicable, where a subscriber is a credit institution or financial institution governed by the 2004 Law or a credit or financial institution, within the meaning of Directive 2005/60/EC, of another Member State or situated in a third country which imposes requirements equivalent to those laid down in the 2004 Law or in Directive 2005/60/EC and is supervised for compliance with those requirements. These procedures will only apply if the credit or financial institution referred to above is located within a country recognised by the Fund as having equivalent anti-money laundering regulations to the 2004 Law.

Failure to provide information or documentation deemed necessary for the Fund to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg may result in delays in, or rejection of, any subscription or conversion application and/or delays in any redemption application.

8. VALUATION AND NET ASSET VALUE CALCULATION

The Net Asset Value of each Sub-Fund and Share Class is determined by performing a valuation of the assets and liabilities of the Fund and allocating them to the Sub-Funds and Share Classes, in order to calculate the Net Asset Value per Share of each Share Class of each Sub-Fund. The method for the valuation of the assets and liabilities, the allocation to the Sub-Funds and Share Classes, and the calculation of the Net Asset Value is set out in the Articles of Association and is also described in this section of the Prospectus.

8.1 Calculation of the Net Asset Value

The Net Asset Value per Share shall be determined by the Administrator as of each Valuation Day (as specified for each Sub-Fund in the Supplement) and at least twice a month. It shall be calculated by dividing the Net Asset Value of the Share Class of a Sub-Fund by the total number of Shares of such Share Class in issue as of that Valuation Day. The Net Asset Value per Share shall be expressed in the Reference Currency of the Share Class and may be rounded up or down to three (3) decimal places maximum.

The Net Asset Value of a Sub-Fund is equal to the value of the assets allocated to such Sub-Fund less the value of the liabilities allocated to such Sub-Fund, both calculated as of each Valuation Day in the Reference Currency of the Sub-Fund according to the valuation procedure described below.

The Net Asset Value of a Share Class is equal to the value of the assets allocated to such Share Class within a Sub-Fund less the value of the liabilities allocated to such Share Class, both being calculated as of each Valuation Day according to the valuation procedure described below.

The Net Asset Value of the Fund will at all times be equal to the sum of the Net Asset Values of all Sub-Funds expressed in the Reference Currency of the Fund. The Net Asset Value of the Fund must at all times be at least equal to the minimum share capital required by the 2010 Law which is currently 1,250,000 EUR, except during the first six (6) months after the approval of the Fund by the CSSF.

8.2 Valuation procedure

8.2.1 General

The assets and liabilities of the Fund will be valued in accordance with the Articles of Association and the provisions outlined below.

The Board of Directors may apply, in good faith and in accordance with generally accepted valuation principles and procedures, other valuation principles or alternative methods of valuation that it considers appropriate in order to determine the probable realisation value of any asset if applying the rules described below appears inappropriate or impracticable.

The Board of Directors may adjust the value of any asset if the Board of Directors determines that such adjustment is required to reflect its fair value taking into account its denomination,

maturity, liquidity, applicable or anticipated interest rates or dividend distributions or any other relevant considerations.

If, after the time of determination of the Net Asset Value but before publication of the Net Asset Value for a Valuation Day, there has been a material change affecting the exchanges or markets on which a substantial portion of the investments of a Sub-Fund are quoted, listed or traded, the Board of Directors may cancel the first valuation and carry out a second valuation in order to safeguard the interest of investors. In such a case, the Net Asset Value used for processing subscription, redemption and conversion applications for that Valuation Day will be based on the second calculation.

For the purpose of calculating the Net Asset Value in accordance with the valuation principles set out below, the Board of Directors has authorised the Administrator to rely in whole or in part upon valuations provided by available pricing sources for the relevant asset, including data vendors and pricing agencies (such as Bloomberg or Reuters), fund administrators, brokers, dealers and valuation specialists, provided that such pricing sources are considered reliable and appropriate and provided that there is no manifest error or negligence in such valuations. In the event that valuations are not available or valuations may not correctly be assessed using such pricing sources, the Administrator will rely upon valuation methods and determinations provided by the Board of Directors.

The Board of Directors and the Administrator may consult with and seek the advice of the Management Company in valuing the Fund's assets. Where the Board of Directors considers it necessary, it may seek the assistance of a valuation committee whose task will be the prudent estimation of certain assets' values in good faith.

In the absence of fraud, bad faith, gross negligence or manifest error, any decision taken in accordance with the Articles of Association and the Prospectus by the Board of Directors or any agent appointed by the Board of Directors in connection with the valuation of the Fund's assets and the calculation of the Net Asset Value of the Fund, a Sub-Fund or a Share Class, the Net Asset Value per Share will be final and binding on the Fund and on all investors, and neither the Board of Directors nor any agent appointed by the Board of Directors shall incur any individual liability or responsibility for any determination made or other action taken or omitted by them in this connection.

8.2.2 Assets of the Fund

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the assets of the Fund shall include the following:

- 1) all cash on hand or on deposit, including any outstanding accrued interest;
- 2) all bills and any types of notes or accounts receivable, including outstanding proceeds of any disposal of financial instruments;
- 3) all securities and financial instruments, including shares, bonds, notes, certificates of deposit, debenture stocks, options or subscription rights, warrants, money market instruments and all other investments belonging to the Fund;

- 4) all dividends and distributions payable to the Fund either in cash or in the form of stocks and shares (which will normally be recorded in the Fund's books as of the ex-dividend date, provided that the Fund may adjust the value of the security accordingly);
- 5) all outstanding accrued interest on any interest-bearing instruments belonging to the Fund, unless this interest is included in the principal amount of such instruments;
- 6) the formation expenses of the Fund or a Sub-Fund, to the extent that such expenses have not already been written off; and
- 7) all other assets of any kind and nature including expenses paid in advance.

8.2.3 Liabilities of the Fund

Subject to the rules on the allocation to Sub-Funds and Share Classes below, the liabilities of the Fund shall include the following:

- 1) all loans, bills or accounts payable, accrued interest on loans (including accrued fees for commitment for such loans);
- 2) all known liabilities, whether or not already due, including all contractual obligations that have reached their term, involving payments made either in cash or in the form of assets, including the amount of any dividends declared by the Fund but not yet paid;
- 3) a provision for any tax accrued to the Valuation Day and any other provisions authorised or approved by the Fund; and
- 4) all other liabilities of the Fund of any kind recorded in accordance with applicable accounting rules, except liabilities represented by Shares. In determining the amount of such liabilities, the Fund will take into account all expenses, fees, costs and charges payable by the Fund as set out in section 9 (Fees and expenses) below.

Adequate provisions shall be made for unpaid administrative and other expenses of a regular or recurring nature based on an estimated amount accrued for the applicable period. Any off-balance sheet liabilities shall duly be taken into account in accordance with fair and prudent criteria.

The fees and expenses incurred in connection with the formation of the Fund will be borne by the Fund and may be amortised over a period of up to five (5) years. The formation expenses of each new Sub-Fund will be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. New Sub-Funds created after the incorporation and launch of the Fund will participate in the non-amortised costs of establishment of the Fund.

8.2.4 Valuation principles

In accordance with the Articles of Association, the valuation of the assets of the Fund will be conducted as follows:

- 1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.
- 2) Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or regulated market will be valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.
- 3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.
- 4) Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.
- 5) Financial derivative instruments which are traded “over-the-counter” (OTC) will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on

the basis of independent pricing services or valuation models approved by the Board of Directors which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.

- 6) Notwithstanding paragraph 2) above, shares or units in target investment funds (including UCITS and UCI) will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the Board of Directors is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the target investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the target investment fund. Alternatively, shares or units in target investment funds which are quoted, listed or traded on an exchange or regulated market may be valued in accordance with the provisions of paragraph 2) above.
- 7) The value of any other asset not specifically referenced above will be the probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

8.2.5 Allocation of assets and liabilities to Sub-Funds and Share Classes

Assets and liabilities of the Fund will be allocated to each Sub-Fund and Share Class in accordance with the provisions of the Articles of Association, as set out below, and the Supplement of the Sub-Fund.

- 1) The proceeds from the issue of Shares of a Sub-Fund or Share Class, all assets in which such proceeds are invested or reinvested and all income, earnings, profits or assets attributable to or deriving from such investments, as well as all increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. The assets allocated to each Share Class of the same Sub-Fund will be invested together in accordance with the investment objective, policy, and strategy of that Sub-Fund, subject to the specific features and terms of issue of each Share Class of that Sub-Fund, as specified in its Supplement (see section 7.1 (Shares, Sub-Funds and Share Classes) above)
- 2) All liabilities of the Fund attributable to the assets allocated to a Sub-Fund or Share Class or incurred in connection with the creation, operation or liquidation of a Sub-Fund or Share Class will be charged to that Sub-Fund or Share Class and, together with any increase or decrease in the value thereof, will be allocated to that Sub-Fund or Share Class and recorded in its books. In particular and without limitation, the costs and any benefit of any Share Class specific feature will be allocated solely to the Share Class to which the specific feature relates.
- 3) Any assets or liabilities not attributable to a particular Sub-Fund or Share Class may be allocated by the Board of Directors in good faith and in a manner which is fair to

investors generally and will normally be allocated to all Sub-Funds or Share Classes *pro rata* to their Net Asset Value.

Subject to the above, the Board of Directors may at any time vary the allocation of assets and liabilities previously allocated to a Sub-Fund or Share Class.

8.2.6 Additional rules for assets and liabilities of the Fund

In calculating the Net Asset Value of each Sub-Fund or Share Class the following principles will apply.

- 1) Each Share agreed to be issued by the Fund on each Subscription Day will be deemed to be in issue and existing immediately after the time of valuation on the Subscription Day. From such time and until the Subscription Price is received by the Fund, the assets of the Sub-Fund or Share Class concerned will be deemed to include a claim of that Sub-Fund or Share Class for the amount of any cash or other property to be received in respect of the issue of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be increased by such amount immediately after the time of valuation on the Subscription Day.
- 2) Each Share agreed to be redeemed by the Fund on each Redemption Day will be deemed to be in issue and existing until and including the time of valuation on the Redemption Day. Immediately after the time of valuation and until the Redemption Price is paid by the Fund, the liabilities of the Sub-Fund or Share Class concerned will be deemed to include a debt of that Sub-Fund or Share Class for the amount of any cash or other property to be paid in respect of the redemption of such Shares. The Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount immediately after the time of valuation on the Redemption Day.
- 3) Following a declaration of dividends for Distribution Shares on a Valuation Day determined by the Fund to be the distribution accounting date, the Net Asset Value of the Sub-Fund or Share Class will be decreased by such amount as of the time of valuation on that Valuation Day.
- 4) Where assets have been agreed to be purchased or sold but such purchase or sale has not been completed at the time of valuation on a given Valuation Day, such assets will be included in or excluded from the assets of the Fund, and the gross purchase price payable or net sale price receivable will be excluded from or included in the assets of the Fund, as if such purchase or sale had been duly completed at the time of valuation on that Valuation Day, unless the Fund has reason to believe that such purchase or sale will not be completed in accordance with its terms. If the exact value or nature of such assets or price is not known at the time of valuation on the Valuation Day, its value will be estimated by the Fund in accordance with the valuation principles described above.
- 5) The value of any asset or liability denominated or expressed in a currency other than the Reference Currency of the Fund, Sub-Fund or Share Class will be converted, as applicable, into the Reference Currency of the Fund, Sub-Fund or Share Class at the

prevailing foreign exchange rate at the time of valuation on the Valuation Day concerned which the Board of Directors considers appropriate.

8.3 Publication of the Net Asset Value

The publication of the Net Asset Values will take place on the next Business Day after a Valuation Day unless otherwise provided for in the Supplement. The Net Asset Value per Share of each Share Class within each Sub-Fund will be available from the Management Company and the Administrator during normal business hours.

The Net Asset Value per Share of any Share Class or Sub-Fund which is listed on the Luxembourg Stock Exchange or any other exchange will be notified to such exchange upon calculation.

8.4 Swing Pricing mechanism

A Sub-Fund may suffer a reduction in value, known as “dilution” when trading the underlying investments as a result of net inflows or net outflows of the respective Sub-Fund. This is due to transaction charges and other costs that may be incurred by liquidating and purchasing the underlying assets and the spreads between the buying and selling prices. In order to counter this effect and to protect shareholders’ interests, the Board of Directors may adopt a swing pricing mechanism as part of its valuation policy. This means that in certain circumstances the Board of Directors may make adjustments to the Net Asset Value to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The Board of Directors has delegated the day to day operations to adjust the Net Asset Value per Share to the Management Company. The Management Company has set up a swing pricing committee (the “**Swing Pricing Committee**”) which will be in charge of the application of the swing pricing mechanism.

The Swing Pricing Committee is in charge of applying the swing pricing policy and adapting the swing parameters (swing factor, trigger point), under the responsibility of the Board of Directors. The Swing Pricing Committee is also in charge of monitoring the service providers in charge of applying the swing pricing.

The Swing Pricing Committee shall meet at least on a quarterly basis.

If on any Valuation Day, the aggregate net investor(s) transactions in a Sub-Fund exceed a pre-determined threshold to be determined by the Swing Pricing Committee, the Net Asset Value per Share may be adjusted upwards or downwards to reflect the costs attributable to the net inflows and net outflows respectively. Typically, such adjustments will increase the Net Asset Value per Share when there are net subscriptions into the Sub-Fund and decrease the Net Asset Value per Share when there are net redemptions out of the Sub-Fund. The Swing Pricing Committee is responsible for setting the threshold, which will be a percentage of the net assets of the respective Sub-Fund. The threshold is based on objective criteria such as the size of a Sub-Fund and the dealing costs for a Sub-Fund, as well as on the volatility of the Sub-Fund or of the portfolio thereof and may be revised from time to time.

The extent of the adjustment (the “**Swing Factor**”) for the relevant Sub-Funds, is specified in the relevant Supplement to the Prospectus. The percentage by which the Net Asset Value is adjusted will be set by the Swing Pricing Committee and subsequently reviewed on a periodic basis to reflect an approximation of taxes, current dealing and other costs.

The Swing Pricing Committee may decide to increase the adjustment limits in exceptional circumstances (e.g. higher market volatility) to protect shareholders’ interests. As any such adjustment will be dependent on the aggregate net transactions in Shares in a Sub-Fund, it is not possible to accurately predict whether it will occur at any future point in time and consequently how frequently it will need to be made. Investors will however be duly notified of such occurrence, by means of communication on the following website: www.scor-ip.com. Additionally, as the markets and jurisdictions in which the Sub-Funds invest may have different charging structures on the purchase and sale of assets, the resulting Swing Factor may differ between Sub-Funds and may be different for subscriptions and for redemptions.

The Net Asset Value per Share of each Share Class in a Sub-Fund will be calculated separately but any adjustment will be made on Sub-Fund level and in percentage terms, equally affecting the Net Asset Value per Share of each Share Class. If swing pricing is applied to a Sub-Fund on a particular Valuation Day, the Net Asset Value adjustment will be applicable to all transactions placed on that day.

Investors are advised that the volatility of the Sub-Fund’s Net Asset Value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

The Board of Directors has determined that the swing pricing mechanism may be applied to the following Sub-Funds:

- SCOR FUNDS - EURO SHORT TERM DURATION HIGH YIELD;
- SCOR FUNDS - EUROPE HIGH YIELD; and
- SCOR FUNDS - SUSTAINABLE BOND.

8.5 Temporary suspension of the Net Asset Value calculation

The Board of Directors, upon consultation with the Management Company, may temporarily suspend the calculation and publication of the Net Asset Value per Share of any Share Class in any Sub-Fund and/or where applicable, the issue, redemption and conversion of Shares of any Share Class in any Sub-Fund in the following cases:

- 1) when any exchange or regulated market that supplies the price of the assets of a Sub-Fund is closed, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute in volumes allowing the determination of fair prices;
- 2) when the information or calculation sources normally used to determine the value of the assets of a Sub-Fund are unavailable;

- 3) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of a Sub-Fund, or which is required to calculate the Net Asset Value per Share;
- 4) when exchange, capital transfer or other restrictions prevent the execution of transactions of a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;
- 5) when exchange, capital transfer or other restrictions prevent the repatriation of assets of a Sub-Fund for the purpose of making payments on the redemption of Shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;
- 6) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevent the Fund from being able to manage the assets of a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;
- 7) when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which a Sub-Fund is invested;
- 8) following the suspension of the net asset value calculation and/or the issue, redemption and conversion at the level of a Master Fund in which a Sub-Fund invests as a Feeder Fund;
- 9) when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;
- 10) in the event of a notice to shareholders of the Fund convening an extraordinary general meeting of shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Share Class, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Share Class;
- 11) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;
- 12) during any period when the dealing of the Shares of a Sub-Fund or Share Class on any relevant stock exchange where such Shares are listed is suspended or restricted or closed; and
- 13) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or Share Class, in compliance with the principle of fair treatment of investors in their best interests.

In the event of exceptional circumstances which could adversely affect the interest of investors or where significant requests for subscription, redemption or conversion of Shares are received for a Sub-Fund or Share Class, the Board of Directors reserves the right to determine the Net Asset Value per Share for that Sub-Fund or Share Class only after the Fund has completed the necessary investments or divestments in securities or other assets for the Sub-Fund or Share Class concerned.

The issue, redemption and conversion of Shares in the any Share Class will also be suspended during any such period when the Net Asset Value of such Share Class is not calculated and published.

Any decision to suspend the calculation and publication of the Net Asset Value per Share and/or where applicable, the issue, redemption and conversion of Shares of a Share Class, will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed.

The suspension of the calculation of the Net Asset Value and/or, where applicable, of the subscription, redemption and/or conversion of Shares in any Sub-Fund or Share Class will have no effect on the calculation of the Net Asset Value and/or, where applicable, of the subscription, redemption and/or conversion of Shares in any other Sub-Fund or Share Class.

Suspended subscription, redemption, and conversion applications will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the first Subscription Day, Redemption Day or Conversion Day following the end of the suspension period.

9. FEES AND EXPENSES

9.1 Subscription Fee and Redemption Fee

Subscriptions for Shares may be subject to a Subscription Fee and redemptions of Shares may be subject to a Redemption Fee both calculated as specified in the Supplement, where applicable. Conversions of Shares may be subject to a Conversion Fee calculated as specified in the Supplement, where applicable. For the avoidance of doubt, no Subscription Fee or Redemption Fee will apply on conversions in addition to the Conversion Fee, if any.

The Subscription Fee, Redemption Fee and Conversion Fee will be paid to the Fund or the Management Company, as further specified in the relevant Supplement. The Fund or the Management Company (as relevant) may pay all or part of such fees received to a third party as commissions or other fee arrangements. The Fund or the Management Company (as relevant) may in its discretion waive all or part of the Subscription Fee, Redemption Fee or Conversion Fee.

Should a Sub-Fund qualify as a Master Fund, no Subscription Fee, Redemption Fee or Conversion Fee will be charged in respect of subscription, redemption or conversion requests of any Feeder Fund of that Master Fund.

Banks and other financial intermediaries appointed by or acting on behalf of the investors may charge administration and/or other fees or commissions to the investors pursuant to arrangements between those banks or other financial intermediaries and the investors. The Fund has no control over such arrangements.

9.2 Management Fee

The Management Company will be entitled to an annual fee equal to a percentage of the Net Asset Value of each Sub-Fund or Share Class. The Management Fee is calculated as a percentage of each Net Asset Value of each Sub-Fund or Share Class and paid out of the assets of the Fund and allocated to each Sub-Fund and Share Class (as described in section 8.2.5 (Valuation procedure) above). The Management Fee will accrue on each Valuation Day and will be payable quarterly in arrears at the rate specified in the Supplement for each Sub-Fund or Share Class. The Management Company will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

9.3 Performance Fee

The Management Company may be entitled to receive a Performance Fee with respect to certain Sub-Funds or Share Classes. The payment and size of the Performance Fee depends on the performance of the Sub-Fund or Share Class over a specified time period. Details regarding the calculation and payment of Performance Fees are contained in the relevant Supplement.

9.4 Fees of the Depositary and the Administrator

The Depositary will be entitled to an annual fee paid by the Fund and consistent with market practice in Luxembourg. Fees paid to the Depositary may vary depending on the nature of the

investments of each Sub-Fund and the countries and/or markets in which the investments are made. The Depositary will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

The Administrator will be entitled to an annual fee paid by the Fund and consistent with market practice in Luxembourg. The Administration Agent will also be entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties.

9.5 Directors' fees and expenses

The members of the Board of Directors are entitled to receive a fee in consideration for their function. However, members of the Board of Directors who are also directors, officers or employees of the Management Company or its affiliates will be requested to waive their fees. The Fund will also reimburse the members of the Board of Directors for appropriate insurance coverage and expenses and other costs incurred by the members of the Board of Directors in the performance of their duties, including reasonable out-of-pocket expenses, traveling costs incurred to attend meetings of the Board of Directors, and any costs of legal proceedings unless such costs are caused by intentional or grossly negligent conduct by the member of the Board of Directors in question. The Fund may also pay fees and expenses to members of any committee established by the Board of Directors, where applicable.

9.6 Operating and Administrative Expenses

The Fund bears all ordinary operating costs and expenses incurred in the operation of the Fund or any Sub-Fund or Share Class ("**Operating and Administrative Expenses**") including but not limited to costs and expenses incurred in connection with:

- 1) preparing, producing, printing, depositing, publishing and/or distributing any documents relating to the Fund, a Sub-Fund or Share Class that are required by applicable laws and regulations (such as the Articles of Association, this Prospectus, key investor information documents, financial reports and notices to investors) or any other documents and materials made available to investors (such as explanatory memoranda, statements, reports, factsheets and similar documents);
- 2) organising and holding general meetings of shareholders and preparing, printing, publishing and/or distributing notices and other communications to shareholders;
- 3) professional advisory services (such legal, tax, accounting, compliance, auditing and other advisory services) taken by the Fund or the Management Company on behalf of the Fund;
- 4) investment services taken and/or data obtained by the Fund or the Management Company on behalf of the Fund (including fees and expenses incurred in obtaining investment research, systems and other services or data utilised for portfolio and risk management purposes);
- 5) the authorisation of the Fund, the Sub-Funds and Share Classes, regulatory compliance obligations and reporting requirements of the Fund (such as administrative fees, filing

fees, insurance costs and other types of fees and expenses incurred in the course of regulatory compliance), and all types of insurance obtained on behalf of the Fund and/or the members of the Board of Directors;

- 6) initial and ongoing obligations relating to the registration and/or listing of the Fund, a Sub-Fund or Share Class and the distribution of Shares in Luxembourg and abroad (such as fees charged by and expenses payable to financial regulators, distributors, correspondent banks, representatives, listing agents, paying agents, fund platforms, and other agents and/or service providers appointed in this context, as well as advisory, legal, and translation costs);
- 7) memberships or services provided by international organisations or industry bodies such as the Association of the Luxembourg Fund Industry (ALFI);
- 8) taxes, charges and duties payable to governments and local authorities (including the Luxembourg annual subscription tax (*taxe d'abonnement*) and any other taxes payable on assets, income or expenses) and any value added tax (VAT) or similar tax associated with any fees and expenses paid by the Fund; and
- 9) the reorganisation or liquidation of the Fund, a Sub-Fund or Share Class.

9.7 Transaction costs

Each Sub-Fund bears the costs and expenses arising from buying and selling portfolio assets and entering into other transactions in securities or other financial instruments, such as brokerage fees and commissions and all other fees, expenses, commissions, charges, premiums and interest paid to banks, brokers, execution agents or securities lending agents and/or incurred in participating in any repurchase, reverse repurchase and securities lending programs, collateral management fees and associated costs and charges, exchange fees, taxes, levies and stamp duties chargeable in connection with transactions in securities or other financial, and any other transaction-related expenses.

9.8 Extraordinary costs and expenses

In order to safeguard the interests of the Fund and its investors, the Fund or any Sub-Fund may bear any extraordinary costs and expenses including, without limitation, costs and expenses related to litigation and regulatory investigations (including penalties, fines, damages and indemnifications) and the full amount of any tax, levy, duty or similar charge imposed on the Fund or Sub-Fund that would not be considered as ordinary Operating and Administrative Expenses.

9.9 Formation expenses

The fees and expenses incurred in connection with the formation of the Fund will be borne by the Fund and may be amortised over a period of up to five (5) years from the date of incorporation of the Fund. The formation expenses of each new Sub-Fund will be borne by such Sub-Fund and may be amortised over a period of up to five (5) years. New Sub-Funds

created after the incorporation and launch of the Fund will participate in the non-amortised formation expenses of the Fund.

10. GENERAL INFORMATION

10.1 Reports and financial statements

The financial statements of the Fund will be prepared in accordance with Luxembourg GAAP.

The financial year of the Fund will begin on 1 January of each year and end on 31 December of the same year. Each year, the Fund will issue an Annual Report as of the end of the previous financial year comprising, *inter alia*, the audited financial statements of the Fund and each Sub-Fund and a report of the Board of Directors on the activities of the Fund. The Fund will also issue a Semi-Annual Report as of 30 June of the current financial year. The first financial year will end on 31 December 2017 and the first Annual Report will be issued as of 31 December 2017.

The Annual Report shall be made available to investors within four (4) months following the end of the reporting period and the Semi-Annual Report will be made available to investors within two (2) months following the end of the reporting period. Investors may obtain, upon request, a copy of the latest financial reports from the Fund free of charge.

The Reference Currency of the Fund is the Euro. The Annual Report will comprise consolidated accounts of the Fund expressed in Euro as well as individual information on each Sub-Fund expressed in the Reference Currency of such Sub-Fund.

10.2 Meetings of shareholders

The annual general meeting of shareholders will be held each year in Luxembourg in order to approve the financial statements of the Fund for the previous financial year. The annual general meeting of shareholders will be held at the registered office of the Fund, or at such alternative location in Luxembourg as may be specified in the convening notice, at 2:00 pm (Luxembourg time) on the 15 April or, if such day is not a Business Day, on the next Business Day.

Other general meetings of shareholders may be held at such place and time as indicated in the convening notice in order to decide on any other matters relating to the Fund. General meetings of shareholders of any Sub-Fund or any Share Class within a Sub-Fund may be held at such time and place as indicated in the convening notice in order to decide on any matters which relate exclusively to such Sub-Fund or Share Class.

Notices of all general meetings shall be filed with the Luxembourg Trade and Companies Register and be published *on the Recueil électronique des sociétés et associations* (RESA) and a Luxembourg newspaper and sent to all registered shareholders by ordinary mail; alternatively, convening notices will be sent to registered shareholders by registered mail at least eight (8) calendar days prior to the meeting. Convening notices will also be published and/or communicated to investors as required by applicable laws and regulations in other jurisdictions where the Shares are distributed. Notices will include the agenda and will specify the time and place of the meeting, the conditions of admission, and the quorum and voting requirements.

The requirements as to attendance, quorum, and majorities at all general meetings will be those laid down in the Articles of Association and in the 1915 Law. All shareholders may attend

general meetings in person or by appointing another person as his proxy in writing or by facsimile, electronic mail or any other similar means of communication accepted by the Fund. A single person may represent several or even all shareholders of the Fund, a Sub-Fund or Share Class. Each Share entitles the shareholder to one (1) vote at all general meetings of shareholders of the Fund, and at all meetings of the Sub-Fund or Share Class concerned to the extent that such Share is a Share of such Sub-Fund or Share Class.

10.3 Investors' rights

Upon the issue of the Shares, the person whose name appears on the register of Shares will become a shareholder of the Fund in relation to the relevant Sub-Fund and Share Class. The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general shareholders' meetings, if the investor is himself a shareholder of the Fund. In cases where an investor invests in the Fund through an intermediary who invests into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to seek advice in relation to their rights.

10.4 Changes to this Prospectus

The Board of Directors, in close cooperation with the Management Company, may from time to time amend this Prospectus to reflect various changes it deems necessary and in the best interest of the Fund, such as implementing changes to laws and regulations, changes to a Sub-Fund's objective and policy or changes to fees and costs charged to a Sub-Fund or Share Class. Any amendment of this Prospectus will require approval by the CSSF prior to taking effect. In accordance with applicable laws and regulations, investors in the Sub-Fund or Share Class will be informed about the changes and, where required, will be given prior notice of any proposed material changes in order for them to request the redemption of their Shares should they disagree.

10.5 Documents available

Investors may, upon request, obtain a copy of the Articles of Association, this Prospectus, the applicable KIID as well as of the latest Annual Report or Semi-Annual Report from the Fund free of charge.

The Management Company has adopted a "best execution" policy with the objective of obtaining the best possible result for the Fund when executing decisions to deal on behalf of the Fund or placing orders to deal on behalf of the Fund with other entities for execution. Further information on the best execution policy may be obtained from the Management Company upon request.

The Management Company has a strategy for determining when and how voting rights attached to ownership of a Sub-Fund's investments are to be exercised for the exclusive benefit of the Sub-Fund. A summary of this strategy as well as the details of the actions taken on the basis of this strategy in relation to each Sub-Fund may be obtained from the Management Company upon request.

10.6 Complaints

Any investor having a complaint to make about the operations of the Fund may file a complaint by writing to the Management Company. Details on the complaints handling procedure may be obtained from the Management Company upon request.

10.7 Data protection

In accordance with the provisions of the EU Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the “**GDPR**”) and the Luxembourg data protection law of 1st August 2018 organizing the National Commission for data protection and the general system on data protection, as amended from time to time, (collectively hereinafter the “**Data Protection Laws**”), the Fund acting as data controller (the “**Data Controller**”) collects, stores and processes, by electronic or other means, the Personal Data (as defined below) supplied by the Investors and/or the prospective Investors or, if the Investors and/or the prospective Investors is a legal person, any natural person related to the Investors and/or the prospective Investors such as its contact person(s), employee(s), trustee(s), agent(s), representative(s) and/or beneficial owner(s) (the “**Data Subjects**”), for the purpose of fulfilling the services required by the Investors and complying with its legal and regulatory obligations.

Such personal data includes (i) for individual Investors: the name, address (including postal and/or e-mail address), banking details, invested amount and holdings of each Investors; (ii) for corporate Investors: the name and address (including postal and/or e-mail address) of the natural person related to the Investors; and (iii) any personal data for which the processing is required in order to comply with regulatory requirements, including tax law and foreign laws (all the personal data mentioned above, collectively, the “**Personal Data**”). The Data Subjects may, at their discretion, refuse to communicate the Personal Data to the Data Controller. In this event however, the Data Controller or its agents may reject its request for subscription for Shares if the relevant Personal Data is necessary to the subscription of Shares.

Investors who are legal persons undertake and guarantee to process Personal Data and to supply such Personal Data to the Fund in compliance with the Data Protection Laws, including, where appropriate, informing the relevant Data Subjects of the contents of the present section, in accordance with Articles 12, 13 and/or 14 of the GDPR.

Personal Data supplied by Data Subjects are processed in order to enter into and execute the subscription in the Fund (i.e. to perform any pre-contractual measures as well as the contract entered into by the Data Subjects), for the legitimate interests of the Data Controller and to comply with the legal obligations imposed on the Data Controller.

In particular, the Personal Data supplied by Data Subjects is processed for the purpose of (i) maintaining the register of Investors; (ii) processing subscriptions, redemptions and

conversions of Shares and payments of distributions or interest to Investors; (iii) complying with applicable anti-money laundering rules and other legal obligations, such as maintaining controls in respect of late trading and market timing practices; (iv) account administration; (v) client relationship management and (vi) tax identification as may be required under Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA or CRS).

The “legitimate interests” of the Fund referred to above are: (a) the processing purposes described in point (v) of the above paragraph of this clause; (b) the provision of the proof, in the event of a dispute, of a transaction or any commercial communication; as well as in connection with any proposed purchase, merger or acquisition of any part of the Fund’s business and (c) exercising the business of the Fund in accordance with reasonable market standards.

In the context of the above mentioned purposes, the Fund may delegate the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations, to other data recipients which refer to, *inter alia*, AIFM, Depositary and Administrator (the “**Recipients**”).

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

The Recipients and Sub-Recipients may be located either inside or outside the European Economic Area (the “**EEA**”).

Where the Recipients are located outside the EEA in a country which does not ensure an adequate level of protection for personal data, the Data Controller will enter into legally binding transfer agreements with the relevant Recipients in the form of the EU Commission’s approved model clauses. Where the Sub-Recipients are located outside the EEA in a country which does not ensure an adequate level of protection for Personal Data, the Recipients shall also enter into legally binding transfer agreements with the relevant Sub-Recipients in the form of the EU Commission’s approved model clauses. In this respect, the Data Subjects have a right to request copies of the relevant document for enabling the Personal Data transfer(s) towards such countries by writing to the Data Controller or, where the Recipients disclose the Personal Data to the Sub-Recipients and where relevant, to the Recipient.

The Recipients and Sub-Recipients may, as the case may be, process the Personal Data as data processors (when processing the Personal Data upon instructions of the Data Controller), or as distinct data controllers (when processing the Personal Data for their own purposes, namely fulfilling their own legal obligations). The Data Controller may also transfer Personal Data to third parties such as governmental or regulatory agencies including tax authorities, in or

outside the European Union, in accordance with applicable laws and regulations. In particular, such Personal Data may be disclosed to the Luxembourg tax authorities, which in turn may, acting as data controller, disclose the same to foreign tax authorities.

In accordance with the conditions laid down by the Data Protection Laws, Data Subjects have the right to:

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

The Data Subjects may exercise their above rights by writing to the Data Controller at the following address: ComplianceScorlp@scor.com

The Data Subjects are also informed of the existence of their right to lodge a complaint with the CNPD at the following address: 1, Avenue du Rock'n'Roll, L-4361 Esch-sur-Alzette, Grand-Duchy of Luxembourg; or with any competent data protection supervisory authority in their EU Member State of residence.

Personal Data shall not be retained for a period longer than necessary for the purpose of the data processing, subject to any limitation periods imposed by law.

10.8 Merger and reorganisation

10.8.1 Merger of the Fund or a Sub-Fund with other UCITS

The Board of Directors may decide to proceed with a merger (within the meaning of the 2010 Law) of the Fund with one or several other Luxembourg or foreign UCITS or sub-funds thereof. The Board of Directors may also decide to proceed with a merger (within the meaning of the 2010 Law) of one or several Sub-Funds with one or several other Sub-Funds within the Fund, or with one or several other Luxembourg or foreign UCITS or sub-funds thereof. In accordance with the provisions of the 2010 Law, a merger does not require the prior consent of investors except where the Fund is the absorbed entity, which thus ceases to exist as a result of the merger: in such case, the general meeting of shareholders of the Fund must decide on the merger and its effective date.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of the Fund or any Sub-Fund, as applicable, may also decide on any of the mergers described above as well as on the effective date thereof by resolution taken by the general meeting of shareholders of the Fund or Sub-Fund. The convening notice will explain the reasons for and the process of the proposed merger.

In any case, the merger will be subject to the conditions and procedures imposed by the 2010 Law, in particular concerning the common draft terms of the merger to be established by the Board of Directors and the information to be provided to investors.

10.8.2 Absorption of another UCI by the Fund or a Sub-Fund

The Board of Directors may decide to proceed with the absorption by the Fund or one or several Sub-Funds of one or several sub-funds of another Luxembourg or a foreign UCI (other than a UCITS) irrespective of their form, or any Luxembourg or foreign UCI (other than a UCITS) constituted under a non-corporate form. The exchange ratio between the Shares and the shares or units of the absorbed UCI or sub-funds thereof will be calculated on the basis of the net asset value per share or unit as of the effective date of the absorption.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of the Fund or any Sub-Fund, as applicable, may also decide on any of the absorptions described above as well as on the effective date thereof by resolution taken by the general meeting of shareholders of the Fund or Sub-Fund. The convening notice will explain the reasons for and the process of the proposed absorption.

The Fund may absorb another Luxembourg or foreign UCI (other than a UCITS) incorporated under a corporate form in compliance with the 1915 Law and any other applicable laws and regulations.

10.8.3 Reorganisation of Share Classes

The Board of Directors may decide to reorganise Share Classes, as further described below, in the event that, for any reason, the Board of Directors determines that:

- (i) the Net Asset Value of a Share Class has decreased to, or has not reached, the minimum level for that Share Class to be managed and/or administered in an efficient manner;
- (ii) changes in the legal, economic or political environment would justify such reorganisation; or
- (iii) a product rationalisation would justify such reorganisation.

In such a case, the Board of Directors may decide to re-allocate the assets and liabilities of any Share Class to those of one or several other Share Classes, and to re-designate the Shares of the Share Class concerned as Shares of such other Share Class or Share Classes (following a split or consolidation of Shares, if necessary, and the payment to investors of the amount corresponding to any fractional entitlement).

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, investors may also decide on such reorganisation by resolution taken by the general meeting of shareholders of the Share Classes. The convening notice will explain the reasons for and the process of the proposed reorganisation.

Investors will be informed of the reorganisation by way of a notice. The notice will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are distributed. The notice will explain the reasons for and the process of the reorganisation.

10.9 Liquidation

10.9.1 Termination and liquidation of Sub-Funds or Share Classes

The Board of Directors may decide to compulsorily redeem all the Shares of any Sub-Fund or Share Class and thereby terminate and liquidate any Sub-Fund or Share Class in the event that, for any reason, the Board of Directors determines that:

- (i) the Net Asset Value of a Sub-Fund or Share Class has decreased to, or has not reached, the minimum level for that Sub-Fund or Share Class to be managed and/or administered in an efficient manner;
- (ii) changes in the legal, economic or political environment would justify such liquidation; or
- (iii) a product rationalisation would justify such liquidation.

Investors will be informed of the decision to terminate a Sub-Fund or Share Class by way of a notice. The notice will be published and/or communicated to investors as required by applicable laws and regulations in Luxembourg and other jurisdictions where the Shares are

distributed. The notice will explain the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the investors of any Sub-Fund or Share Class, as applicable, may also decide on such termination by resolution taken by the general meeting of shareholders of the Sub-Fund or Share Class and have the Fund redeem compulsorily all the Shares of the Sub-Fund or Share Class at the Net Asset Value per Share for the applicable Valuation Day. The convening notice will explain the reasons for and the process of the proposed termination and liquidation.

Actual realisation prices of investments, realisation expenses and liquidation costs will be taken into account in calculating the Net Asset Value applicable to the compulsory redemption. Investors in the Sub-Fund or Share Class concerned will generally be authorised to continue requesting the redemption or conversion of their Shares prior to the effective date of the compulsory redemption, unless the Board of Directors determines that it would not be in the best interest of investors in that Sub-Fund or Share Class or could jeopardise the fair treatment of investors.

All Shares redeemed will generally be cancelled. Redemption proceeds which have not been claimed by investors upon the compulsory redemption will be deposited in escrow at the *Caisse de Consignation* in Luxembourg in accordance with applicable laws and regulations. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.

The termination and liquidation of a Sub-Fund or Share Class will have no influence on the existence of any other Sub-Fund or Share Class. The decision to terminate and liquidate the last Sub-Fund existing in the Fund will result in the dissolution and liquidation of the Fund in accordance with the provisions of the Articles of Association.

10.9.2 Dissolution and liquidation of the Fund

The Fund is incorporated for an unlimited period. It may be dissolved at any time with or without cause by a resolution of the general meeting of shareholders adopted in compliance with applicable laws.

The compulsory dissolution of the Fund may be ordered by Luxembourg competent courts in circumstances provided by the 2010 Law and the 1915 Law.

As soon as the decision to dissolve the Fund is taken, the issue, redemption or conversion of Shares in all Sub-Funds is prohibited. The liquidation will be carried out in accordance with the provisions of the 2010 Law and 1915 Law. Liquidation proceeds which have not been claimed by investors at the time of the closure of the liquidation will be deposited in escrow at the *Caisse de Consignation* in Luxembourg. Proceeds not claimed within the statutory period will be forfeited in accordance with applicable laws and regulations.

11. TAXATION

The following information is of a general nature only and is based on the Fund's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of this Prospectus. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to shareholders. This summary is based on the laws in force in Luxembourg as of the date of this Prospectus and is subject to any change in law that may take effect after such date. Prospective shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), personal income tax (*impôt sur le revenu*) as well as a temporary equalisation tax (*impôt d'équilibrage budgétaire temporaire*). A corporate taxpayer may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, to the solidarity surcharge and to the temporary equalisation tax. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

11.1 Taxation of the Fund

11.1.1 Subscription tax

The Fund is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) at a rate of 0.05% per annum of its net assets. This rate is however reduced to 0.01% per annum amongst others in the case of Sub-Funds or Share Classes of a Sub-Fund of the Fund which are reserved to institutional investors. Such tax is payable quarterly and calculated on the Net Asset Value of the relevant category at the Valuation Day.

An exemption from subscription tax applies in the following cases:

- a) for the value of the assets represented by shares or units held in other UCI to the extent such shares or units have already been subject to the subscription tax provided by the amended law of 13 February 2007 on specialised investment funds or the 2010 Law;
- b) for UCI, as well as individual sub-funds of umbrella UCI with multiple sub-funds:

- i. the securities of which are reserved for institutional investors; and
 - ii. the exclusive object of which is the collective investment in Money Market Instruments and the placing of deposits with credit institutions; and
 - iii. the weighted residual portfolio maturity of which does not exceed 90 days; and
 - iv. that have obtained the highest possible rating from a recognised rating agency;
- c) for UCI, the securities of which are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, set up on one or several employers' initiative for the benefit of their employees and (ii) companies of one or several employers investing the funds they own, in order to provide their employees with retirement benefits;
 - d) UCI as well as individual sub-funds of umbrella UCI with multiple sub-funds whose main objective is the investment in microfinance institutions; or
 - e) for UCI as well as individual sub-funds of umbrella funds (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices.

11.1.2 Withholding tax

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or payment made by the Fund to its shareholders under the Shares. There is also no withholding tax on the distribution of liquidation proceeds to the shareholders.

11.1.3 Income tax

The Fund is not liable to any Luxembourg income tax in Luxembourg.

11.1.4 Value added tax

The Fund is considered in Luxembourg as a taxable person for value added tax (VAT) purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg. As a result of such VAT registration, the Fund will be in a position to fulfil its duty to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its shareholders, to the extent such payments are linked to their subscription to the Shares and do, therefore, not constitute the consideration received for taxable services supplied.

11.1.5 Other taxes

No stamp duty or other tax is payable in Luxembourg on the issue of shares in the Fund against cash, except a fixed registration duty of EUR 75 upon the Fund's incorporation or if the articles of incorporation of the Fund are amended.

The Fund is exempt from net wealth tax.

The Fund may be subject to withholding tax on dividends and interest and to tax on capital gains in the country of origin of its investments. As the Fund itself is exempt from income tax, withholding tax levied at source, if any, is not creditable/refundable in Luxembourg. It is not certain whether the Fund itself would be able to benefit from Luxembourg's double tax treaties network. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be analysed on a case-by-case basis. Indeed, as the Fund is structured as an investment company (as opposed to a mere co-ownership of assets), certain double tax treaties signed by Luxembourg may directly be applicable to Fund.

11.2 Taxation of the shareholders

A shareholder will not become resident, nor be deemed to be resident, in Luxembourg, by reason only of the holding of the Shares, or the execution, performance, delivery and/or enforcement of its rights and obligations under the Shares.

11.2.1 Income tax

a) Luxembourg non-residents

Shareholders, who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are not liable to any Luxembourg income tax on income received and capital gains realised upon the sale, disposal or redemption of the Shares.

Non-resident corporate shareholders having a permanent establishment or a permanent representative in Luxembourg, to which or whom the Shares are attributable, must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg, to which or whom the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

b) Luxembourg residents

aa) Luxembourg resident individuals

Any dividends received and other payments derived from the Shares received by resident individuals, who act in the course of the management of either their private wealth or their professional / business activity, are subject to income tax at the progressive ordinary rates.

A gain realised upon disposal of Shares by Luxembourg resident individual shareholders, acting in the course of the management of their private wealth, is not subject to income tax, unless said capital gain qualifies either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the Shares are disposed of less than six months after the acquisition thereof, or if their disposal precedes their acquisition. A shareholding is considered as substantial shareholding in limited cases, in particular if (i) the shareholder has held, either alone or together with his spouse and/or his minor children, either directly or indirectly, at any time within the five (5) years preceding the realisation of the gain, more than ten percent (10%) of the share capital of the Fund or (ii) the taxpayer acquired free of charge, within the five years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same five-year period). Capital gains realised on a substantial participation more than six (6) months after the acquisition thereof are subject to income tax according to the half-global rate method, (*i.e.* the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the Shares.

Capital gains realised on the disposal of the Shares by a resident individual shareholder, who acts in the course of the management of his/her professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

bb) Luxembourg resident companies

Luxembourg resident corporate (*sociétés de capitaux*) holders of Shares must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg income tax assessment purposes.

cc) Luxembourg residents benefiting from a special tax regime

Luxembourg resident shareholders which benefit from a special tax regime (such as (i) UCI subject to the 2010 Law (ii) specialised investment funds subject to the amended law of 13 February 2007, (iii) family wealth management companies governed by the amended law of 11 May 2007) are tax exempt entities in Luxembourg, and profits derived from the Shares are thus not subject to any Luxembourg income tax.

11.2.2 Net wealth tax

A Luxembourg resident shareholder, as well as a non-resident shareholder, who has a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, is subject to Luxembourg net wealth tax on such Shares, except if the shareholder is (i) a resident or non-resident individual taxpayer, (ii) an UCI subject to the 2010 Law, (iii) a securitization company governed by the amended law of 22 March 2004 on securitization, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a specialised investment fund governed by the amended law of 13 February 2007, or (vi) a family wealth management company governed by the amended law of 11 May 2007.

11.2.3 Other taxes

Under Luxembourg tax law, where an individual shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his or her taxable basis for inheritance tax purposes. On the contrary, no estate or inheritance tax is levied on the transfer of the Shares upon death of a shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death.

Luxembourg gift tax may be levied on a gift or donation of the Shares if embodied in a Luxembourg notarial deed or registered in Luxembourg.

Interested parties are encouraged to inform themselves and, as the case may be, to seek professional counsel concerning the laws and regulations applicable to the purchasing, holding, redemption or other form of disposal of shares in the Fund under the laws of their country of citizenship, residence, domicile and/or incorporation.

11.3 FATCA

Being established in Luxembourg and subject to the supervision of the CSSF in accordance with the 2010 Law, the Fund will be treated as a Foreign Financial Institution (within the meaning of FATCA) for FATCA purposes.

Luxembourg has entered into a Model I Intergovernmental Agreement (“**IGA**”), which means the Fund must comply with the requirements of the Luxembourg IGA, transposed into Luxembourg legislation by the law dated 24 July 2015. This includes the obligation for the Fund to regularly assess the status of its shareholders. To this end, the Fund will need to obtain and verify information on all of its shareholders. Upon request of the Fund, each shareholder shall agree to provide certain information, including, in case of a Non-Financial Foreign Entity (within the meaning of FATCA), the direct or indirect owners above a certain threshold of ownership of such shareholders, along with the required supporting documentation. Similarly, each shareholder shall agree to actively provide to the Fund within thirty days any information like for instance a new mailing address or a new residency address that would affect its status.

FATCA may result in the obligation for the Fund to disclose the name, address and taxpayer identification number (if available) of the shareholder as well as information like account balances, income and gross proceeds (non-exhaustive list) to its local tax authority under the terms of the applicable IGA.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax as result of the FATCA regime, the value of the Shares held by the shareholder may suffer material losses. A failure for the Fund to obtain such information from each shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of U.S. source income and on proceeds from the sale of property or other assets that could give rise to U.S. source interest and dividends.

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

Shareholders who invest through intermediaries are reminded to check if and how their intermediaries will comply with this U.S. withholding tax and reporting regime.

Shareholders should consult a U.S. tax advisor or otherwise seek professional advice regarding the above requirements.

12. SUPPLEMENT I – EURO SHORT TERM DURATION HIGH YIELD

1. Launch date

The Initial Offer shall start on 19 June 2017 and end on 20 June 2017, or any other dates decided by the Board of Directors. During such period, Shares of the IC EUR, C EUR, ID EUR and D EUR Share Classes will be offered at an Initial Offer Price of EUR 1,000, Shares of the IC CHF Hedged, C CHF Hedged, ID CHF Hedged and D CHF Hedged Share Classes at an Initial Offer Price of CHF 1,000, Shares of the IC USD Hedged, C USD Hedged, ID USD Hedged and D EUR Hedged Share Classes at an Initial Offer Price of USD 1,000.

2. Reference Currency

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

3. Investment objective

The investment objective of the Sub-Fund is to achieve an absolute positive performance over the recommended investment period by investing in fixed or variable coupon bonds and debt securities rated as speculative with an anticipated maturity of less than three years.

4. Investment Strategy and Investment Policy

4.1 Investment Strategy

The Sub-Fund will invest in bonds and debt securities rated as speculative, denominated in Euro with an anticipated maturity of less than three years. The investment universe of the Sub-Fund is mainly composed of bonds and debt securities issued by companies of OECD countries and whose rating is lower or equal to BB+ (Standard & Poor's or Fitch) or Ba1 (Moody's) or via an internal analysis of the Management Company or which are unrated. The Sub-Fund will not invest in securities issued by Distressed Companies.

The Sub-Fund may invest in bonds or debt securities issued by companies of countries outside the OECD, denominated in Euro, up to 10% of its assets. These countries may be emerging markets countries.

The management process of the Sub-Fund relies mainly on a "bottom up" analysis. With this analysis, the Management Company selects issuers whose liquidity situation is sufficient to allow a particular issuer to meet its short term obligations. The Management Company will seek to realise a gain for the Sub-Fund by receiving coupons and, potentially, by a convergence of the discounted price at which the bond or debt security has been bought with its par price.

Furthermore, the Sub-Fund may invest in bonds and debt securities with a legal maturity of more than 3 years if the credit analysis shows a high probability of repayment of its obligations by the issuers before that 3 years period.

The Sub-Fund may also invest in issuers that are rated “investment grade” (i.e. with a rating equal or higher to BBB- (Standard & Poor’s or Fitch) or Baa3 (Moody’s) or, or via an internal rating of the Management Company up to 30% of the assets of the Sub-Fund.

The selection of credit instruments is based on an internal analysis of credit risk and the Management Company does not rely exclusively on rating agencies. The Management Company determines, after analysis of all the information it has, the credit quality of the securities at the purchase, in the course of life and at the sale.

The Sub-Fund does not promote environmental or social characteristics and does not have Sustainable Investment as its objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

4.2 Investment Policy

Debt securities, Money Market Instruments

The Sub-Fund may invest up to 100% of its net assets in debt securities and/or Money Market Instruments.

The Sub-Fund’s net assets are mainly invested in debt securities and bonds issued by private sectors entities rated as speculative, i.e. whose rating is lower or equal to BB+ (Standard & Poor’s or Fitch) or Ba1 (Moody’s) or via an internal analysis of the Management Company or which are unrated.

The Sub-Fund may also invest in debt securities of issuers that are rated “investment grade” (i.e. with a rating equal or higher to BBB- (Standard & Poor’s or Fitch) or Baa3 (Moody’s) or, or via an internal analysis of the Management Company up to 30% of the net assets of the Sub-Fund).

The Sub-Fund may only invest in securities denominated in Euro and will mainly invest in fixed coupon securities.

The Sub-Fund shall invest at least 80% of its net assets in bonds and debt securities.

The Sub-Fund may invest up to 100% of its net assets in bonds and debt securities with fixed or variable coupon, Treasury bills, obligations and negotiable debt securities from the public or private sectors of countries belonging to the Euro zone.

The Sub-Fund may also invest in EUR denominated negotiable debt securities with a term of less than 3 months, issued by issuers with a minimum rating of A1 or P1 (Standard & Poor’s or Fitch) or via an internal analysis of the Management Company.

The Sub-Fund is managed within a sensitivity range of between 0 and 5, with no maturity restrictions on single securities.

The Management Company does not exclusively and mechanically use the ratings issued by rating agencies and shall implement its own internal analysis.

Shares or units of UCITS or other UCI

The Sub-Fund may invest up to 10% of its net assets in shares or units of UCITS or other UCI.

Shares and other equity securities

The Sub-Fund may hold up to 10% of its net assets in shares. The sum of the direct exposure to shares and other equity securities and of the exposure through convertible bonds shall be limited to 10% of the Sub-Fund's net assets.

Securities with embedded derivatives

The Sub-Fund may hold up to 10% of its net assets in convertible bonds. Bonds or debt securities could be also considered as securities with embedded derivatives, because of their call features for example. The underlying assets to such instruments will be eligible assets in accordance with the 2010 Law.

Deposits

In order to manage its cash, the Sub-Fund may make cash deposits up to a limit of 10% of its net assets.

Cash borrowings

The Sub-Fund may borrow cash up to 10% of its net assets.

Derivatives

The Management Company may use financial instruments traded on a regulated market, such as futures (interest rate and equity index futures) and options (interest rate and equity index options).

Futures and options may be used to expose the portfolio to or hedge it against interest rate or equity risk.

These instruments may be used subject to a limit of 100% of the Sub-Fund's net assets and provided that the Sub-Fund's overall sensitivity range of between 0 and 10 is respected.

OTC forward foreign exchange contracts will also be used to hedge foreign currency risk of hedged Share Classes.

5. Investor profile

All investors, especially institutional investors and corporations (including entities belonging to the SCOR Group). As of the date of this Prospectus, all Share Classes are reserved to Professional Investors (per nature or on option) within the meaning of MiFID. IC and ID Share Classes are reserved to Institutional Investors which are also Professional Investors (per nature or on option) within the meaning of MiFID.

The Sub-Fund may appeal to investors seeking capital appreciation of their investment or receiving distribution via exposure to a portfolio of debt securities from high yield. The recommended investment period is 3 years.

6. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund.

7. Global exposure

The global exposure of the Sub-Fund is calculated and monitored under the commitment approach.

8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated on each Valuation Day. With respect to this Sub-Fund and for the purpose of the Valuation Day, a Business Day is any day which is defined as a Business Day in the Prospectus, with the exception of public holidays in France as described in article L 222-1 of the French Labour Code (*Code du Travail*) and on which Eurex, in respect of its interest market, is not closed.

The provisions regarding the swing pricing mechanism as described in Section 8.4 “Swing Pricing mechanism” of the general part of the Prospectus are applicable to the Sub-Fund.

The Swing Factor for this Sub-Fund should not exceed 2% of the original Net Asset Value per Share of the Sub-Fund. In exceptional market circumstances, the Swing Pricing Committee may however decide to increase the maximum level of the Swing Factor as more fully described under Section 8.4 “Swing Pricing mechanism”.

For this Sub-Fund, the swing pricing mechanism will first be applied in relation to the Valuation Day dated 1st February 2021.

9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 12 pm CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is 2 Business Days following the Subscription Day.

10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 12 pm CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is 2 Business Days following the Redemption Day.

11. Conversion

Share Classes of the Sub-Fund may be converted in accordance with Section 7.6 (Conversion of Shares) of the Prospectus.

12. Share Classes

The table below list all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company and the Administrator upon request.

EURO SHORT TERM DURATION HIGH YIELD – Capitalisation Shares						
Share Class name	IC EUR	IC CHF Hedged	IC USD Hedged	C EUR	C CHF Hedged	C USD Hedged
ISIN	LU1497739240	LU1497739752	LU1497739836	LU1497739919	LU1497740099	LU1497740172
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	C	C	C	C	C	C
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.40%	0.40%	0.40%	0.80%	0.80%	0.80%
Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

EURO SHORT TERM DURATION HIGH YIELD – Distribution Shares						
Share Class name	ID EUR	ID CHF Hedged	ID USD Hedged	D EUR	D CHF Hedged	D USD Hedged
ISIN	LU1497740255	LU1497740339	LU1497740412	LU1497740503	LU1497740685	LU1497740768
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	D	D	D	D	D	D
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.40%	0.40%	0.40%	0.80%	0.80%	0.80%

Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

13. Distribution policy

None of the Share Classes in the Sub-Fund with "C" in their denomination will proceed with distribution. Share Classes with "D" in their denomination will proceed with an annual distribution of the net investment income of the Sub-Fund (if any), calculated as gross investment income less the Management Fee and of any costs and fees attributable to these Share Classes. Such distribution will not include any capital gain realised by the Sub-Fund and shall occur within five (5) months of the end of the relevant financial year. Interim distribution may be made at the discretion of the Board of Directors.

14. Other information

For the purposes of calculating regulatory requirements of the Directive 2009/138/EC (Solvency 2), the Sub-Fund's portfolio composition can be communicated to professional investors under the control of a European authority.

13. SUPPLEMENT II – EUROPE HIGH YIELD

1. Launch date

The Initial Offer shall start on 19 June 2017 and end on 20 June 2017, or any other dates decided by the Board of Directors. During such period, Shares of the IC EUR, C EUR, ID EUR and D EUR Share Classes will be offered at an Initial Offer Price of EUR 1,000, Shares of the IC CHF Hedged, C CHF Hedged, ID CHF Hedged and D CHF Hedged Share Classes at an Initial Offer Price of CHF 1,000, Shares of the IC USD Hedged, C USD Hedged, ID USD Hedged and D EUR Hedged Share Classes at an Initial Offer Price of USD 1,000.

2. Reference Currency

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

3. Investment objective

The investment objective of the Sub-Fund is to achieve a performance greater or equal to the Bloomberg Barclays Pan Europe High Yield 2.5% issuer constrained ex Financial Index hedged in euro, less any fees or expenses to be borne by the Sub-Fund, throughout the recommended investment period.

The Bloomberg Barclays Pan Europe High Yield 2.5% issuer constrained ex Financial Index hedged in euro covers the universe of corporate fixed-rate, sub-investment-grade debt denominated in EUR, GBP, CHF or other European currencies. To be included, the bonds must be rated high-yield (Ba1/BB+ or lower) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be high-yield. Bonds must have at least one year to maturity and an outstanding par value of at least EUR50 million or equivalent. The index does not include non-rated bonds. It excludes debt from entities in countries that are designated as emerging markets and financial entities. The maximum weight of one issuer represented in the index is capped at 2.5%, and bonds with the Bloomberg Barclays Level 3 classification of "Financial Institutions" is excluded.

The index is available daily by Bloomberg under the code BPEHTREH Index.

The Sub-Fund is managed in an active and discretionary basis and does not aim at replicating the benchmark. The assets of the Sub-Fund may differ substantially from the composition of the benchmark.

4. Investment Strategy and Investment Policy

4.1 Investment Strategy

The Sub-Fund invests in EUR, GBP, CHF or other European currencies denominated "speculative" bonds and debt securities, and is hedged in Euro. The investment universe is mainly composed of bonds and debt securities issued by OECD companies with ratings lower

than or equal to BB+ (S&P or Fitch) or Ba1 (Moody's) or via an internal analysis of the Management Company or which are unrated.

The Sub-Fund may invest up to 30% of its assets in issuers from outside the principal investment universe, such as "investment grade" or "non-rated" issuers.

Depending on the composition of the benchmark, the Sub-Fund may invest up to 20% of its net assets in bonds and debt securities of Distressed Companies (as defined in section 5.1.6 above), which qualifies as "non-performing issuer" or "issuer in default". These investments are made by the Management Company taking an opportunistic approach or, alternatively, as longer-term investment depending on their type.

The Sub-Fund may invest up to 10% of its assets in EUR, GBP, CHF or other European currencies denominated non-OECD issued bonds debt securities, i.e. bonds and debt securities issued by emerging markets issuers.

The Sub-Fund management process is divided into two parts:

Top down analysis:

Top down analysis is designed to determine the target global exposure of the portfolio in relation to the benchmark index (overexposure, underexposure, neutral exposure) as well as an allocation by business sector and/or by rating grade. To achieve this, the portfolio management team uses available macro-economic data as well as technical elements determining the trends of the high yield market, such as estimated refinancing needs for companies from the investment universe in general or the future evolution of default rates for companies in the speculative category.

Bottom up analysis:

The Management Company seeks to optimize its performance through dynamic asset management, which consists of selecting the most attractive securities for a given credit rating. In addition to the elements provided by the rating agencies, the portfolio management team conducts an internal qualitative analysis of issuers from the investment universe. This internal analysis seeks notably to assess the stability of issuers' debt protection ratios compared to their ratings. In addition to the basic analysis of an issuer, a relative value analysis is conducted using quantitative tools that give the theoretical value of a spread for a given sector and credit rating. For this reason, the Sub-Fund may invest in securities with different levels of seniority within the capital structure of an issuer.

The selection of credit instruments is based on an internal analysis of credit risk and the purchase or the sale of a position is not made solely on the basis of the rating agencies' ratings. The manager determines, after analysis, the credit quality of the securities at the purchase, in the course of life and at the sale.

The Sub-Fund does not promote environmental or social characteristics and does not have Sustainable Investment as its objective.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

4.2 Investment Policy

Debt securities, Money Market Instruments

The Sub-Fund may invest up to 100% of its net assets in debt securities and/or Money Market Instruments.

The majority of the Sub-Fund's net assets are invested in speculative corporate bonds and debt securities, i.e. with a rating lower than or equal to BB+ (S&P or Fitch) or Ba1 (Moody's) or via an internal analysis of the Management Company or which are unrated.

More generally, the Sub-Fund may invest up to 30% of its net assets in debt securities from investment grade issuers, i.e. issuers with a rating of at least BBB- (S&P or Fitch) or Baa3 (Moody's) or via an internal analysis of the asset management company.

The Sub-Fund invests exclusively in EUR, GBP, CHF, or other European currencies denominated securities, for the most part with fixed-rates. The Sub-Fund is hedged in Euro.

A minimum of 80% of the Sub-Fund's net assets is invested in bonds and debt securities.

The Sub-Fund is managed within a rate sensitivity range of between 0 and 10, with no maturity restrictions on the securities.

The Sub-Fund may invest up to 100% of its net assets in fixed or variable bonds and debt securities, Treasury bills, negotiable bonds and debt securities issued by the public sectors of States in the Eurozone countries.

The Sub-Fund may also invest up to 10% of its net assets in EUR, GBP, CHF or other European currencies denominated negotiable debt securities with a term of less than 3 months issued by private issuers having a minimum rating of A1 or P1 (Standard & Poor's or Fitch) or via an internal analysis of the Management Company.

The Management Company does not exclusively and mechanically use the ratings issued by rating agencies and shall implement its own internal analysis.

Shares or units of UCITS or other UCI

The Sub-Fund may invest up to 10% of its net assets in shares or units of UCITS or other UCI.

Shares and other equity securities

The Sub-Fund may hold up to 10% of its net assets in shares. The sum of the direct exposure to shares and other equity securities and of the exposure through convertible bonds shall be limited to 10% of the Sub-Fund's net assets.

Securities with embedded derivatives

The Sub-Fund may hold up to 10% of its net assets in convertible bonds. Bonds or debt securities could be also considered as securities with embedded derivatives, because of their call features for example. The underlying assets to such instruments will be eligible assets in accordance with the 2010 Law.

Deposits

In order to manage its cash, the Sub-Fund may make cash deposits up to a limit of 10% of its net assets.

Cash borrowings

The Sub-Fund may borrow cash up to 10% of its net assets.

Derivatives

The Management Company may use financial instruments traded on a Regulated Market, such as futures (interest rate futures) and options (interest rate options).

Futures and options may be used to manage or to hedge the Sub-Fund's exposure to interest rate risk.

These instruments may be used subject to a limit of 100% of the Sub-Fund's net assets and provided that the Sub-Fund's overall sensitivity range of between 0 and 10 is respected.

OTC forward foreign exchange contracts will also be used to hedge foreign currency risk of the portfolio or hedged Share Classes.

5. Investor profile

All investors, especially institutional investors and corporations (including entities belonging to the SCOR Group). As of the date of this Prospectus, all Share Classes are reserved to Professional Investor (per nature or on option) within the meaning of MiFID. IC and ID Share Classes are reserved to Institutional Investors which are also Professional Investor (per nature or on option) within the meaning of MiFID.

The Sub-Fund may appeal to investors seeking capital appreciation of their investment or receiving distributions via exposure to a portfolio of debt securities from high yield. The recommended investment period is 3 years.

6. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

The Sub-Fund may directly or indirectly purchase securities and other obligations of Distressed Companies, including companies involved in bankruptcy, insolvency or other reorganisation and liquidation proceedings. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time or any return at all. Evaluating investments in Distressed Companies is highly complex and there is no assurance that the Management Company will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a Distressed Company in which the Sub-Fund invests, the Sub-Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

Given their financial situation, Distressed Companies also face increased risk that they may be involved in bankruptcy or insolvency proceedings. There are a number of significant risks when

investing in Distressed Companies that are or may be involved in bankruptcy or insolvency proceedings, including adverse and permanent effects on an issuer, such as the loss of its market position and key personnel, otherwise becoming incapable of restoring itself as a viable entity and, if converted to a liquidation, a possible liquidation value of the company that is less than the value that was believed to exist at the time of the investment. Many events in a bankruptcy or insolvency are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Bankruptcy or insolvency proceedings are often lengthy and difficult to predict and could adversely impact a creditor's return on investment. The bankruptcy and insolvency courts have extensive power and, under some circumstances, may alter contractual obligations of a bankrupt company. Stockholders, creditors and other interested parties are all entitled to participate in bankruptcy or insolvency proceedings and will attempt to influence the outcome for their own benefit. Administrative costs relating to a bankruptcy or insolvency proceedings will be paid out of the debtor's estate prior to any returns to creditors. Also, certain claims, such as for taxes, may have priority by law over the claims of certain creditors.

7. Global exposure

The global exposure of the Sub-Fund is calculated and monitored under the commitment approach.

8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated on each Valuation Day. With respect to this Sub-Fund and for the purpose of the Valuation Day, a Business Day is any day which is defined as a Business Day in the Prospectus, with the exception of public holidays in France as described in article L 222-1 of the French Labour Code (*Code du Travail*) and on which Eurex, in respect of its interest market, is not closed.

The provisions regarding the swing pricing mechanism as described in Section 8.4 "Swing Pricing mechanism" of the general part of the Prospectus are applicable to the Sub-Fund.

The Swing Factor for this Sub-Fund should not exceed 2% of the original Net Asset Value per Share of the Sub-Fund. In exceptional market circumstances, the Swing Pricing Committee may however decide to increase the maximum level of the Swing Factor as more fully described under Section 8.4 "Swing Pricing mechanism".

For this Sub-Fund, the swing pricing mechanism will first be applied in relation to the Valuation Day dated 1st February 2021.

9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 12 pm CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is 2 Business Days following the Subscription Day.

10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 12 pm CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is 2 Business Days following the Redemption Day.

11. Conversion

Share Classes of the Sub-Fund may be converted in accordance with Section 7.6 (Conversion of Shares) of the Prospectus.

12. Share Classes

The table below list all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company and the Administrator upon request.

EUROPE HIGH YIELD – Capitalisation Shares						
Share Class name	IC EUR	IC CHF Hedged	IC USD Hedged	C EUR	C CHF Hedged	C USD Hedged
ISIN	LU1497740842	LU1497740925	LU1497741063	LU1497741147	LU1497741220	LU1497741493
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	C	C	C	C	C	C
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%

Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.50%	0.50%	0.50%	1%	1%	1%
Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

EUROPE HIGH YIELD – Distribution Shares						
Share Class name	ID EUR	ID CHF Hedged	ID USD Hedged	D EUR	D CHF Hedged	D USD Hedged
ISIN	LU1497741576	LU1497741659	LU1497741733	LU1497741816	LU1497741907	LU1497742038
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	D	D	D	D	D	D
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%

Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.50%	0.50%	0.50%	1%	1%	1%
Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

13. Distribution policy

None of the Share Classes in the Sub-Fund with "C" in their denomination will proceed with distribution. Share Classes with "D" in their denomination will proceed with an annual distribution of the net investment income of the Sub-Fund (if any), calculated as gross investment income less the Management Fee and of any costs and fees attributable to these Share Classes. Such distribution will not include any capital gain realised by the Sub-Fund and shall occur within five (5) months of the end of the relevant financial year. Interim distribution may be made at the discretion of the Board of Directors.

14. Other information

For the purposes of calculating regulatory requirements of the Directive 2009/138/EC (Solvency 2), the Sub-Fund's portfolio composition can be communicated to professional investors under the control of a European authority.

14. SUPPLEMENT III – SUSTAINABLE BOND**1. Launch date**

The Initial Offer shall start on 5 February 2019 and end on 6 February 2019, or any other dates decided by the Board of Directors. During such period, Shares of the IC EUR, C EUR, ID EUR and D EUR Share Classes will be offered at an Initial Offer Price of EUR 1,000, Shares of the IC CHF Hedged, C CHF Hedged, ID CHF Hedged and D CHF Hedged Share Classes at an Initial Offer Price of CHF 1,000, Shares of the IC USD Hedged, C USD Hedged, ID USD Hedged and D EUR Hedged Share Classes at an Initial Offer Price of USD 1,000.

2. Reference Currency

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

3. Investment objective

The investment objective of the Sub-Fund is to achieve a performance greater or close to the Bloomberg Barclays MSCI Euro Green Bond Index, less any fees or expenses to be borne by the Sub-Fund, throughout the recommended investment period, by investing in green and social bonds in order to contribute to environmental and social objectives.

The Sub-Fund has Sustainable Investment as its objective and thus falls within the scope of article 9 of the SFDR.

The Bloomberg Barclays MSCI Euro Green Bond Index is a Euro fixed income benchmark that includes Euro denominated fixed income securities (Treasury, corporate, government-related, and securitized debt) issued to fund projects with direct environmental benefits. Securities must be rated Investment Grade (Baa3/BBB-/BBB-) with a minimum size of EUR 300m. Bonds are evaluated along four dimensions to determine whether they should be classified as a green bond, including:

- stated use of proceeds,
- process for green project evaluation and selection,
- process for management of proceeds,
- commitment to ongoing reporting of the environmental performance of the use of proceeds.

The index is available daily by Bloomberg under the code GBEUTREU Index.

The Sub-Fund is managed in an active and discretionary basis and does not aim at replicating the benchmark. The benchmark is used as a reference to determine the allocation of the portfolio and thus only constitute guidance for the Management Company which is not constrained by a change in its composition. As a result, a change in the composition of the benchmark will not necessarily impact the allocation of the portfolio of the Sub-Fund.

4. Investment Strategy and Investment Policy

4.1 Investment Strategy

The investment strategy of the Sub-Fund is to deliver both sustainable and financial returns by investing in green and social bonds with no or limited opportunity cost compared to conventional bonds.

To achieve this strategy, the Sub-Fund investment process combines a top-down analysis of the market environment and a bottom-up security selection.

Top-down analysis is designed to determine the target global exposure of the portfolio in relation to the benchmark index (overexposure, underexposure), duration target and yield curve positioning as well as an allocation by business sector and/or by rating grade. To achieve this, the portfolio management team uses available macro-economic data as well as technical elements determining the trends of the Euro fixed income market.

The bottom-up security selection relies on 3 in-house pillars:

- the fundamental credit analysis of the issuer, performed by an internal analysis of the credit risk by the portfolio management team, and complementary to the existing analysis of the rating agencies,
- the sustainable analysis of each bond, determining an internal ranking of the sustainable impact,
- the relative financial analysis of the bond, which consists of selecting the most attractive security among its peers assessing its richness/cheapness in addition to the credit and the sustainable elements.

For the purpose of attaining the Sustainable Investment objectives of the Sub-Fund and in line with the Green and Social Bond Principles, the investment universe is made of bonds with:

- a stated use of proceeds, meeting at least one of the United Nation's Sustainable Development Goals, where the social/green project should be appropriately described in the legal documentation of the security, providing clear social/environmental benefits,
- a process for project evaluation and selection by which the issuer determines how the project fits within the eligible green/social projects categories on one hand, and the related eligibility/exclusion criteria to identify and manage potentially material environmental and social risks associated with the projects on the other hand in order to ensure that issuers do not significantly harm any other Sustainable Investment objectives,
- a process for management of proceeds via a sub-account or sub-portfolio, or tracked by the issuer in an appropriate manner in a formal process linked to the issuer's lending and investment operations for green/social projects,
- a commitment to ongoing reporting of the environmental/social performance of the use of proceeds, including the list of the projects to which green/social bond proceeds have been allocated and showing transparency on description, amount & impact.

The bonds belonging to the investment universe are issued by companies which follow good governance practices.

The attainment of the Sustainable Investment objectives of the Sub-Fund is measured through two different indicators:

- the Sub-Fund's allocation (in terms of percentage of its assets under management) to issuers that contribute to one or several UN's Sustainable Development Goals,
- for green bonds, the greenhouse gas (GHG) emissions (in tons) avoided with the projects financed through the Sub-Fund.

The selection of credit instruments is based on an internal analysis of credit risk and the purchase or the sale of a position is not made solely based on the agencies' ratings. The portfolio management team determines, after analysis, the credit quality of the securities at the purchase, during life and at the sale.

Pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**"), this Sub-Fund intends to partially invest in economic activities that potentially contribute to an environmental objective and is therefore required to disclose information about the environmentally sustainable investments made.

This Sub-Fund contributes to the following environmental objectives set out in the Article 9 of the Taxonomy Regulation (a) climate change mitigation; (b) climate change adaptation.

In order to contribute to these objectives, it is expected that this Sub-Fund will make investments in economic activities that are at least eligible under the Taxonomy Regulation, including but not limited to energy-related activities (hydropower, wind power, wind power and solar power), construction and real estate activities (new energy efficient buildings and renovation), and transport activities (rail infrastructure and electric rolling stock).

In line with the current state of the SFDR and or the Taxonomy Regulation, the Management Company currently ensures that such sustainable investments of this Sub-Fund (i) contribute to the abovementioned environmental objectives or to social objectives (ii) they do not significantly harm any other sustainable objective by (i) focusing on projects that contribute substantially to climate change mitigation by avoiding or reducing greenhouse gas emissions or enhancing greenhouse gas removals and by (ii) integrating normative and sectoral exclusions.

Due to the current unavailability of reliable data for the assessment of the Taxonomy Regulation alignment of its investments, this Sub-Fund cannot at this stage accurately calculate to what extent its underlying investments qualify as environmentally sustainable as per the strict understanding of Article 3 of the Taxonomy Regulation. However, based on the limited data made available to the Management Company by some investee companies, the proportion of the Sub-Fund's assets invested in environmentally sustainable investments within the meaning of Article 3 the EU Taxonomy Regulation is currently low.

It is expected that an accurate calculation of the alignment of the Sub-Fund with the Taxonomy Regulation will be made available to investors progressively as reliable data becomes available

to perform the calculation. Precise alignment percentage and more accurate information on calculation methodologies will be integrated in a future version of this Prospectus.

4.2 Investment Policy

Debt securities, Money Market Instruments

The Sub-Fund may invest up to 100% of its net assets in debt securities and may invest on an ancillary basis in Money Market Instruments.

The Sub-Fund mainly invests in green or social bonds of issuers (Treasury, corporate, government-related, and securitised) domiciled in an OECD country, with a rating equal or above Baa3 (Moody's) or BBB- (S&P) or via an internal analysis of the Management Company at purchase.

However, the Sub-Fund may invest:

- up to 10% of its net assets in debt securities with a rating at purchased comprised between (B and BB+) (S&P or Fitch) or (B2 and Ba1) (Moody's) or via an internal analysis of the Management Company or non-rated,
- up to 10% of its net assets in green or social bonds issued by non-OECD issuers,
- up to 10% of its net assets in green or social convertible bonds issued by non-financials or asset-backed securities

The Sub-Fund can invest in EUR, USD or GBP denominated fixed-rates bonds, but is hedged in Euro as closely as possible.

A minimum of 80% of the Sub-Fund's net assets are invested in debt securities such as bonds.

The Sub-Fund is managed within a rate sensitivity range of between 0 and 10, with no maturity restrictions on the securities.

The Management Company does not exclusively and mechanically use the ratings issued by rating agencies and shall implement its own internal analysis.

Shares or units of UCITS or other UCI

The Sub-Fund may invest up to 10% of its net assets in shares or units of UCITS or other UCI.

Shares and other equity securities

Although the Sub-Fund shall not hold equity shares, the sum of the direct exposure to shares and other equity securities, such as through convertible bonds, shall be limited to 10% of the Sub-Fund's net assets.

Securities with embedded derivatives

The Sub-Fund may hold up to 10% of its net assets in convertible bonds. Bonds or debt securities could be also considered as securities with embedded derivatives, because of their call features for example. The underlying assets to such instruments will be eligible assets in accordance with the 2010 Law.

Deposits

To manage its liquidity bucket, the Sub-Fund may make cash deposits up to a limit of 10% of its net assets.

Cash borrowings

The Sub-Fund may borrow cash up to 10% of its net assets, in accordance with the applicable law.

Derivatives

The Management Company may use financial instruments traded on a Regulated Exchange, such as futures (interest rate futures) and options (interest rate options). Futures and options may be used to manage or to hedge the Sub-Fund's exposure to interest rate risk, in accordance with the investment policy of the Sub-Fund.

OTC foreign exchange contracts will also be used to hedge foreign currency risk of the portfolio or hedged Share Classes.

These instruments may be used subject to a limit of 100% of the Sub-Fund's net assets and provided that the Sub-Fund's overall sensitivity range of between 0 and 10 is respected.

5. Investor profile

All investors, especially institutional investors and corporations (including entities belonging to the SCOR Group). As of the date of this Prospectus, all Share Classes are reserved to Professional Investors (per nature or on option) within the meaning of MiFID. IC and ID Share Classes are reserved to Institutional Investors which are also Professional Investors (per nature or on option) within the meaning of MiFID.

The Sub-Fund may appeal to investors seeking capital appreciation of their investment or receiving distributions via exposure to a portfolio of green and/or social debt securities. The recommended investment period is 3 years.

6. Specific risks

Investors should carefully read section 5 (General Risk Factors) of the Prospectus before investing in the Sub-Fund. Investors should also consider the following additional risks which are specific to the Sub-Fund.

Currency risk

Currency risk is hedged, therefore the currency risk is residual. However, it is important to note the residual currency risk that could result from an imperfect hedge. This risk could lead to a fall in net asset value.

Securitised debt

The Sub-Fund may have exposure to securitised debt. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds.

Asset-backed securities (ABS) are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates,

the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

In certain circumstances, investments in ABS may become less liquid making it difficult to dispose of them. As a result, the Sub-Fund's ability to respond to market events may be impaired and the Sub-Fund may experience adverse price movements upon disposal of such investments.

The list above refers to the most frequently encountered risks and is not an exhaustive list of all the potential risks.

7. Global exposure

The global exposure of the Sub-Fund is calculated and monitored under the commitment approach.

8. Valuation

Each Business Day is a Valuation Day. The Net Asset Value per Share will be calculated on each Valuation Day. With respect to this Sub-Fund and for the purpose of the Valuation Day, a Business Day is any day which is defined as a Business Day in the Prospectus, with the exception of public holidays in France as described in article L 222-1 of the French Labour Code (*Code du Travail*) and on which Eurex, in respect of its interest market, is not closed.

The provisions regarding the swing pricing mechanism as described in Section 8.4 "Swing Pricing mechanism" of the general part of the Prospectus are applicable to the Sub-Fund.

The Swing Factor for this Sub-Fund should not exceed 2% of the original Net Asset Value per Share of the Sub-Fund. In exceptional market circumstances, the Swing Pricing Committee may however decide to increase the maximum level of the Swing Factor as more fully described under Section 8.4 "Swing Pricing mechanism".

For this Sub-Fund, the swing pricing mechanism will first be applied in relation to the Valuation Day dated 1st February 2021.

9. Subscriptions

Each Valuation Day is a Subscription Day. The Cut-Off Time for subscription applications is 12 pm CET on the Subscription Day. Subscription applications must be settled by the end of the Subscription Settlement Period, which is 2 Business Days following the Subscription Day.

10. Redemptions

Each Valuation Day is a Redemption Day. The Cut-Off Time for redemption applications is 12 pm CET on the Redemption Day. Redemption applications will normally be settled by the end of the Redemption Settlement Period, which is 2 Business Days following the Redemption Day.

11. Conversion

Share Classes of the Sub-Fund may be converted in accordance with Section 7.6 (Conversion of Shares) of the Prospectus.

12. Share Classes

The table below list all Share Classes established within the Sub-Fund. Certain Share Classes may currently not be active or may be unavailable to investors in certain jurisdictions. The list of active Share Classes currently available for subscription in each jurisdiction may be obtained from the Management Company and the Administrator upon request.

SUSTAINABLE BOND – Capitalisation Shares						
Share Class name	IC EUR	IC CHF Hedged	IC USD Hedged	C EUR	C CHF Hedged	C USD Hedged
ISIN	LU1900179588	LU1900179661	LU1900179745	LU1900179828	LU1900180081	LU1900180164
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	C	C	C	C	C	C
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%

Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.35%	0.35%	0.35%	0.70%	0.70%	0.70%
Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

SUSTAINABLE BOND – Distribution Shares						
Share Class Name	ID EUR	ID CHF Hedged	ID USD Hedged	D EUR	D CHF Hedged	D USD Hedged
ISIN	LU1900180248	LU1900180594	LU1900180677	LU1900180750	LU1900180834	LU1900180917
Reference Currency	EUR	CHF	USD	EUR	CHF	USD
Distribution (D) or Capitalisation (C)	D	D	D	D	D	D
Currency Hedged Share Class	N/A	Yes	Yes	N/A	Yes	Yes
Minimum Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Additional Subscription	EUR 1,000	CHF 1,000	USD 1,000	EUR 1,000	CHF 1,000	USD 1,000
Minimum Holding	1 Share	1 Share	1 Share	1 Share	1 Share	1 Share
Share Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals	3 Decimals
Maximum Subscription Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Subscription Fee paid to the Management Company	3%	3%	3%	3%	3%	3%

Maximum Redemption Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Redemption Fee paid to the Management Company	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Sub-Fund	0%	0%	0%	0%	0%	0%
Maximum Conversion Fee paid to the Management Company	3%	3%	3%	3%	3%	3%
Maximum Management Fee ¹	0.35%	0.35%	0.35%	0.70%	0.70%	0.70%
Maximum Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A
<i>Taxe d'abonnement</i>	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%

¹ Excluding the portion of the net assets of the Sub-Fund invested in UCITS or other UCI managed by entities within the SCOR Group

13. Distribution policy

None of the Share Classes in the Sub-Fund with "C" in their denomination will proceed with distribution. Share Classes with "D" in their denomination will proceed with an annual distribution of the net investment income of the Sub-Fund (if any), calculated as gross investment income less the Management Fee and of any costs and fees attributable to these Share Classes. Such distribution will not include any capital gain realised by the Sub-Fund and shall occur within five (5) months of the end of the relevant financial year. Interim distribution may be made at the discretion of the Board of Directors.

14. Other information

For the purposes of calculating regulatory requirements of the Directive 2009/138/EC (Solvency 2), the Sub-Fund's portfolio composition can be communicated to professional investors under the control of a European authority.

15. ADDITIONAL INFORMATION TO THE PROSPECTUS FOR INVESTORS IN THE UNITED KINGDOM

SCOR FUNDS (the “Fund”) is a public limited company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*).

The Fund is categorized as a “recognized scheme” in the United Kingdom under Section 264 of the Financial Services and Markets Act 2000, as amended (“FSMA”). In this respect, the following compartments may be marketed to investors in the United Kingdom:

- **EURO SHORT TERM DURATION HIGH YIELD; and**
- **EUROPE HIGH YIELD.**

In connection with the Fund’s recognition under Section 264 of FSMA, the Fund has appointed the following UK Facilities Agent (the “Facilities Agent”):

1. Facilities Agent address:

Societe Generale, London Branch
One Bank Street
Canary Wharf
London, United Kingdom, E14 4SG

2. Information to investors:

The following documents related to the Fund will be available for inspection and for the obtaining (free of charge) of copies in English during regular business hours at the office of the Facilities Agent:

- (1) the latest regulations of the Fund;
- (2) the latest prospectus for the Fund;
- (3) key investor information documents;
- (4) the latest annual and half-yearly reports.

The prospectus contains information describing where information in English can be obtained about prices of the units of the Fund and where a participant in the Fund may redeem or arrange for redemption of the units of the Fund and obtain payment.

For UK investors, information in English can be obtained about prices of the Fund and where a participant may arrange for redemption of the units of the Fund and arrange payment from the Facilities Agent.

3. Written Complaints:

Any person wishing to make complaint about the operation of the Fund can submit a complaint to the UK Facilities Agent at the address set out above for transmission to the Fund.



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