

Aegon Asset Management Investment Company (Ireland) plc

An umbrella fund with segregated liability between sub-funds

A company incorporated with limited liability as an open-ended investment company with variable capital under the laws of Ireland with registered number **442106**

PROSPECTUS

This Prospectus is dated 7 September 2020

This Prospectus may not be distributed unless accompanied by, and must be read in conjunction with the Supplement for the Shares of the Fund being offered.

The Directors of **Aegon Asset Management Investment Company (Ireland) plc** whose names appear in the **Directors of the Company** section of the Prospectus accept responsibility for the information contained in this Prospectus and each relevant Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case), the information contained in this Prospectus (as complemented, modified or supplemented by the relevant Supplement), when read together with the relevant Supplement, is in accordance with the facts as at the date of the relevant Supplement and does not omit anything likely to affect the import of such information.

1. INTRODUCTION

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS AND THE RELEVANT SUPPLEMENT YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

The Company is structured as an umbrella type open-ended investment company with variable capital, incorporated on 25 June 2007 and is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (as amended). Accordingly, the Company is supervised by the Central Bank of Ireland (the Central Bank). This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus.

Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one class may be issued in relation to a Fund. All Shares of each class will rank pari passu save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior Central Bank approval is required) or any new class of Shares (which must be issued in accordance with the requirements of the Central Bank), the Company will prepare and the Directors will issue a Supplement setting out the relevant details of each such Fund or new class of Shares. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each class of Shares) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the classes of Shares available therein are set out in the relevant Supplement.

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

Shareholders should note that all or part of the fees and expenses may be charged (in whole or part) to the capital of the Fund. Where such fees and expenses are charged to capital, Shareholders may not receive back the full amount invested on repurchases of Shares which would have the effect of lowering the capital value of your investment.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the audited annual report of the Company for the period to 31 October each year unless accompanied by a copy of such report and, if published after the annual report, a copy of the then latest published semi-annual report and unaudited accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Company.

Shares of the Company may be admitted to the Official List and trading on the Main Securities Market of Euronext Dublin. Neither the admission of Shares of the Company to the Official List and trading on the Main Securities Market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The Directors do not anticipate that an active secondary market will develop in any of the Shares of the Company.

The Directors confirm there has been no significant change in the financial or trading position of the Company since the end of the period for which the audited financial statement included in the listing particulars are prepared and which form part of the listing particulars.

The Company is a recognised collective investment scheme for the purposes of Section 264 of the Financial Services and Markets Act 2000 (FSMA) of the United Kingdom and the Company may be marketed in the United Kingdom following the exit of the United Kingdom from the European Union in the

absence of a withdrawal agreement between both parties pursuant to a notification made to the Financial Conduct Authority under Part 6 of The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019. This Prospectus is distributed in the United Kingdom by or on behalf of the Directors and is approved for the purposes of the FSMA by Aegon Asset Management UK plc which is authorised and regulated by the Financial Conduct Authority.

The Company maintains facilities in the United Kingdom at the address given below in the interests of Shareholders on matters such as inspection of the Memorandum and Articles of Association of the Company, the Prospectus, KIIDs, the reports and accounts and arrangements for repurchase of Shares. In addition, any person who has a complaint to make about the operation of the Company can submit his complaint in writing to the address given below:

Aegon Asset Management UK plc

3 Lochside Crescent

Edinburgh EH12 9SA

United Kingdom

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised. In particular the Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or the securities laws of any state or political subdivision of the United States and may not, except in a transaction which does not violate U.S. securities laws, be directly or indirectly offered or sold in the United States or to any U.S. Person. The Company will not be registered under the United States Investment Company Act of 1940 as amended.

This Prospectus has been prepared solely for, and is being made available to investors for the purposes of, evaluating an investment in Shares in the Funds. Investors should only consider investing in the Funds if they understand the risks involved including the risk of losing all capital invested.

The Articles of Association of the Company give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to repurchase Shares held by), or the transfer of Shares to, any U.S. Persons (unless permitted under certain exceptions under the laws of the United States) or by any person who does not clear such money laundering checks as the Directors may determine or by any person who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages (including endeavouring to ensure that the relevant Fund's assets are not considered plan assets for the purpose of ERISA) or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached (including without limitation, where a holder fails to provide the Company with information required to satisfy any automatic exchange of information obligations under, for example, FATCA of a Fund, the Company, the Depositary, the administrator, the investment manager or any delegate thereof) or any individual under the age of 18 (or such other age as the Directors may think fit). Where Taxable Irish Persons acquire and hold Shares, the Company shall, where necessary for the collection of Irish tax, repurchase and cancel Shares held by a person who is or is deemed to be or is acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for Irish taxation purposes and pay the proceeds thereof to the Irish Revenue Commissioners.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail. All communications in relation to this Prospectus and any Supplements shall be in English unless otherwise agreed.

Shareholders in the United Kingdom shall not have the right to cancel the investment agreement constituted by the acceptance by or on behalf of the Company of an application for Shares. The Company does not have a place of business in the United Kingdom and is not authorised under the FSMA. As against the Company, and any overseas agent thereof who is not authorised to carry on regulated activities in the United Kingdom, a United Kingdom investor will not benefit from the rules and regulations made under the FSMA for the protection of private investors, including the Financial Services Compensation Scheme and the Financial Ombudsman Service.

Jersey

The consent of the Jersey Financial Services Commission (the **Commission**) under the Control of Borrowing (Jersey) Order, 1958 as amended has been obtained to the circulation in Jersey of an offer for subscription, sale or exchange of Shares in the Company. It must be distinctly understood that in giving this consent the Commission does not take any responsibility for the financial soundness of any schemes or for the correctness of any statements made or opinions expressed with regard to them. The Commission is protected by the Control of Borrowing (Jersey) Law, 1947, against liability arising from the discharge of its functions under that law.

Guernsey

Consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinances, 1959-2003 has been obtained to the circulation of this Prospectus in the Bailiwick of Guernsey. Neither the Guernsey Financial Services Commission nor the States of Guernsey policy council takes any responsibility for the financial soundness of the Company or the correctness of any of the statements made or opinions expressed with regard to it.

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

The value of and income from Shares in the Company may go up or down and you may not get back the amount you have invested in the Company. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. Applicants' attention is drawn to the section entitled RISK FACTORS below which sets out certain investment risks for an investor.

Prices of shares may fall as well as rise. The difference at any one time between the sale and repurchase price of shares in the Fund means that the investment should be viewed as medium to long term.

Any information given or representations made, by any dealer, salesman or other person, which are not contained in this Prospectus or the relevant Supplement or in any reports and accounts of the Company forming part hereof must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus or the relevant Supplement nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus or the relevant Supplement is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement. This Prospectus or the relevant Supplement may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of Association of the Company, copies of which are available as mentioned herein.

This Prospectus and the relevant Supplements shall be governed by and construed in accordance with Irish Law.

Defined terms used in this Prospectus shall have the meanings attributed to them in the Definitions section below.

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2. DEFINITIONS

Accounting Period means a period ending on 31 October of each year;

Accumulation Share means an accumulating share available for certain Funds of the Company which generally do not pay out a dividend or other distribution as more particularly described in the relevant Supplements;

Act means the Companies Act 2014, as may be amended and as same may be further amended and including any regulations made thereunder by ministerial order and any conditions that may from time to time be imposed thereunder by the Central Bank whether by notice or otherwise affecting the Company;

Administration Agreement means the Investment Fund Services Agreement for the provision of Fund Accounting and Transfer Agency Services Agreement dated 23 December 2016 between the Company and Citibank Europe plc, as may be amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Administrator means **Citibank Europe plc** or any successor thereto duly appointed in accordance with the requirements of the Central Bank;

AIF means an alternative investment fund as defined in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers;

Application Form means the initial application form for Shares;

Approved Counterparty means permitted pursuant to the Central Bank UCITS Regulations;

Articles means the Articles of Association of the Company as amended from time to time in accordance with the requirements of the Central Bank;

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

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

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

Central Bank UCITS Regulations means Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended from time to time, and any guidance issued by the Central Bank;

Company means **Aegon Asset Management Investment Company (Ireland) plc**;

Connected Person means the persons defined as such in the section headed **Portfolio Transactions and Conflicts of Interest**;

Data Protection Legislation means (i) the Data Protection Acts 1988 and 2003 or any other legislation or regulations implementing Directive 95/46/EC, (ii) the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, (iii) the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) (**GDPR**) and any consequential national data protection legislation and (iv) any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;

Dealing Day means in respect of each Fund such Business Day or Business Days as is or are specified in the Supplement for the relevant Fund provided that there shall be at least two Dealing Days for each Fund in each month (with at least one Dealing Day per fortnight of the relevant month);

Dealing Deadline means in relation to applications for subscription repurchase or exchange of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund;

Depository means **Citibank Depository Services Ireland Limited** or any successor thereto duly appointed with the prior approval of the Central Bank;

Depository Agreement means the agreement dated 21 October 2016 between the Company and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank UCITS Regulations;

Dilution Adjustment has the meaning assigned thereto in section 9.4 - **Dilution Adjustment**;

Directors mean the directors of the Company, each a **Director**;

Distribution Agreements means each of the distribution agreements between the Company and the Distributors as described under the heading **Material Contracts** below;

Distributor means either Aegon Asset Management UK plc or Aegon Investment Management B.V., appointed by the Company for the purposes of coordinating the distribution of the Shares of each Fund;

EEA means European Economic Area (the current members being: the EU, Iceland, Liechtenstein and Norway);

EEA Member State means a member state of the EEA;

Efficient Portfolio Management means investment decisions involving transactions that are entered into for one or more of the following specific aims: the reduction of risk; the reduction of cost; or the generation of additional capital or income for the relevant Fund with an appropriate level of risk, taking into account the risk profile of the relevant Fund as described in the Prospectus and Supplement for the relevant Fund and the general provisions of the UCITS Directive;

EU means the European Union, the current members being Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and The Netherlands;

EU Benchmark Regulation means Regulation (EU) 2061/1011 of the European Parliament and the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) NO 596/2014;

EU Member State means a member state of the EU;

Euro or **€** means the lawful currency of the European Monetary Union Member States or any successor currency;

Euronext Dublin means the Irish Stock Exchange plc trading as Euronext Dublin;

Exchange Charge means the charge, if any, payable on the exchange of Shares as is specified herein or in the relevant supplement;

FDI means a financial derivative instrument permitted by the Regulations;

Foreign Person means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B of the TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject to have been satisfied;

Fund means a portfolio of assets which is invested in accordance with the investment objective and policies set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and **Funds** means all or some of the Funds as the context requires or any other funds as may be established by the Company from time to time with the prior approval of the Central Bank;

Income Share means a Share of a class available in each Fund of the Company which distributes substantially the whole of the net income (including interest and income) attributable to such Shares as more particularly described in the relevant Supplements;

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

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

Investment Manager means Aegon Asset Management UK plc or any successor thereto duly appointed in accordance with the requirements of the Central Bank;

Investment Management Agreement means the amended and restated investment management agreement between the Investment Manager and the Company dated 20 May 2016 as may be amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank;

Markets mean the stock exchanges and regulated markets set out in Schedule I;

Minimum Additional Investment Amount means such amount (if any) as the Directors may from time to time prescribe as the minimum additional investment amount required by each Shareholder for Shares of each class in a Fund as is specified in the Supplement for the relevant Fund;

Minimum Fund Size means USD20 million or such other amount (if any) as the Directors may decide for a Fund from time to time;

Minimum Initial Investment Amount means such amount or number of Shares (if any) as the Directors may from time to time prescribe as the minimum initial subscription required by each Shareholder for Shares of each class in a Fund as is specified in the Supplement for the relevant Fund;

Minimum Shareholding means such number or value of Shares of any class (if any) as specified in the Supplement for the relevant class of Shares within a Fund;

Minimum Share Class Size means such amount (if any) as the Directors may consider for each Class and as set out in the Supplement for the relevant Fund;

Minimum Repurchase Amount means such number or value of shares of any class (if any) as specified in the Supplement for the relevant Fund;

Money Market Instruments shall have the meaning prescribed to it in the Regulations, as may be amended from time to time;

month means calendar month;

Net Asset Value or **Net Asset Value per Share** means in respect of the assets of a Fund or the Shares in a Fund, the amount determined in accordance with the principles set out in the Calculation of Net Asset Value/Valuation of Assets section below as the Net Asset Value of a Fund or the Net Asset Value per Share;

OECD means the Organisation for Economic Co-operation and Development, (the current members being: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic), Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States) which includes any other country or countries which become members of the OECD from time to time;

OECD Member State means a member state of the OECD;

OTC derivative means a financial derivative instrument permitted by the Regulations which is dealt over the counter;

Persons Closely Associated in relation to a director means:

- a) the spouse of the *director*,
- (b) dependent children of the *director*,

(c) other relatives of the *director*, who have shared the same household as that person for at least one year on the date of the transaction concerned,

(d) any person -

(i) the managerial responsibilities of which are discharged by a person -

(a) discharging managerial responsibilities within the issuer, or

(b) referred to in paragraph (a), (b) or (c) of this definition,

(ii) that is directly or indirectly controlled by a person referred to in subparagraph (i) of paragraph (d) of this definition,

(iii) that is set up for the benefit of a person referred to in subparagraph (i) of paragraph (d) of this definition, or

(iv) the economic interests of which are substantially equivalent to those of a person referred to in subparagraph (i) of paragraph (d) of this definition;

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

Privacy Statement means the privacy statement adopted by the Company, as amended from time to time, the current version of which is available via the website at www.aegonam.com/VCIC-privacy;

Recognised Market means the list of markets at Schedule 1;

Regulations means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended from time to time;

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

Reporting Share means a share with a UK Reporting Status;

Reporting Fund means a Share Class that complies with the UK tax regime for offshore funds and has a certain tax status relevant for a UK tax paying Shareholders;

Settlement Date means in respect of receipt of monies for subscription for Shares or dispatch of monies for the repurchase of Shares, the date specified in the Supplement for the relevant Fund. In the case of repurchases this date will be no more than ten Business Days after the relevant Dealing Deadline, or if later, the receipt of completed repurchase documentation;

Semi-Permanent Pricing Basis has the meaning assigned thereto at page 38;

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

Shareholders means holders of Shares, and each a **Shareholder**;

£, Sterling and Pound means the lawful currency of the United Kingdom or any successor currency;

Supplement means any supplement to the Prospectus issued on behalf of the Company from time to time;

Taxable Irish Person means any person, other than:

(i) a Foreign Person;

(ii) an intermediary, including a nominee, for a Foreign Person;

(iii) a qualifying management company within the meaning of section 739B TCA;

(iv) a specified company within the meaning of section 734 TCA;

(v) an investment undertaking within the meaning of section 739B of the TCA;

(vi) an investment limited partnership within the meaning of section 739J of the TCA;

- (vii) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (viii) a company carrying on life business within the meaning of section 706 TCA;
- (ix) a special investment scheme within the meaning of section 737 TCA;
- (x) a unit trust to which section 731(5)(a) TCA applies;
- (xi) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (xii) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
- (xiii) the Courts Service;
- (xiv) a Credit Union;
- (xv) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;
- (xvi) a company within the charge to corporation tax under section 110(2) TCA;
- (xvii) the National Asset Management Agency;
- (xviii) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency;
- (xix) a qualifying company within the meaning of section 110 TCA;
- (xx) the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018); and
- (xxi) any other person as may be approved by the directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27 Chapter 1A of the TCA.

in respect of each of which the appropriate declaration set out in Schedule 2B TCA or otherwise and such other information evidencing such status is in the possession of the Company on the appropriate date.

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

transferable securities shall have the meaning prescribed to it in the Regulations, as may be amended from time to time;

UCITS means an undertaking for collective investment in transferable securities which is authorised under the Regulations or authorised by a competent authority in another member state of the European Union in accordance with the UCITS Directive:

the sole object of which is the collective investment in transferable securities and/or in other financial instruments of capital raised from the public and which operates on the principle of risk-spreading; and

the shares of which are, at the request of holders, repurchased or redeemed, directly or indirectly, out of that undertaking's assets;

UCITS Directive means the 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 as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations;

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

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

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

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

Valuation Point the point in time by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund provided that there shall be at least two Valuation Points in every month.

3. **FUNDS**

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

3.1. **Investment Objective and Policies**

The Articles provide that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the Company appear in the Supplement for the relevant Fund.

Any change in the investment objective or a material change in the investment policies of a Fund will be subject to prior approval on the basis of a majority of votes cast by an ordinary resolution of Shareholders passed at a general meeting or by all of the Shareholders by way of a written resolution.

Subject thereto, non-material changes to the policy of a Fund may be amended from time to time by the Directors if they shall deem it to be in the best interest of the relevant Fund to do so. In the event of a change of investment objective and/or material change of the policies of a Fund, the changes will be provided for in an update to the relevant Supplement of the Fund and a reasonable notification period will be provided to Shareholders to enable them to redeem their Shares prior to the implementation of such a change.

3.2. **Investment Restrictions**

The investment restrictions applying to each Fund of the Company under the Regulations are set out below. These are, however, subject to the qualifications and exemptions, some subject to derogations being granted by the Central Bank contained in the Regulations and in the Central Bank UCITS Regulations. Any additional investment restrictions for other Funds will be formulated by the Directors at the time of the creation of such Fund.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are located.

3.2.1. **Permitted Investments**

Investments of a Fund are confined to:

- (1) transferable securities and money market instruments as prescribed in the Regulations and/or Central Bank UCITS Regulations which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State.
- (2) recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.

- (3) money market instruments, as defined in the Regulations and/or Central Bank UCITS Regulations, other than those dealt on a regulated market.
- (4) units of UCITS.
- (5) units of AIFS as set out in the Regulations and/or Central Bank UCITS Regulations.
- (6) deposits with credit institutions as prescribed in the Central Bank UCITS Regulations.
- (7) financial derivative instruments as prescribed in the Regulations.

3.2.2. Investment Limits

- (1) A Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 3.2.1.
- (2) A Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 3.2.1) within a year. This restriction will not apply in relation to investment by the Fund in certain US securities known as Rule 144A securities provided that:
 - (a) the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
 - (b) the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- (3) A Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- (4) Subject to the prior approval of the Central Bank, the limit of 10% (in 3.2.2(3)) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- (5) The limit of 10% (in 3.2.2(3)) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.
- (6) The transferable securities and money market instruments referred to in 3.2.2(4) and 3.2.2(5) shall not be taken into account for the purpose of applying the limit of 40% referred to in 3.2.2(3).
- (7) Cash booked in accounts and held as ancillary liquidity shall not exceed 20% of the net assets of a Fund.
- (8) The risk exposure of a Fund to a counterparty to an over the counter (**OTC**) derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the

Basle Capital Convergence Agreement of July, 1988; or a credit institution authorised in the Channel Islands, the Isle of Man, Australia or New Zealand.

- (9) Notwithstanding paragraphs 3.2.2(3), 3.2.2(7) and 3.2.2(8) above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- (10) investments in transferable securities or money market instruments;
- (a) deposits, and/or
 - (b) counterparty risk exposures arising from OTC derivatives transactions.
- (11) The limits referred to in 3.2.2(3), 3.2.2(4), 3.2.2(5), 3.2.2(7), 3.2.2(8) and 3.2.2(9) above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- (12) Group companies are regarded as a single issuer for the purposes of 3.2.2(3), 3.2.2(4), 3.2.2(5), 3.2.2(7), 3.2.2(8) and 3.2.2(9). However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- (13) A Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members or any of the following. The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

OECD Member States, (provided the relevant issues are investment grade)

Government of the People's Republic of China

Government of Brazil, (provided the relevant issues are investment grade)

Government of India, (provided the relevant issues are investment grade)

Government of Singapore

European Investment Bank

European Bank for Reconstruction and Development

International Finance Corporation

International Monetary Fund

Euratom

The Asian Development Bank

European Central Bank

Council of Europe

Eurofima

African Development Bank

International Bank for Reconstruction and Development (The World Bank)

The Inter-American Development Bank

European Union

Federal National Mortgage Association (Fannie Mae)

Federal Home Loan Mortgage Corporation (Freddie Mac)

Government National Mortgage Association (Ginnie Mae)
Student Loan Marketing Association (Sallie Mae)
Federal Home Loan Bank
Federal Farm Credit Bank
Tennessee Valley Authority
Straight-A Fund LLC

3.2.3. **Investment in Collective Investment Schemes (CIS)**

Where a Fund can invest in CIS this will be set out in the relevant Fund's Supplement and the following restrictions will apply:

- (1) Subject to any lower limit specified in a particular Supplement, a Fund may not invest more than 20% of net assets in other collective investment schemes.
- (2) Investment in AIFs may not, in aggregate, exceed 10% of net assets of a Fund.
- (3) The CIS in which a fund invests must be prohibited from investing more than 10% of its net assets in other open ended collective investment schemes.
- (4) When a Fund invests in the units of other CIS that are managed directly or by delegation, by the Fund's management company or by any other company with which the Fund's management company is linked by common management or control or by a substantial direct or indirect holding that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
- (5) Where a commission (including a rebated commission) is received by the Fund manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

3.2.4. **Index Tracking UCITS**

- (1) A Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.
- (2) The limit in 3.2.4(1) may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

3.2.5. **General Provisions**

- (1) An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- (2) A Fund may acquire no more than:
 - (a) 10% of the non-voting shares of any single issuing body;
 - (b) 10% of the debt securities of any single issuing body;
 - (c) 25% of the units of any single CIS;
 - (d) 10% of the money market instruments of any single issuing body.

The limits laid down in 3.2.5(2)(b), 3.2.5(2)(c) and 3.2.5(2)(d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

- (3) 3.2.5(1) and 3.2.5(2) shall not be applicable to:
 - (a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
 - (b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
 - (c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
 - (d) shares held by a Fund in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 3.2.2(3) to 3.2.2(11), 3.2.3(1), 3.2.3(2), 3.2.5(1), 3.2.5(2), 3.2.5(4), 3.2.5(5) and 3.2.5(6) and provided that where these limits are exceeded, paragraphs 3.2.5(5) and 3.2.5(6) below are observed;
 - (e) shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.
- (4) The Company need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- (5) The Central Bank may allow recently authorised Funds to derogate from the provisions of 3.2.2(1) to 3.2.2(12), 3.2.3(1), 3.2.3(2), 3.2.4(1) and 3.2.4(2) for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- (6) If the limits laid down herein are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- (7) A Fund may not carry out uncovered sales of:
 - (a) transferable securities;
 - (b) money market instruments;
 - (c) units of CIS; or
 - (d) financial derivative instruments.
- (8) A Fund may hold ancillary liquid assets.

3.2.6. **Financial Derivative Instruments (FDIs)**

- (1) A Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total Net Asset Value.
- (2) Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- (3) A Fund may invest in FDIs dealt in over-the-counter (**OTC**) provided that the counterparties to over-the-counter (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- (4) Investments in FDIs are subject to the conditions and limits laid down by the Central Bank.

3.3. **Efficient Portfolio Management - Derivatives**

A Fund may employ techniques and instruments relating to transferable securities and/or other financial instruments in which it invests for Efficient Portfolio Management purposes, a list of which (if any) shall be set out in the relevant Supplement.

The following is a description of the types of financial derivative instruments which may be used by the Funds:

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Futures may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently, using futures to achieve a particular strategy instead of using the underlying or related security or index results in lower transaction costs being incurred.

Forwards

A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date, whereas an interest rate forward determines an interest rate to be paid or received on an obligation beginning at a start date sometime in the future. Forward contracts may be cash settled between the parties. These contracts cannot be transferred. The Funds' use of forward foreign exchange contracts may include, but is not be limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, shifting exposure to currency fluctuations from one currency to another and hedging classes denominated in a currency (other than the Base Currency) to the Base Currency.

Options

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) of the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option. Options may also be cash settled. A Fund may be a seller or buyer of put and call options.

Swaps

A standard swap is an agreement between two counterparties in which the cash flows from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. The Funds may enter into swaps, including, but not limited to, equity swaps, swaptions, interest rate swaps or currency swaps and other derivative instruments both as independent investment opportunities and to hedge existing long positions. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Swaptions are contracts whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (normally where future rates are set in relation to a fixed benchmark). Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party, and only the net amount, is paid by one party to the other. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Spot Foreign Exchange Transactions

The Funds may enter into spot foreign exchange transactions which involve the purchase of one currency with another, a fixed amount of the first currency being paid to receive a fixed amount of the second currency. **Spot** settlement means that delivery of the currency amounts normally takes place two business days in both relevant centres after the trade is executed.

Caps and Floors

The Funds may enter into caps and floors which are agreements under which the seller agrees to compensate the buyer if interest rates rise above a pre-agreed strike rate on pre-agreed dates during the life of the agreement. In return the buyer pays the seller a premium up front. A floor is similar to a cap except that the seller compensates the buyer if interest rates fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement. As with a cap, the buyer pays the seller a premium up front.

Contracts for Differences

The Funds may enter into contracts for differences which allow a direct exposure to the market, a sector or an individual security. Unlike a forward contract, there is no final maturity, the position being closed out at the discretion of the position taker. Contracts for differences (**CFD**) are used to gain exposure to share price movements without buying the shares themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and when the contract is closed.

Credit Derivatives

The Funds may enter into credit derivatives to isolate and transfer the credit risk associated with a particular reference asset. Credit default swaps provide a measure of protection against defaults of debt issuers. The Funds' use of credit default swaps does not assure their use will be effective or will have the desired result. A Fund may either be the buyer or seller in a credit default swap transaction. Credit default swaps are transactions under which the parties' obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant deterioration in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a credit default swap contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If the Fund is a buyer and no credit event occurs the Fund's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, the Funds will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation.

3.4. Efficient Portfolio Management – Stocklending, Repurchase Agreements and Reverse Repurchase Agreements (Repo Transactions)

The Company may enter into certain repurchase or reverse repurchase transactions ("repo transactions") or stocklending transactions in respect of any Fund for Efficient Portfolio Management purposes and this fact will be set out in the relevant Supplement, where applicable.

The use of stocklending agreements, repurchase agreements and reverse repurchase agreements may only be effected in accordance with normal market practice and all assets received under such transactions will be considered collateral and will comply with the criteria set out in the section entitled "Collateral Management Policy".

There is no limit on the amount of assets of a Fund which may be used for stocklending or repo transactions but the transactions must satisfy three broadly-based requirements:-

- a. they may not include speculative transactions. Stocklending or repo transactions must be economically appropriate in that they are realised in a cost effective way.
- b. The purpose of such transactions for any Fund must be to achieve one of the following in respect of a Fund:-
 - (i) Reduction of risk
 - (ii) Reduction of cost
 - (iii) The generation of additional capital or income for the Fund with a risk level which is consistent with the risk profile of the Fund and the risk diversification rules in the UCITS Regulations and Central Bank UCITS Regulations.

The relevant purpose must relate to the assets of a Fund; property (whether precisely identified or not) which is to be or proposed to be acquired for a Fund; and anticipated cash receipts in respect of the Fund, if due to be received at some time and likely to be received within one month.

- c. Each such transaction must be covered globally, that is, a Fund's exposure must not exceed its Net Asset Value, taking into account the value of the underlying assets, future market movements, counterparty risk and the time available to liquidate any position. The global exposure must be calculated on at least a daily basis.

Briefly, stocklending and repo transactions are those where one party ('Party A') delivers securities to the other ('Party B') in return for which it is agreed that securities of the same kind and amount should be redelivered to Party A at a later date. Party B provides Party A with collateral to cover against the risk of the future redelivery not being completed.

There is no limit on the value of the assets which may be the subject of stocklending or repo transactions.

If repo and/or stocklending transactions are entered into, counterparty risk exposures will be aggregated across (i) repo and/or stocklending transactions (as appropriate) and (ii) Efficient Portfolio Management Derivative transactions (referred to above).

Any potential conflict of interests relating to stocklending or repo transactions shall be dealt with in accordance with the section above headed 'Conflicts of Interests'.

Direct and indirect operational costs and fees incurred in performing these transactions may be deducted from any associated revenue delivered to a Fund. All such revenue, net of direct and indirect operational costs, will be returned to the relevant Fund. Such costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The entities to which such costs and fees are paid will be disclosed in the long annual report of the Company.

Stocklending or repo transactions may in some cases result in reduced performance but may nonetheless be entered into where the Company believes it to be in the best interests of a Fund, for example in order to manage risk.

The Collateral Management Policy set out below shall apply to any collateral received in respect of a repo or stocklending transaction.

3.5. Collateral Management Policy

The Collateral Management Policy is detailed within the risk management process (**RMP**) and is subject to change and regular review.

The RMP will define "eligible" collateral including any applicable haircuts. Collateral will generally be of high quality and liquid e.g. cash and government securities. It will also include any additional restrictions deemed appropriate by the Directors.

All collateral used to reduce counterparty risk will comply with the following criteria at all times:-

- Collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of Regulation 74 of the Regulations;
- Collateral that is received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitable conservative haircuts are in place;
- Collateral received shall be of high quality. The Company shall ensure that:
 - Where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process; and
 - Where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to above this shall result in a new credit assessment being conducted of the issuer by the Company without delay.
- Collateral received shall be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Company to expect that it shall not display a high correlation with the performance of the counterparty;
- Diversification
 - Subject to the sub-paragraph below, collateral shall be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20 per cent of the Net Asset Value of a Fund. When a Fund is exposed to different counterparties, the different baskets of collateral shall be aggregated to calculate the 20 per cent limit of exposure to a single issuer.
 - A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong. Such a Fund shall receive securities from at least 6 different issues, but securities from any single issue shall not account for more than 30 per cent of the Fund's Net Asset Value.
- It will be held by the Depositary or by a third party depositary which is subject to prudential supervision and which is unrelated to the provider of collateral; and
- It will be capable of being fully enforced by the Company at any time without reference or approval from the counterparty.

Permitted collateral includes (where applicable):-

- Cash

- Government or other public securities; and
- Bonds or commercial paper issued by acceptable entities, in accordance with the Fund's ISDA/Credit Support Annex documentation.

Where appropriate, a significant proportion, or all, of collateral received in respect of a stocklending or repo transaction may be issued or guaranteed by a single government or other public body.

Non – cash collateral will not be sold, re-invested or pledged.

Cash collateral will only be:-

- placed on deposit with a credit institution referred to in Regulation 7 of the Central Bank UCITS Regulations, or
- invested in high-quality government bonds, or
- used for the purpose of reverse repo transactions provided the transaction is with a credit institution referred to in Regulation 7 of the Central Bank UCITS Regulations and the Fund is able to recall at any time the full amount of cash on an accrued basis, or
- invested in short-term money market funds as defined in Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017.

Cash collateral, where reinvested, will be diversified in accordance with the requirements of the ESMA Guidelines.

The exposure to a counterparty will, at all times, meet the requirements of Article 52 of the UCITS Directive. Collateral will be subject to a haircut depending on the class of assets received. The haircut policy depends on quality of the assets received and their price volatility.

Where the Fund reinvests cash collateral in one or more of the permitted types of investment above, there is a risk that the investment will earn less than the interest that is due to the counterparty in respect of that cash and that it will return less than the amount of cash that was invested. The level of collateral required by the Fund in respect of its investment in OTC FDI and use of efficient portfolio management techniques will be that required to manage counterparty exposure within the limits set down by the Central Bank.

3.6. **Borrowing and Lending Powers**

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

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

The Company may not carry out uncovered sales of transferable securities, money market instruments and other financial instruments.

The Company may not borrow for investment purposes.

Without prejudice to the powers of the Company to invest in transferable securities, the Company may not lend, or act as guarantor on behalf of third parties.

Any special borrowing restrictions relating to a Fund will be formulated by the Directors at the time of the creation of a Fund. There are no special borrowing restrictions currently in operation.

3.7. **Charges and Expenses**

When a Fund invests in the shares of other UCITS or collective investment undertakings or both and those other UCITS or collective investment undertakings are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company shall not charge subscription or repurchase fees on account of the investment of the Fund in the shares of such other UCITS or collective investment undertakings or both, as the case may be.

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

3.8. **Dividend Policy**

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less any applicable expenses and/or (ii) realised and unrealised capital gains on the disposal/ valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund. The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. In selecting these investments the Directors will consult with the Depositary to ensure that the remaining Shareholders are not disadvantaged. A Shareholder may require the Company instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be a Taxable Irish Person and pay such sum to the Irish tax authorities.

Insofar as Shares are listed on Euronext Dublin, dividends (if any) will be paid, and any accumulation of income by a Fund will also be made, in compliance with any applicable rules of Euronext Dublin in effect at the relevant time.

Dividends not claimed within six years from their due date will lapse and revert to the relevant Fund.

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in which case the dividend will be paid at the expense of the payee and will be paid within four months of the date the Directors declared the dividend.

The dividend policy for each Fund is set out in the Supplement for the relevant Fund.

3.9. **Hedged and Unhedged Share Classes**

3.9.1. The Company, at its absolute discretion, has the power to issue currency hedged Share classes that are denominated in any currency including the Base currency of the Fund. Currency hedged Share classes will carry the reference '(hedged)' in the name of the Share class.

3.9.2. The Company operates two different methods of hedging Share classes as follows:

Method 1 (Base Currency Hedging) – the Company may hedge the currency exposure of those Share classes, denominated in a currency other than the Base Currency of the relevant Fund, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency.

Method 2 (Portfolio Hedging) – the Company may hedge the currency exposure of the currency(ies) of the Fund's underlying assets in order to attempt to mitigate the effect of fluctuations in the exchange rate between the currency(ies) of the Fund's underlying assets and the Share class currency.

The hedging method for each Fund is set out in the Supplement for the relevant Fund.

The following sections are relevant to hedged Share classes.

- (1) Any hedging transactions entered into will be clearly attributable to a specific Share class. All costs and gains/losses of such hedging transactions will accrue solely to the relevant Share class. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105%. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward month to month. Under hedged positions will be kept under review to ensure that under hedged positions will not be permitted to fall short of 95%. Such review will incorporate a procedure to ensure that under hedged positions will not be carried forward month to month.
- (2) Currency hedging shall be carried out at least monthly or any other time the Company may deem appropriate. It is not possible to hedge fully on a guaranteed basis at all time and Shareholders should be aware that intra-month market fluctuations may have an effect the value of hedged currency from time to time.
- (3) Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency and the currencies of the Fund's underlying assets is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.
- (4) This currency hedging policy aims to limit any potential currency risk linked to the value of the Base Currency or, as applicable, the value of the currency(ies) of the relevant Fund's underlying assets falling against the currency in which the hedged Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the Base Currency or value of the currency(ies) of the relevant Fund's underlying assets .

3.9.3. The Company at its absolute discretion, has the power to issue unhedged Share classes that are denominated in a currency other than the Base Currency. For such Share classes, the Investment Manager will not attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency or the currency(ies) of the relevant Fund's underlying assets. In the case of an unhedged Share class, that is denominated in a currency other the Base Currency, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. The value of the share expressed in the unhedged Share class currency will be subject to exchange rate risk in relation to the Base Currency.

3.9.4. The fees and expenses of any class of any Fund relating to share class currency hedging may be charged (in whole or part) to the capital of the relevant Fund referable to that class in order to enable such Fund to pay a larger distribution and as an efficient and accurate method of ensuring that fees incurred at a Share class level are apportioned to the relevant Share classes.

In circumstances where such fees and expenses are charged to capital, there may be a lack of potential for capital growth meaning the capital value of a Shareholder's investment may be eroded and due to such capital erosion the value of future returns may also be diminished. As such, income may be achieved by forgoing the potential for future capital growth.

For fixed income Funds, dividends paid in circumstances where fees and expenses are charged to capital should be understood as a type of capital reimbursement. Any income statement issued to shareholders where fees and/or expenses have been charged to capital shall include a statement to explain the effect of this accounting policy and, if applicable, that the shareholder's capital amount has been reduced.

3.10. **Benchmarks**

Investors should note that, in accordance with the requirements of the EU Benchmark Regulation, the Company has adopted a benchmark contingency plan to set out the actions which the Company would take in the event that a benchmark used by a Fund materially changes or ceases to be provided (the **Benchmark Contingency Plan**). Actions taken by the Company on the foot of the Benchmark Contingency Plan may result in changes to the investment objective or investment policies of a Fund and any such changes will be implemented in accordance with the requirements of the Central Bank and the terms of this Prospectus. In respect of those Funds that track a benchmark index, are managed by reference to a benchmark index, or use a benchmark index to compute a performance fee, it is expected that the applicable benchmark administrator will be included in the register to be maintained by the European Securities Markets Authority (**ESMA**) under the Benchmark Regulations.

3.11. **Target Market**

Information on the typical investor profile for each Fund is set out in the relevant Supplement.

4. **RISK FACTORS**

The discussion below is of general nature and is intended to describe various risk factors which may be associated with an investment in the Shares of a Fund. The following are a number of risk factors which may be associated with an investment in the Shares of a Fund to which the attention of investors is drawn. See also the relevant Supplement for a discussion of any additional risks particular to Shares of that Fund. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment. Investors should consult their own advisors before considering an investment in the Shares of a particular Fund.

No investment should be made in the Shares of a particular Fund until careful consideration of all those factors has been made.

4.1. **General**

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

The Company will be responsible for paying its fees and expenses regardless of its level of profitability. Pursuant to Irish law, the Company should not be liable as a whole to third parties and there should not be the potential for cross contamination of liabilities between Funds. However, there can be no categorical assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of a Fund will necessarily be upheld. In addition, costs and gains/losses of Share class hedging transactions will accrue solely to the relevant Share class. However, such costs and gains/losses will technically be assets/liabilities of the relevant Fund as a whole and it is possible that they may be treated as such in certain circumstances (eg, by a liquidator in the context of the liquidation of the Company).

Due to adverse market movements the Fund may become valueless.

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

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

Where a Fund enters into stocklending agreements, repurchase agreements or reverse repurchase agreements arrangements for Efficient Portfolio Management purposes there are risks in the exposure to market movements if recourse has to be had to collateral, or if there is fraud or negligence on the part of the Depositary or lending agent. In addition there is an operational risk associated with marking to market daily valuations and there are the potential stability risks of providers of collateral. The principal risk in such stocklending agreements, repurchase agreements or reverse repurchase agreements is the insolvency of the borrower. In this event the Company could experience delays in recovering its securities and such event could possibly result in capital losses.

While the provisions of the Act provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the Company may not be exposed to the liabilities of other Funds of the Company.

4.2. **Currency Risk**

The Net Asset Value per Share will be computed in the Base Currency of the relevant Fund, whereas each Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk. In certain Funds the Investment Manager may enter into cross currency transactions for the purpose of enhancing the returns from the portfolio. In such cases this will be clearly highlighted in the Supplement to the relevant Fund.

4.3. **Market Risk**

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

4.4. **Valuation Risk**

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

4.5. **Investment in Financial Derivative Instruments (FDIs)**

The prices of FDIs, including futures and options, are volatile. In addition, the Company is subject to the risk of the failure of any of the exchanges on which it trades or of their clearing houses and in certain cases the counterparties with whom the trades are carried out.

The Company may purchase and sell options on securities and currencies on a variety of securities exchanges and over-the-counter markets. The seller of a put option which is uncovered (i.e., the seller has a short position in the underlying security or currency) assumes the risk of an increase in the market price of the underlying security or currency above the sales price (in establishing the short position) of the underlying security or currency plus the premium received, and gives up the opportunity for gain on the underlying security or currency below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is **fully hedged** if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security or currency below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option. If the buyer of the put holds the underlying security or currency, the loss on the put will be offset in whole or in part by any gain on the underlying security or currency.

The seller of a call option which is covered (e.g., the seller holds the underlying security or currency) assumes the risk of decline in the market price of the underlying security or currency below the value of the underlying security or currency less the premium received, and gives up the opportunity for gain on the underlying security or currency above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security or currency above the exercise price of the option. The buyer of the call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security or currency, the loss on the call will be offset, in whole or in part, by any gain on the short sale of the underlying security or currency. In entering into a closing purchase transaction, the company may be subject to the risk of loss to the extent that the premium paid for entering into a closing purchase transaction exceeds the premium received when the option was written.

Due to the nature of futures, cash to meet margin monies will be held by a broker with whom the Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to the Fund.

Where the Funds enter into swap arrangements and derivative techniques, they will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Funds could experience delays in liquidating the position and may incur significant losses. There is also a possibility that on-going derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Investment Manager's policy to net exposures of each Fund against its counterparties.

Since many FDIs have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain FDIs have the potential for unlimited loss regardless of the size of the initial investment. If there is a default by the other party to any such transaction, there will be contractual remedies; however, exercising such contractual rights may involve delays or costs which could result in the value of the total assets of the related portfolio being less than if the transaction had not been entered. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Investment Manager's use of derivative techniques may not always be an effective means of achieving, and sometimes could be counter-productive to, the Fund's investment objective. An adverse price movement in a derivative position may require cash payments of variation margin by the Investment Manager that

might in turn require, if there is insufficient cash available in the portfolio, the sale of the relevant Fund's investments under disadvantageous conditions.

The Company will, on request, provide supplementary information to Shareholders in relation to the risk management methods employed by the relevant Fund including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

4.6. **Over-the-Counter Markets Risk**

Where any Fund acquires securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

4.7. **Taxation**

The attention of potential investors is drawn to the taxation risk associated with investing in any Fund of the Company. See section headed **Taxation** below.

4.8. **Emerging Market Risks**

In the case of certain Funds there may be exposure to emerging markets and investors should be aware of risks attached to investing in such markets which could have an impact on the performance of such relevant Funds. In particular, the following risks should be noted:

4.8.1. **Settlement, Credit and Liquidity Risks**

The trading and settlement practices of some of the stock exchanges or markets on which a relevant Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by a Fund. Those exchanges and markets may also have substantially less volume and generally be less liquid than those in more developed markets. In addition, a Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the Investment Manager to settle transactions on a delivery free of payment basis where the Investment Manager believes and the Depositary agrees that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a relevant Fund if a transaction fails to settle and the Depositary will not be liable to the relevant Fund or to the Shareholders for such a loss.

4.8.2. **Regulatory Risks and Accounting Standards**

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

4.8.3. **Political Risks**

The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. A Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

4.8.4. **Custody Risks**

Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in **book-entry** form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of a Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

4.9. **Risks associated with investment in other collective investment schemes**

A Fund may invest in one or more collective investment schemes including schemes managed by the Investment Manager or its affiliates. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations.

4.10. **Legal and Regulatory Risks**

Legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

4.11. **Aggregation of Orders**

In managing the Funds, the Investment Manager may combine orders for the Funds with those of other clients in accordance with the Regulations and Central Bank UCITS Regulations.

Additional risk factors (if any) of each Fund are set out in the Supplement for the relevant Fund.

4.12. **NAV Errors**

The liability of the Administrator for NAV pricing errors, caused by it, is limited to NAV pricing errors of over 0.50% of NAV though such threshold may be reduced by the Depositary or the Central Bank.

4.13. **Stock Lending or Repo Transactions**

All stocklending or repo transactions involve an element of risk. The Company may use one or more separate approved counterparties to undertake such transactions on behalf of the Funds and may be required to pledge collateral paid from within the assets of the Funds to secure such transactions. There may be a risk that an approved counterparty will wholly or partially fail to honour their contractual arrangements under the transaction with regard to the return of collateral and any other payments due to the Funds and the Funds may suffer losses as a result. The counterparty will forfeit its collateral if it defaults on the transaction. However, if the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to the Fund or to purchase replacements for the securities that were lent to the counterparty. This may result in losses for the investors.

4.14. **Payment of Charges and Expenses to Capital**

Fees and expenses of a Fund may be charged to the capital of the relevant Fund. In such circumstances, the capital value of a Shareholder's investment may be lowered and income may be achieved by forgoing the potential for future capital growth.

4.15. **Umbrella Cash Accounts**

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Account in the name of the Company and will be treated as a general asset of the relevant Fund. Investors will be unsecured creditors of the relevant Fund with respect to the amount subscribed and held by the Company until Shares are issued on the relevant Dealing Day. As such, investors will not benefit from any appreciation in the NAV of the relevant Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment of redemption proceeds and dividends in respect of a particular Fund is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular Fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Umbrella Cash Account in the name of the Company. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Fund, and will not benefit from any appreciation in the NAV of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Account. In the event of an insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of a Fund of the Company (the **Insolvent Fund**), recovery of any amounts held in the Umbrella Cash Account to which another Fund is entitled (the **Entitled Fund**), but which may have transferred to the Insolvent Fund as a result of the operation of the Umbrella Cash Account, will be subject to the principles of Irish insolvency law and the terms of the operational procedures for the Umbrella Cash Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Entitled Fund.

4.16. **Potential Implications of Brexit**

The departure of the United Kingdom from the European Union on 31 January 2020 has led to political, social and economic instability and enhanced volatility in the financial markets of the United Kingdom and more broadly across Europe. During a transition period running until 31 December 2020, the UK is expected to retain access to the EU Internal Market and Customs Union on its previously applicable terms. There remains a risk of a "Hard Brexit" after the transition period where the United Kingdom leaves the transition period with no agreements in place to cover matters such as customs and excise, mutual recognition of standards, cross border provision of services and a multitude of other matters currently dealt with by European law and regulation. Failure to reach agreement on matters relating to the operation of the EU Internal Market in the context of financial services, may (due to the location of the Investment Manager outside of the EU) deprive a Fund of investment opportunities that might otherwise have been available to it and has the potential to increase costs to Shareholders should the Company be required to utilise structures to access EU investments or investors that would not have been required had Brexit not occurred.

Brexit and, in particular, a Hard Brexit may lead to weakening in consumer, corporate and financial confidence. The longer term process to implement the political, social, economic and legal framework between the United Kingdom and the European Union is likely to lead to continuing uncertainty and periods of volatility in both the United Kingdom and wider European markets. In particular, the decision made in the British referendum may be reflected in similar referendums in other European jurisdictions which may also cause increased economic volatility in wider European and global markets. Currency volatility resulting from this uncertainty may mean that the returns of the Funds and their investments are adversely affected by market movements, potential decline in the value of Sterling and/or Euro, and any downgrading of the United Kingdom's sovereign credit rating. Where applicable, this may also make it more difficult, or more expensive, for the Funds to execute prudent currency hedging policies.

This mid to long term uncertainty may have an adverse effect on the global economy generally and on the ability of the Funds to execute their respective strategies and to achieve attractive returns, and may also result in increased costs to the Funds.

4.17. **Cyber Security**

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

5. **MANAGEMENT OF THE COMPANY**

5.1. **Directors of the Company**

The Directors of the Company are described below:

Mike Kirby - Mike Kirby, Irish resident, is Managing Principal of KB Associates, a firm which provides a range of advisory and project management services to the promoters of off-shore mutual funds. He has held senior positions at Bank of New York (1995-2000) where he was responsible for the establishment and management of its investor servicing business in Ireland. Prior to this he was Vice President product management & marketing global securities services with J P Morgan (previously Chase Manhattan Bank) (1993-1995) in London and prior to this he was responsible for the establishment of Daiwa Securities fund administration business in Dublin (1989-1993). From 2000-2002 he was a Senior Vice President of MiFund Inc, a privately owned mutual funds supermarket incorporated in the USA, and Managing Director of MiFund Services Limited its wholly owned Irish subsidiary. Mr. Kirby holds a Bachelor of Commerce (Hons) from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland. He was a founder member of the Dublin Funds Industry Association.

Bronwyn Wright – Bronwyn Wright has been acting as an Independent Non-executive Director since July 2009. Prior to this she was a Managing Director working in Citigroup, having worked in Capital Markets and Banking, where she was Head of Securities and Fund Services for Citi Ireland with responsibility for the management, growth and strategic direction of the securities and fund services business which included funds, custody, security finance and global agency and trust.

Ms. Wright is past chairperson of the Irish Funds Industry Association committee for Trustee Services. She is a former lecturer for the Institute of Bankers in the Certificate and Diploma in Mutual Funds. She is co-author of the Institute of Bankers Diploma in Legal and Regulatory Studies. She has written numerous industry articles, chaired and participated in industry seminars in Europe and the US. She was on an Executive Committee for the DIT school of Accounting and Finance. Ms. Wright holds a degree in

Economics and Politics as well as a Masters degree in Economics from University College Dublin and is an Irish resident.

Stuart Donald (British) – Stuart Donald is Head of Commercial Services and Strategy, and has responsibility for coordinating and implementing commercial strategy which includes leading the investment writing, RFP, Databases and Presentation teams as well as the data analytics initiative at Aegon Asset Management. Prior to taking this role, Mr. Donald worked in a variety of different product and strategy roles during which he launched the Kames Irish UCITS business in 2007. In 2011 he was appointed Head of Product for Aegon Asset Management UK plc where he remained until 2018 before taking up his Commercial Strategy role. He joined Aegon in 2005 from AIG, where he led the creation of a high-net-worth, private-placement life business. Prior to that, Mr. Donald worked in various regulatory-consulting, product-development and business-strategy roles for BNP Paribas Cardif and GE Capital, and he has over 20 years' industry experience. Mr. Donald studied Economics, French and Italian at Strathclyde University.

The Company has delegated the day to day investment management of the Company to the Investment Manager and the day to day administration of the Company to the Administrator. Consequently, all Directors of the Company in relation to the Company are non-executive.

5.2. **Investment Manager**

The Company has appointed Aegon Asset Management UK plc to provide certain investment related services to the Company. The Investment Manager was incorporated in Scotland on 27 April 1999. The Investment Manager is authorised and regulated by the Financial Conduct Authority and is headquartered in Edinburgh, Scotland. The Investment Manager provides discretionary management services to, amongst others, retail and institutional investors and other collective investment schemes.

5.3. **Distributors**

Aegon Asset Management UK plc and Aegon Investment Management B.V. have been appointed to act as distributors of the Company pursuant to the Distribution Agreements described under the heading **Material Contracts** below and will promote the distribution and marketing of the shares.

5.4. **Depository**

The Company has appointed Citi Depository Services Ireland Designated Activity Company as depository pursuant to the Depository Agreement.

The Depository is a limited liability company incorporated in Ireland on 18 September 1992. The Depository is authorised and regulated by the Central Bank. The principal activity of the Depository is to provide trustee and custodial services to collective investment schemes and other portfolios, such as the Company.

Under the terms of the Depository Agreement, Citi Depository Services Ireland Designated Activity Company (the **Depository**) has been appointed as depository of the Company's assets and the assets of the Company have been entrusted to the Depository for safekeeping.

The key duties of the Depository are to perform the depository duties referred to in the Regulations, essentially consisting of:

- (i) monitoring and verifying the Company's cash flows;
- (ii) safekeeping of the Company's assets, including, inter alia, verification of ownership;
- (iii) ensuring that the issue, redemption, cancellation and valuation of Shares are carried out in accordance with the Articles and applicable law, rules and regulations;
- (iv) ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- (v) ensuring that the Company's income is applied in accordance with the Articles, applicable law, rules and regulations; and

- (vi) carrying out instructions of the Company or the Investment Manager on behalf of the Company unless they conflict with the Articles or applicable law, rules and regulations.

The Depositary is liable to the Company for the loss by the Depositary or a third party to whom the custody of financial instruments that can be held in custody has been delegated. In the case of such a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of identical type or the corresponding amount to the Company or the Investment Manager acting on behalf of the Company without undue delay. The Depositary is not liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary is also liable to the Company for all losses suffered by it as a result of the Depositary's negligent or intentional failure to properly fulfill its obligations. The Depositary Agreement contains indemnities in favour of the Depositary excluding matters arising by reason of its failure to satisfy its obligation of due skill, care and diligence, or by reason of its negligence, intentional failure or fraud.

Delegation of Safekeeping Function and Conflicts of Interest

Under the terms of the Depositary Agreement the Depositary has the power to delegate certain of its depositary functions.

In general, whenever the Depositary delegates any of its custody functions to a delegate, the Depositary will remain liable for any losses suffered as a result of an act or omission of the delegate as if such loss had arisen as a result of an act or omission of the Depositary. The use of securities settlement systems does not constitute a delegation by the Depositary of its functions.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the Company's assets to Citibank N.A (the "Delegate"). As at the date of this Prospectus, the sub-delegates used by the Depositary in various markets are listed at Schedule 2 (the "Sub-Delegates").

The liability of the Depositary will not be affected by the fact that it has delegated to a third party certain of its safekeeping functions in respect of the Company's assets. In order to discharge its responsibility in regard to the appointment of safekeeping delegates, the Depositary must exercise due skill, care and diligence in the selection, continued appointment and ongoing monitoring of a third party as a safekeeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned; maintain an appropriate level of supervision over the safekeeping agent; and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged.

From time to time conflicts may arise between the Depositary and the delegates or sub-delegates, for example where an appointed delegate or sub-delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Company. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

Up-to-date information on delegations and sub-delegations and related conflicts of interest may be requested from the Depositary by Shareholders

5.5. Administrator

Citibank Europe plc has been appointed by the Company to act as Administrator, registrar and transfer agent to the Company and each Fund pursuant to the Administration Agreement described under the heading **Material Contracts** below.

The Administrator is a licensed bank, authorised and regulated by the Central Bank. The Administrator was incorporated in Ireland on 9 June 1988 under registered number 132781 and is a member of the Citigroup group of companies, having its ultimate parent Citigroup Inc., a US publicly quoted company.

The duties and functions of the Administrator will include, inter alia, the calculation of the Net Asset Value, the keeping of all relevant records and accounts of the Company as may be required with respect to the obligations assumed by it pursuant to the Administration Agreement and the Act. The Administrator has its registered office at the address given in the **Directory**.

5.6. Portfolio Transactions and Conflicts of Interest

Subject to the provisions of this section the Company, the Directors, the Investment Manager, the Administrator, the Depositary, any Shareholder and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a **Connected Person**) may contract or enter into any financial, banking or other transaction with one another or with the Company. This includes, without limitation, investment by the Company in securities of any Connected Person or investment by any Connected Persons in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else.

Any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2010, of Ireland with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments (including foreign exchange and stocklending transactions) to or from the relevant Fund. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders of that Fund for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, in the best interests of the Shareholders of that Fund and:

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

The Investment Manager may also, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Manager will, however, have regard in such event to its obligations under the Investment Management Agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will ensure that such conflicts are resolved fairly as between the Company, the relevant Funds and other clients. The Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the Company and their other clients. In the event that a conflict of interest does arise the directors of the Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

As the fees of the Investment Manager are based on the Net Asset Value of a Fund, if the Net Asset Value of the Fund increases so do the fees payable to the Investment Manager and accordingly there is a conflict of interest for the Investment Manager in cases where the Investment Manager is responsible for determining the valuation price of a Fund's investments.

The Directors will ensure that all such potential conflicts of interest are resolved fairly and in the interest of the shareholders.

The Investment Manager maintains a written conflict of interest policy. The Investment Manager acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the Company or its Shareholders will be

prevented. Should any such situations arise the Investment Manager will, as a last resort, if the conflict cannot be avoided, disclose these to Shareholders in an appropriate format.

5.7. Order Execution Information

The Investment Manager must act in the best interests of each Fund when executing decisions to deal on behalf of the relevant Fund. The Investment Manager's Order Execution Policy sets out (i) the systems and controls that have been put in place and (ii) the basis upon which the Investment Manager will effect transactions and place orders in relation to the Company whilst complying with its regulatory obligations to obtain the best possible result for the Company. Details of the best execution policy are available from the Investment Manager on request. If you have any questions regarding the policy please contact the Investment Manager or your professional adviser.

5.8. Inducements and Commission

When executing orders, or placing orders with other entities for execution, that relate to financial instruments for, or on behalf of, the Funds or the Investment Manager (as relevant) will not accept and retain any fees, commissions or monetary benefits; or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of a third party.

The Investment Manager will return to each relevant Fund as soon as reasonably possible after receipt any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that Fund, and disclose in the annual report the fees, commissions or any monetary benefits transferred to them.

However, the Investment Manager may accept without disclosure minor non-monetary benefits such as training sessions or seminars that are capable of enhancing the quality of service provided to a Fund; and of a scale and nature such that they could not be judged to impair their compliance with its duty to act honestly, fairly and professionally in the best interests of each Fund.

6. SUBSCRIPTION FOR SHARES

6.1. Purchases of Shares

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

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline (provided that the Administrator has in advance received and approved the initial Application Form and all required supporting documentation for anti-money laundering checks).

Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement.

The Administrator shall establish the relevant dealing account upon receipt and approval of an Application Form (and all required supporting documentation for anti-money laundering checks). An initial application for Shares may be made by completing an Application Form, the original of which, in addition to supporting documentation in relation to money laundering prevention checks, shall be delivered to the Administrator promptly. Subsequent applications for Shares may be made to the Administrator by letter, facsimile, electronic means or telephone, as determined by the Administrator. An investor will not be obliged to deal by electronic means or by telephone, however, the Application Form sets out a provision permitting an investor to avail themselves of electronic and/or telephonic dealing. Investors who have provided the completed Application Form to the Administrator in advance by letter or facsimile (and who have received approval from the Administrator in respect of such Application Form and supporting documentation for anti-money laundering checks) may also make their initial application for Shares by electronic means or telephone.

Applications for Shares cannot be accepted and Shares cannot be issued until the Administrator has received and approved an Application Form (together with all supporting documentation for anti-money laundering checks). Repurchase proceeds cannot be released until the Administrator has received and

approved an original signed Application Form and all of the necessary anti-money laundering checks have been completed.

Applications (including all anti-money laundering checks) approved by the Administrator in advance of a Dealing Deadline on a relevant Dealing Day shall result in an application for Shares being placed for the Valuation Point on that Dealing Day. Applications (including all anti-money laundering checks) approved after such Dealing Deadline on a relevant Dealing Day shall result in an application for Shares being placed for the next available Valuation Point.

Any change to a Shareholder's registration details or payment instructions must also be received in original form. Following the initial application, subsequent requests by facsimile, electronic means or by telephone will be treated by the Administrator as definite orders even if not subsequently confirmed by letter after acceptance by the Administrator and will not be capable of withdrawal.

Telephone calls and electronic communications may be recorded by the Investment Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes. Please see paragraph "Communications Recording" below for further information.

The Minimum Initial Investment Amount for Shares of each Fund that may be subscribed for by each investor on initial application and the Minimum Shareholding of Shares of each Fund is set out in the Supplement for the relevant Fund.

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

The Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company and the relevant Fund, the Administrator, Investment Manager, the Depositary and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

If an application is rejected, the Administrator at the cost and risk of the applicant will, subject to any applicable laws, return application monies or the balance thereof, without interest, by telegraphic transfer to the account from which it was paid within five Business Days of the rejection.

6.2. **Issue Price**

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

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

A Preliminary Charge of up to 5.5% per cent of the issue price may be charged by the Company for payment to the Investment Manager on the issue of Shares, out of which the Investment Manager may, for example, pay commission to financial intermediaries. Further details of this Preliminary Charge, if any, will be set out in the relevant Supplement.

6.3. **Payment for Shares**

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by telegraphic transfer in cleared funds and should be made in the currency of the relevant Share class or another currency acceptable to the Company. The Administrator may, at its discretion, accept payment in other currencies, but such payments will be converted into the relevant Base Currency at the then prevailing exchange rate available to the Administrator and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription moneys. This may result in a delay in processing the application.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the Directors may treat the application as an application for such number of

Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds at the prevailing Net Asset Value of that Dealing Day. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund.

6.4. **In Specie Issues**

The Directors may in their absolute discretion, provided that they are satisfied that no material prejudice would result to any existing Shareholder and subject to the provisions of the Act, allot Shares in specie in any Fund, providing the assets to be transferred are vested in the Depositary on behalf of the relevant Fund, the nature of which would qualify as suitable investments of the relevant Fund in accordance with the investment objectives, policies and restrictions of the Fund. The number of Shares to be issued in this way shall be the number which would, on the day the investments are vested in the Depositary on behalf of the relevant Fund, have been issued for cash (together with the relevant Preliminary Charge) against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described below under the heading **Calculation of Net Asset Value/Valuation of Assets**. The Directors, in valuing any such investments, may provide that the whole of or any part of any duties and charges arising in connection with the vesting of the investments in the Depositary on behalf of the relevant Fund shall be paid out of the assets of the relevant Fund or by the investor to whom the Shares are to be issued or partly by the Fund and partly by such investor.

6.5. **Anti-Money Laundering Provisions**

Measures provided for in the Criminal Justice Act (Money Laundering and Terrorist Financing) Act 2010 to 2018 which are aimed towards the prevention of money laundering and the financing of terrorism, require detailed verification of each applicant's identity, address and source of funds. In the case of corporate applicants this will require production of documentation relating to the company, directors of the company and details of persons with substantial beneficial ownership of the corporate applicant. Further details of supporting documentation required for anti-money laundering checks are set out in the document named "Documentation required from you for Anti Money Laundering obligations" which is available at www.aegonam.com/VCICliterature.

The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant. In the event that the Administrator requires further proof of the identity of any applicant, it will contact the applicant on receipt of an Application Form. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and return all subscription monies. If an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator will refuse to pay repurchase proceeds where the requisite information for verification purposes has not been produced by a Shareholder and approved by the Administrator.

6.6. **Limitations on Purchases**

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

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons (unless permitted under certain exceptions under the laws of the United States).

6.7. **Dilution Adjustment**

The basis of valuation of assets may vary depending on whether the Fund is expanding, contracting or level and such variation may apply on a daily and quarterly basis. See section 9.4 for further explanation.

7. REPURCHASE OF SHARES

7.1. Repurchases of Shares

Requests for the repurchase of Shares should be made to the Company care of the Administrator and may be made by fax, by telephone, by electronic means or in writing as determined by the Administrator. Requests by facsimile, electronic means or telephone will be treated as definite orders even if not subsequently confirmed in writing. Such redemption requests shall only be processed where payment is made to the account of record and in the name of the applicant on the register. No third party payment requests will be accepted. Whether requests for the repurchase of Shares is made by facsimile, electronic means or telephone, the original signed Application Form (together with all supporting documentation for anti-money laundering checks) must have been received and approved by the Company care of the Administrator before any repurchase proceeds will be paid out. Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall, unless the Administrator shall otherwise agree and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline. Telephone calls and electronic communications may be recorded by the Investment Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes. Please see paragraph "Communications Recording" below for further information.

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

The Directors may decline to effect a repurchase request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that class of Shares of that Fund. Any repurchase request having such an effect may be treated by the Company as a request to repurchase the Shareholder's entire holding of that class of Shares.

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

7.2. Repurchase Price

The price at which Shares will be repurchased on a Dealing Day is also calculated by ascertaining the Net Asset Value per Share of the relevant class on the relevant Dealing Day. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any class of Shares in a Fund is set out in the Articles as described herein under the heading **Calculation of Net Asset Value/Valuation of Assets** below.

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

7.3. Payment of Repurchase Proceeds

Subject to the Administrator having previously received and approved the Application Form (together with all supporting documentation for anti-money laundering checks), the amount due on repurchase of Shares will be paid by telegraphic transfer at the risk and expense of the relevant Shareholder to an account in the name of the Shareholder in the currency of the relevant Share class or another currency acceptable to the Company by the Settlement Date. Payment of repurchase proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate, according to the registered holding at the time of repurchase. The proceeds of the repurchase of the Shares will only be paid provided the original Application Form has been received by the Company care of the Administrator, all necessary anti-money laundering checks have been carried out and on receipt by the

Administrator of a repurchase request together with such other documentation (including all necessary anti-money laundering documentation, if any) that the Administrator may reasonably require.

7.4. **Limitations on Repurchases**

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

In circumstances where redemption requests on any Dealing Day for Shares exceeds 10% of the total number of Shares or represents greater than 10% of the Net Asset Value of any Fund in issue at the Valuation Point for that Dealing Day, the Directors may refuse to redeem any Shares in excess of 10% of the total number of Shares or representing greater than 10% of the Net Asset Value or such higher percentage as the Directors may determine and may scale down the number of Shares to be redeemed in response to each request pro rata to such extent as may be necessary to ensure that the foregoing limit is not exceeded and may carry forward for redemption to the next following Dealing Day the balance of each request and so on to each succeeding Dealing Day until all the Shares to which the original request relates have been redeemed.

The Articles contain special provisions where a repurchase request received from a Shareholder would result in Shares representing more than five per cent of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case, the Company may satisfy the repurchase request by a distribution of investments of the relevant Fund in specie having been approved by the Depositary, and provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. Where the Shareholder requesting such repurchase receives notice of the Company's intention to elect to satisfy the repurchase request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale. For redemptions representing less than 5% of the Net Asset Value, the Company, with the agreement of the relevant Shareholder, may likewise satisfy the redemption request by a distribution of the investments of the relevant Fund in specie, having been approved by the Depositary.

7.5. **Mandatory Repurchases**

The Company may compulsorily repurchase all of the Shares of any Fund or any Share class if the Net Asset Value of the relevant Fund or class is less than the Minimum Fund Size or Minimum Share Class Size (if any) or if a change in the economic, regulatory or political situation relating to the Fund or class concerned would justify such compulsory repurchase or if the Directors believe it is in the best interests of the Holders to compulsorily repurchase.

The Company reserves the right to repurchase any Shares which are or become owned, directly or indirectly, by a U.S. Person (unless pursuant to an exemption under U.S. securities laws), by any individual under the age of 18 (or such other age as the Directors think fit) or if the holding of the Shares by any person is in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the relevant Fund incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages (including endeavouring to ensure that the relevant Fund's assets are not considered plan assets for the purpose of ERISA) which the relevant Fund might not otherwise have incurred, suffered or breached (including but not limited to circumstances where the holding of shares by a person is likely to result in the Fund or the Investment Manager or the other Shareholders being subject to US regulatory or legal requirements or being classified as a US Person or commodity pool operator for the purposes of any US laws or regulations where as a result of such classification the Fund or such other person would be required to register, apply for an exemption or otherwise make any filing, application or provide any information to any US regulatory body, authority, organisation, association, government department, exchange or clearing body).

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

7.6. **Dilution Adjustment**

The basis of valuation of assets may vary depending on whether the Fund is expanding, contracting or level as further described on page 36. Such variation may apply on a daily and quarterly basis. See page 41 for further explanation.

8. **SUBSCRIPTION AND REDEMPTIONS THROUGH A CLEARING SYSTEM AND/OR SELLING AGENT**

In addition to applying directly to subscribe for or redeem Shares directly with a Fund, as described above, applications for Shares (and redemptions of such Shares) may also be made indirectly through a clearing system and/or selling agent in certain markets. The clearing system and/or selling agent may provide a nominee service for investors purchasing and selling through them, pursuant to which the nominee will hold Shares in its own name for and on behalf of the investors. Investors may incur fees normally payable in respect of the maintenance and operation of accounts in such clearing system (or nominee). Different subscription and redemption procedures and time limits may be applied by the members of such clearing systems and/or selling agent for shares held by their nominee, although the ultimate dealing deadlines referred to in the relevant Fund's Supplement remain unaffected for Shareholders that hold Shares directly with a Fund. Investors should note that they may be unable to purchase or sell Shares via the clearing system and/or the selling agent on days that a clearing system is not open for business. Further information on subscription and redemptions through a clearing system and/or selling agent will be set out in the country supplements for the relevant jurisdictions.

9. **EXCHANGE OF SHARES**

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

An Exchange Charge of up to 1.5% per cent of the repurchase value of the Shares being exchanged may be charged by the Company on the exchange of Shares, but is charged only if exchanges are in excess of five in a calendar year. There is no charge on a switch between classes of the same Fund.

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

Telephone calls and electronic communications may be recorded by the Investment Manager, its delegates, their duly appointed agents and any of their respective related, associated or affiliated companies for records keeping, security and/or training purposes. Please see paragraph "Communications Recording" below for further information.

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

$$S = [R \times (RP \times ER)] - F$$

SP

where:

- S = the number of Shares of the New Class to be issued;
- R = the number of Shares of the Original Class to be exchanged;
- RP = the repurchase price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;
- ER = in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Directors at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
- F = the Exchange Charge (if any) payable on the exchange of Shares; and
- SP = the subscription price per Share of the New Class as at the Valuation Point for the applicable Dealing Day.

9.1. Limitations on Exchange

Shares may not be exchanged for Shares of a different class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under **Suspension of Calculation of Net Asset Value** below. Applicants for exchange of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension. Shares may only be exchanged for other Shares of other Funds and/or Classes when both the Original Class and the New Class are denominated in the same currency.

9.2. Umbrella Cash Accounts

The Company has established an Umbrella Cash Account and has not established such accounts at Fund level. All subscriptions, redemptions and dividends or cash distributions payable to and from a Fund will be channelled and managed through the Umbrella Cash Account.

9.3. Calculation of Net Asset Value/Valuation of Assets

The Net Asset Value of each Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Fund and deducting therefrom the liabilities of the Fund. Where there is more than one class of Shares in a Fund, the Net Asset Value per Share of any class is calculated by the Administrator by ascertaining the Net Asset Value of the relevant Fund as at the Valuation Point for that Fund on the relevant Dealing Day and determining the amount of the Net Asset Value which is attributable to the relevant class of Shares. The Net Asset Value per Share of the relevant class is calculated by determining that proportion of the Net Asset Value of the Fund which is attributable to the relevant class at the Valuation Point. The Valuation Point for each Fund is set out in the Supplement for the relevant Fund. The Net Asset Value per Share is the resulting sum rounded to the nearest four decimal places.

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

In general, the Articles provide that the value of any investments quoted, listed or dealt in on a Market shall be the latest mid-market price as at the relevant Valuation Point. Where such investment is quoted, listed or traded on or under the rules of more than one Market, the Directors shall, in their absolute discretion, select the Market, which in their opinion, constitutes the main Market for such investment for the foregoing purposes. The value of any investment which is quoted listed or traded in on a Market but in respect of which no price is currently available or the current price of which does not in the opinion of the Directors, represent fair market value or of any investment not quoted, listed or traded on a Market, the value thereof shall be the probable realisation value estimated with care and in good faith by the

Directors or by a competent person appointed by the Directors, in each case approved, for such purpose, by the Depositary. In determining the probable realisation value of any such investment, the Directors may accept a certified valuation thereof provided by a competent independent person or in the absence of any independent person, the Investment Manager (notwithstanding that a conflict of interests arises because the Investment Manager has an interest in the valuation), who in each case shall have been approved by the Depositary to value the relevant securities.

The Articles further provide that cash and other liquid assets will be valued at their face value with interest accrued, where applicable unless in any case the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof as at the relevant Valuation Point. Certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall each be valued at each Valuation Point at the latest available mid-market dealing price on the Market on which these assets are traded or admitted for trading (being the Market which is the sole market or in the opinion of the Directors the principal market on which the assets in question are quoted or dealt in) plus any interest accrued thereon from the date on which same were acquired. Forward foreign exchange contracts which are dealt in on a Market shall be valued by reference to the price at which a new forward contract of the same price and maturity could be undertaken provided that if such price is not available, the value of any such forward foreign exchange contracts shall be the settlement price for such contracts at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty), approved for such purpose by the Depositary.

The value of any off-exchange traded derivative contracts shall be the price sourced from independent market data providers, such as Bloomberg or equivalent, approved by the Depositary, as at the Valuation Point for the Fund. The price sourced in this way will be reconciled at least weekly by reference to the quotation for the same FDI, received from the Approved Counterparty to such OTC FDI contracts. Upon reconciliation of the independent source and that of the counterparty's, where significant differences arise, they will be fully and promptly investigated and explained.

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

The value of units or shares or other similar participation in any collective investment scheme, which provides for the units or Shares or other similar participations therein to be redeemed at the option of the holder out of the assets of that undertaking, shall be the latest available Net Asset Value per unit or Share as published by the Fund or other similar participation after deduction of any repurchase charge as at the relevant Valuation Point or if bid and offer prices are published, the latest available mid price.

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

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

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

Insofar as Shares are listed on Euronext Dublin, the Net Asset Value will be notified to Euronext Dublin, immediately upon calculation.

9.4. Dilution Adjustment

A Fund may suffer dilution (reduction in the value of the assets as a result of the costs incurred in dealing in its underlying investments and of any spread between the buying and the selling prices of such investments which is not reflected in the issue or redemption price paid by or to Shareholders). With a view to countering this (which, if it is significant, disadvantages existing or continuing Shareholders), the Directors may make an adjustment (**Dilution Adjustment**) to the Share price on a daily and quarterly basis, as set out below.

If charged, the value of the Dilution Adjustment will be paid into the Fund and will become part of the property attributed to the relevant Fund.

Each calendar quarter (1 January to 31 March, 1 April to 30 June, 1 July to 30 September, 1 October to 31 December) a **Semi-Permanent Pricing Basis** will be calculated for each Fund by the Directors or their delegates based on the level of subscriptions or redemptions in the previous quarter. That is to say, each Fund will be determined to be a **level** Fund, a **contracting** fund or an **expanding** Fund with pricing consequences, as provided for below.

For the period from the end of the relevant Initial Offer Period to the next quarter end the Fund will be an expanding Fund.

This Semi-Permanent Pricing Basis for a quarter may be changed during the quarter in question if there are significant redemptions or subscriptions over a period of ten consecutive Dealing Days or if there are significant redemptions or subscriptions on a particular Dealing Day.

When as a result, for a particular Dealing Day, the pricing basis for a Valuation Point is **level**, no adjustment will be made to the Net Asset Value per Share of the Fund in question. When the pricing basis is **expanding** or **contracting**, an adjustment will be made by the Directors, or their delegates, to take into account their reasonable estimation of market spreads, dealing costs and duties and charges.

Such estimation will be based on the asset profile of the relevant Fund, taking into account the following:

- (i) the jurisdiction of registration/trading of the underlying assets held by the Fund in question (because, for example, different broker charges and stamp duty costs may apply in different countries);
- (ii) the type of assets held by the Fund (because, for example, certain types of assets do not attract stamp duty or dealing commission);
- (iii) the bid and offer prices of the assets held by the relevant Fund;
- (iv) the weightings that apply in accordance with the holdings of the different asset classes, types and countries of registration/trading.

The purpose of this is to calculate a reasonable Dilution Adjustment that should apply to the price of a Share being issued or redeemed in a Fund, the pricing basis of which is contracting or, as appropriate, expanding. For the avoidance of doubt, the Dilution Adjustment may apply to redemptions in an expanding Fund even where there are net subscriptions on that Dealing Day and, likewise, to subscriptions in a contracting Fund even where there are net redemptions on that Dealing Day.

As dilution is directly related to the inflows and outflows of monies from the Fund it is not possible to accurately predict whether dilution will occur at any future point in time. However, the Fund will be monitored throughout each calendar quarter period as to its categorisation as expanding, contracting or level. Where it is believed that market timing may be taking place, the Directors may take whatever action is required in order to act in the best interest of Shareholders.

9.5. Suspension of Calculation of Net Asset Value

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

- 9.5.1. any period when any of the Markets on which a substantial portion of the investments of the relevant Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- 9.5.2. any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- 9.5.3. any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund, or when, for any other reason the current prices on any Market of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
- 9.5.4. any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- 9.5.5. any period when the Directors are unable to repatriate funds required for the purpose of making payments due on the repurchase of Shares in the relevant Fund; or
- 9.5.6. any period when the Directors consider it to be in the best interest of the relevant Fund; or
- 9.5.7. following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

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

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

9.6. **Form of Shares, Share Certificates and Transfer of Shares**

Shares will be issued in registered form. Purchase contract notes will normally be issued within 48 hours after the allotment of Shares. Confirmations of ownership evidencing entry in the register will normally be issued quarterly (monthly if specifically requested by a Shareholder) upon receipt of all original documentation required by the Administrator. Share certificates shall not be issued.

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

Shares may not be transferred to (i) a U.S Person (except pursuant to an exemption available under U.S. securities laws); or (ii) any person who does not clear such money laundering checks as the Directors may determine or who appears to be in breach of any law or requirement of any country or governmental

authority or by virtue of which such person is not qualified to hold such Shares; or (iii) any person which in the opinion of the Directors might result in the relevant Fund incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the relevant Fund might not otherwise have incurred, suffered or breached (including but not limited to any person which in the opinion of the Directors might result in the interest in the relevant Fund or the Investment Manager or other Shareholders being subject to US regulatory or legal requirements or being classified as a US Person or commodity pool operator for the purposes of any US laws or regulations where as a result of such classification the Fund or such other person would be required to register, apply for an exemption or otherwise make any filing, application or provide any information to any US regulatory body, authority, organisation, association, government department, exchange or clearing body); or (iv) by a minor or person of unsound mind; or (v) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vi) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (vii) any person where in respect of such transfer any payment of taxation remains outstanding; or (viii) in any other circumstances prohibited by the Articles as described herein. Registration of any transfer may be refused by the Directors if, following the transfer, either transferor or transferee would hold Shares having a value less than the Minimum Shareholding for that class of Shares specified in the Supplement for the relevant Fund.

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

Holders of the Shares are, subject to the differences between different Classes, entitled to participate equally in the profits and dividends of the relevant Fund and in its assets upon liquidation. The Shares, which are of no par value and which must be fully paid up on issue, carry no preferential or pre-emptive rights and are entitled to one vote each on a poll at all meetings of the Shareholders. Where there are Shares of a different Class in a Fund, the Net Asset Value per Share amongst such Classes may differ to reflect the fact that income has been reinvested or been distributed, that there are differing charges of fees and expenses, that they are designated in different currencies, or that the gains/losses on and costs of different financial instruments employed for currency hedging between the currencies in which the assets of a Fund are designated and the Designated Currency of the Shares are attributed to them. All references to Shares include a fraction of a Share calculated to the nearest one-hundredth. Save as provided herein, all Shares of each Class within a Fund will rank *pari passu*.

The Company may issue different Classes in each Fund which may be differentiated at the discretion of the Company, details of which will be set out in the relevant Supplement. Such Classes may be subject to different fees than those which apply to existing Classes. The fees applying to such Classes may be lower or higher than fees applying to existing Classes or such Classes may not be subject to any fees. The creation of additional Classes in a Fund will be notified to and cleared in advance by the Central Bank.

Where the amount subscribed is not equivalent to an exact number of Shares, fractions of Shares may be issued.

9.7. **Notification of Prices**

The up to date issue and repurchase price of each class of Shares in each Fund will be available from the Administrator, and will be published on each Business Day on the Investment Manager's website www.aegonam.com. Such prices will usually be the prices applicable to the previous Dealing Day's trades.

10. **DATA PROTECTION**

Prospective investors should note that by completing the Application Form when subscribing for Shares in a Fund, they will provide the Company with personal information, which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of administration, transfer agency, statistical analysis and research, and will be disclosed to the Company,

its delegates and agents. The personal data of prospective investors and registered Shareholders shall be processed in accordance with the Privacy Statement.

Pursuant to applicable data protection legislation, Shareholders have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request in writing to the Company.

The Company is a Data Controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation.

11. FEES AND EXPENSES

Particulars of the specific fees and expenses (including performance fees, if any) payable to the Investment Manager, the Administrator and the Depositary are set out in the relevant Supplement, together with details of the following charges if applicable: exchange charge, cost of hedged Share class and preliminary charge.

The Company may pay out of the assets of each Fund the fees and expenses payable to the Investment Manager, the Depositary, the Administrator and the Distributor, the fees and expenses of sub-custodians which will be at normal commercial rates, the fees and expenses of the Directors (if any, as referred to below), any fees in respect of circulating details of the Net Asset Value, stamp duties, all taxes and VAT, company secretarial fees, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, the fees and expenses of any distributor, data vendor or paying agent or representative appointed in compliance with the requirements of another jurisdiction (in each case at normal commercial rates), any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company, all sums payable in respect of directors' and officers' liability insurance cover, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, tax and legal advisers and fees connected with listing the Shares on Euronext Dublin and registering the Company for sale in other jurisdictions. The costs of printing and distributing this Prospectus, the Supplements, the Key Investor Information Documents, reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) may also be paid out of the assets of the Company. All fees and expenses payable out of the assets of each Fund shall be approved by any one of the Directors of the Company.

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

Only Directors who are not employees of the Aegon group of companies will be entitled to remuneration for their services as director provided however that the annual emoluments of any such Director shall not exceed €20,000 or such other amount as may be approved by a resolution of the Directors or the Shareholders in general meeting. Shareholders shall be notified of any change to the fees payable to Directors. In addition, all of the Directors will be entitled to be reimbursed out of the assets of each Fund for their reasonable out of pocket expenses incurred in discharging their duties as directors.

The cost of establishing subsequent funds will be charged to the relevant Fund. The Investment Manager may initially incur all or part of the costs referred to above on behalf of the Company, in which case they will be entitled to be reimbursed out of the assets of the Company for such expenditure.

When a Fund invests in the units of other CIS that are managed directly or by delegation, by the Fund's management company or by any other company with which the Fund's management company is linked by common management or control or by a substantial direct or indirect holding of more than 10% of the

capital or of the votes, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS and can only receive a reduced annual management fee (maximum of 0.25 % p.a.) with respect to the holding in that or those other CIS in the Fund.

Any third party research received in connection with investment advisory services that the Investment Manager provides to the Funds will be paid for by the Investment Manager out of its fees, as relevant in relation to each Fund, and will not be charged to the Funds.

12. TAXATION

12.1. General

The following statements are by way of a general guide to potential investors and Shareholders only and do not constitute tax advice. Shareholders and potential investors are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this Document and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.

12.2. Ireland

Tax On Income And Capital Gains

The Company

The Company is not an IREF on the basis that it is a UCITS.

The Company shall be regarded as resident in Ireland for tax purposes if its central management & control is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish resident for tax purposes. The Directors have been advised that the Company qualifies as an investment undertaking as defined in section 739B and the Company will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes – see DEFINITIONS section for more details).

A chargeable event occurs on:

- (i) a payment of any kind to a Shareholder by the Company;
- (ii) a transfer, encashment, redemption, cancellation or repurchase of Shares; and
- (iii) on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary,

but does not include any transaction in relation to Shares held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses, an exchange by a Shareholder, effected by way of a bargain made at arm's length by the Company, of Shares in the Company for other Shares in the Company or the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739 HA TCA).

If a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder provided that either:

1. The Company is in possession of a completed declaration set out in the Application Form to the effect that the Shareholder is not an Irish Resident or;

2. The Company is in possession of a written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a completed non-resident declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners, (the “Equivalent Measures Regime”).

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rates set out below) to the Irish Revenue Commissioners. Further details in relation to the circumstances under which this election may be made are set out below.

In the absence of the appropriate declaration being received by the Company that a Shareholder is not an Taxable Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Shareholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Shareholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, not being a company which has made the appropriate declaration, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the Shares since their acquisition. Tax will be deducted at the rate of 25% on such transfers where the Shareholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 41% rate of tax to 60% (80% where details of the payment/disposal are not correctly included in the individual's tax returns) if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Other than in the instances described above the Company will have no liability to Irish taxation on income or chargeable gains.

The Company may elect not to account for Irish tax in respect of deemed disposals in certain circumstances. A deemed disposal will occur on each and every eighth anniversary of the acquisition of Shares in the Company by Shareholders. Where the total value of the Shares in a Fund held by Shareholders who are Taxable Irish Persons, is 10% or more of the Net Asset Value of the Fund, the Company will be liable to account for tax arising on the deemed disposal in respect of Shares in that Fund. Where the value of the Shares held by Shareholders who are Taxable Irish Persons, is less than 10% of the value of the total Shares of the Company, the Company will not be obliged to deduct tax on the happening of such a chargeable event, provided they elect to report certain information to the Revenue Commissioners and the Shareholder. In such circumstances, the Shareholder will have to account for the appropriate tax arising on the happening of the chargeable event on a self-assessment basis. To the extent that any tax arises on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares. In the case of Shares held in a recognised clearing system, the Shareholders may have to account for the appropriate tax arising at the end of an 8 year period beginning with the acquisition of the Share (a “**Relevant Period**”) on a self-assessment basis.

Should an excess payment of appropriate tax arise on the redemption of Shares as a result of tax paid on an earlier deemed chargeable event, the Company, on election, is not obliged to process the refund arising on behalf of a relevant Shareholder provided the value of the Shares held by Taxable Irish Persons does not exceed 15% of the total value of the Shares in the Company. Instead the Shareholder should

seek such a repayment directly from the Revenue Commissioners. Irish legislation also provides for the making of an irrevocable election by the Company to value the Shares on 30 June or 31 December immediately prior to the end of the Relevant Period, rather than on the date of the end of the Relevant Period itself.

Shareholders

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the Revenue Commissioners has been obtained by the Company to the effect that the requirement to have been provided with such declaration from that Shareholder or class of shareholders to which the Shareholder belongs is deemed to have been complied with) will not be subject to tax on any distributions from the Company or any gain arising on redemption, repurchase or transfer of their Shares provided the Shares are not held through a branch or agency in Ireland and the Shares, if unlisted, do not derive the greater part of their value from Irish land or mineral rights. No tax will be deducted from any payments made by the Company to those Shareholders who are Foreign Persons.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish resident nor Irish ordinarily resident, no tax will have to be deducted by the Company on the occasion of a chargeable event provided that the Intermediary has made an appropriate declaration to the Company that he/she is acting on behalf of such persons and the Company is not in possession of any information which would reasonable suggest that the information contained therein is no longer materially correct.

Shareholders who are Irish resident or ordinarily resident or who hold their Shares through a branch or agency in Ireland, may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self-assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Irish Resident corporate Shareholders who receive distributions (where payments are made annually or at more frequent intervals) from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the TCA from which tax at the appropriate rate has been deducted. In general, such Shareholders will not be subject to further Irish tax on any other payments received in respect of their Shareholdings from which tax has been deducted. An Irish Resident corporate Shareholder whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set-off against corporation tax payable for any tax deducted by the Company. In general, non-corporate Shareholders who are Irish Resident or Irish Ordinary Resident will not be subject to further Irish tax on income from their Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments received.

If Shares are not denominated in Euro, Shareholders who are Taxable Irish Persons may be liable (on a self-assessment basis) to Irish capital gains taxation, currently at the rate of 33%, on any currency gain arising on the redemption, transfer or disposal of the Shares.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

Return of Values

As a result of provisions introduced by Finance Act 2012 (and the subsequent Return of Values (Investment Undertakings Regulations 2013), the Company is obliged to report certain details in relation to Shares acquired by investors from 1 January 2012 onwards. The details to be reported include the name, address, date of birth (if an individual) and the value of the units held. For new Shares acquired on or after 1 January 2014, the details to be reported will also include the tax reference number or, in the absence of the number, a special marker indicating that this was not provided. No details are required to be reported in respect of Shareholders who are:

- Exempted Irish Investors in respect of whom the appropriate declarations have been made; or

- Shareholders whose shares are held in a recognised clearing system; or
- Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made.

Stamp Duty

Generally, no Irish stamp duty will be payable on the subscription, transfer or redemption of Shares provided that no application for Shares or re-purchase or redemption of Shares is satisfied by an *in specie* transfer of any Irish situated property.

Capital Acquisitions Tax

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

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

Other Tax matters

The income and/or gains of a Company from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. The Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to that Company, the Net Asset Value of the Company will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

Certain Irish Tax Definitions

(i) Residence – Company

Prior to Finance Act 2014, company residence was determined with regard to the long-established common law rules based on central management and control. These rules were significantly revised in Finance Act 2014 to provide that a company incorporated in the State will be regarded as resident for tax purposes in the State, unless it is treated as resident in a treaty partner country by virtue of a double taxation treaty. While the common law rule based on central management and control remains in place, it is subject to the statutory rule for determining residence based on incorporation in the State set out in the revised section 23A TCA 1997.

The new incorporation rule for determining the tax residence of a company incorporated in the State will apply to companies incorporated on or after 1 January 2015. For companies incorporated before this date, a transition period will apply until 31 December 2020.

(ii) Residence – Individual

An individual will be regarded as being resident in the State for a tax year if he/she:

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

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test. From 1 January 2009, presence in the State for a day means the personal presence of an individual at any time during the day.

(iii) Ordinary Residence – Individual

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

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

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2015 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2018.

(iv) **Intermediary**

This means a person who:

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

Information exchange and the implementation of FATCA in Ireland

Irish reporting financial institutions, which may include the Company have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

With effect from 1 July 2014 the Company is obliged to report certain information in respect of U.S. investors in the Company to the Irish Revenue Commissioners who will the share that information with the U.S. tax authorities.

The Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (FATCA), impose a 30% US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service (IRS) to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement (IGA) with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) implementing the information disclosure obligations, Irish financial institutions such as the Company are required to report certain information with respect to U.S. account holders to the Revenue Commissioners. The Revenue Commissioners will automatically provide that information annually to the IRS. The Company (and/or the Administrator or Investment Manager on behalf of the Company) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for shares in the Company. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Revenue Commissioners regardless as to whether the Company holds any U.S. assets or has any U.S. investors.

If a Shareholder causes the Company to suffer a withholding for or on account of FATCA (FATCA Deduction) or other financial penalty, cost, expense or liability, the Company may compulsorily redeem any Shares of such Shareholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such Shareholder. While the

IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Company in respect of its assets, no assurance can be given in this regard. As such, Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing

Common Reporting Standard (CRS)

The Common Reporting Standard (**CRS**) framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the **Standard**) was published, involving the use of two main elements, the Competent Authority Agreement (**CAA**) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (FIs) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while the Finance Act 2014 and Finance Act 2015 contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the **CRS Regulations**), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("DAC II") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. The Irish Finance Act 2015 contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the "Regulations"), giving effect to DAC II from 1 January 2016, came into operation on 31 December 2015.

Under the Regulations reporting financial institutions, are required to collect certain information on accountholders and on certain Controlling Persons in the case of the accountholder(s) being an Entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information (AEOI) webpage on www.revenue.ie

12.3. United Kingdom

The following information is intended to be a general guide to the anticipated tax treatment in the UK of the Company and its Shareholders. The statements made in respect of Shareholders only apply to persons who hold their Shares beneficially as an investment and who are resident in the UK for UK tax purposes. The information is based on the law enacted as at the date of the Prospectus (unless otherwise stated), is subject to changes therein and is not exhaustive.

Investors who are in any doubt about their position, or who may be subject to tax in a jurisdiction other than the UK, should consult a professional adviser.

The Company

In accordance with the provisions of section 363A, TIOPA 2010, a UCITS which is authorised in a foreign country or territory pursuant to Article 5 of the UCITS Directive will not be treated as UK resident for United Kingdom tax purposes (provided it is not an excluded entity, which the Company should not be). Accordingly, and provided that the Company does not exercise a trade within the UK, or carry on a trade in the UK through a permanent establishment, the Company should not be subject to UK corporation tax on income and capital gains arising to it, other than on UK source income. It is not expected that the activities of the Company will be regarded as trading activities for the purposes of UK taxation, although to the extent that trading activities are carried on in the UK, they could in principle be liable to UK tax. In any event, the profit from such trading activities would not be assessed to UK tax provided that the Company and the Investment Manager meet certain conditions. The Directors and the Investment Manager intend to conduct their respective affairs so that all these conditions are satisfied so far as this is within their respective control, but it cannot be guaranteed that these conditions will at all times be satisfied.

Shareholders - income

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax or corporation tax in respect of distributions of income made by the Company (whether or not such distributions are reinvested). UK resident Shareholders holding Reporting Shares at the end of each reporting period will be subject to UK income tax or corporation tax on their share of the Reporting Fund's income for a reporting period to the extent that this amount exceeds dividends received, and whether or not the income is distributed to them. Therefore UK resident Shareholders holding Accumulation Shares that have Reporting Fund status should be aware that they will be required to account for and pay tax on income which has been reported to them in respect of their holdings even though income has not been distributed to them.

In respect of distributions and any reported income in excess of distributions, shareholders should note the following:

- (i) distributions (or reported income) from a Fund that is substantially invested in interest bearing assets (**a bond fund**) are treated as interest income in the hands of both individual and corporate investors; and
- (ii) distributions (or reported income) from a Fund may be exempt from corporation tax in the hands of a corporate investor, provided the Fund making the distribution is not a bond fund and certain other conditions are met.

Shareholders - gains

Each of the Share classes in the Company will be treated as an **offshore fund** within the meaning given by section 355 (Taxation (International and Other Provisions Act) 2010. As such, the Offshore Funds (Tax) Regulations 2009 will apply to treat chargeable gains made on disposal of Shares as income unless the Fund has obtained Reporting Fund status from HM Revenue & Customs (HMRC) for each period of account in which Shareholders held the Shares in question.

Provided the Company obtains such certification, Shareholders disposing of interests in reporting Share classes who are resident in the UK for tax purposes may be liable to capital gains tax (or corporation tax on capital gains) in respect of any gain realised on repurchase of those Shares or on any switch from one Fund to another within the Company or on any other disposal of those Shares. Any such gain may be reduced by any UK capital gains tax exemption or allowance available to a Shareholder.

In broad terms, a 'reporting fund' is an offshore fund that meets certain upfront and annual reporting requirements to HMRC and its Shareholders. The Directors intend to manage the affairs of the Company and the Fund so that these upfront and annual duties are met and continue to be met on an on-going basis for each of the classes within the Company, which intend to seek UK reporting fund status. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant Shareholders (as defined for these purposes). UK Shareholders which hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the higher of any

cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders six months following the end of the relevant reporting period.

Once reporting fund status is obtained from HMRC for the relevant classes, it will remain in place so long as the annual requirements are undertaken. Should investor wish further information on the implications of the Funds obtaining such status they should seek professional advice.

In accordance with Regulation 90 of the Offshore Funds (Tax) Regulations 2009, Shareholder reports will generally be made available, for Reporting Shares, within six months of the end of the reporting period at www.aegonam.com. Whilst reportable income data shall principally be made available on a website accessible to UK investors, alternatively, Shareholders may, if they so require, request a hard copy of the reporting fund data for any given year. Such requests must be made in writing to the following address: Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

Each such request must be received within three months of the end of the reporting period. Unless the Investment Manager is notified to the contrary in the manner described above, it is understood that investors do not require their report to be made available other than by accessing the appropriate website.

It is the Investor's responsibility to calculate and report their respective total reportable income to HMRC based on the number of Shares held at the end of the reporting period. In addition to reportable income attributable to each Share Class the report will include information on amounts distributed per Share and the dates of distributions in respect of the reporting period.

Shareholders investing in classes of Shares within a Fund without reporting fund status should seek their own professional advice.

A decision regarding whether to apply for reporting fund status in respect of new Share classes of any sub-funds will be made at the time of launch of such Share classes.

Income equalisation

For Reporting Shares, the Company operates full equalisation arrangements which ensure that the income yield is not affected by incoming and outgoing investors during the reporting period. Equalisation applies to Shares purchased during a reporting period. Equalisation data will be provided in respect of Reporting Shares on the Shareholder reports referred to above. Group 2 Shareholders investing in Reporting Shares can use the equalisation data to reduce their reportable income for a period.

Shareholders investing in classes of Shares within a Fund without Reporting Fund status should seek their own professional advice.

Corporate Investors

Under Chapter 3 of Part 6 of the Corporation Tax Act 2009, if any Fund has more than 60%, by market value, of its investments in qualifying investments (broadly investments that yield a return directly or indirectly in the form of interest), at any time in the accounting period of the corporate investor, the interest held by such corporate investor may be deemed to constitute a **loan relationship**. As a consequence, a corporate investor will be taxed on the increase in value of its holding on a mark to market basis (rather than on disposal) or will obtain tax relief for any equivalent decrease in value. The provisions relating to non-reporting funds (outlined above) and those relating to holdings in controlled foreign companies (outlined below) would not then apply to such corporate shareholders.

Special rules may apply to certain classes of investor within the charge to UK corporation tax where they hold, alone or together with other associated persons, Shares which confer a right to at least 25% of the profits of the Company. Such investors may be subject to UK tax on undistributed profits under the **controlled foreign company** rules, unless one of a number of exemptions is met, and should therefore take their own specific professional tax advice.

Anti-avoidance rules

Transfer of Assets Abroad

The attention of individuals ordinarily resident in the UK is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007 which may render such persons liable to taxation in respect of

undistributed income and profits of the Company. However, this legislation will not apply if such individuals can satisfy HMRC that either:

- (i) the purpose of avoiding liability to UK taxation was not the purpose or one of the purposes of their investment in the Company; or
- (ii) the investment was a bona fide commercial transaction and was not designed for the purpose of avoiding UK taxation.

Non-Resident Close Companies

The attention of persons resident in the UK (and who, if they are individuals, are domiciled in the UK), is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992. These provisions only apply to persons who, together with other connected persons, hold 25% or more of the Shares in the Company and the Company is controlled in such a manner that it would be a close company for UK tax purposes, were it resident in the UK. These provisions could, if applied, result in such a person being treated, for the purposes of the UK taxation of chargeable gains, as if part of any gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company.

Genuine Diversity of Ownership Condition

Shares in each of the Funds shall be widely available. The intended categories of investors are those seeking to invest in UCITS including retail investors, institutional investors (including pension funds) and high net worth individual investors. Shares in the Funds are marketed by the Distributor (or its sub-distributors) and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

12.4. **Other Jurisdictions**

The Directors intend to manage the affairs of the Company so that it does not become resident outside of Ireland for tax purposes.

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. **Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.**

13. **GENERAL INFORMATION**

13.1. **Reports and Accounts**

The Company's year-end is 31 October in each year. The annual report and audited accounts of the Company, in English, will be sent to Euronext Dublin (in respect of Shares listed, if any) and made available to Shareholders within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The next annual report will be published within four months of 31 October each year. The Company will also prepare unaudited semi-annual reports which will be sent to Euronext Dublin (in respect of Shares listed, if any) and made available to Shareholders within two months after 30 April in each year. The next semi-annual report will be published within two months of 30 April each year.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year-end or the end of such semi-annual period.

Audited financial statements and a semi-annual report, with unaudited financial information will be sent to Shareholders within six months and four months respectively of the period to which they relate and a copy of the most recent financial statements will be sent to Shareholders and prospective investors on request.

13.2. **Incorporation and Share Capital**

The Company was incorporated and registered in Ireland under the Act as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds on 25 June 2007 with registered number 442106.

At the date hereof the authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares; the issued share capital of the Company is €2 represented by 2 shares (the **subscriber shares**) issued for the purposes of the incorporation of the Company at an issue price of €1 per Share which are fully paid up and which are held by Aegon Asset Management UK plc and Aegon Asset Management UK Limited.

The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company.

13.3. **Memorandum and Articles of Association**

Clause 2 of the Memorandum of Association provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk-spreading in accordance with the Regulations.

The Articles contain provisions to the following effect:

Directors' Authority To Allot Shares

The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;

Variation of Rights

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

Voting Rights

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

Alteration of Share Capital

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

The Company may also by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into Shares of larger amounts;
- (ii) subdivide its Shares, or any of them, into Shares of smaller amounts or value;

- (iii) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
- (iv) redenominate the currency of any class of Shares;

Directors' Interests

Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested.

A Director shall not vote at a meeting of the Directors or of any committee established by the Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material (other than an interest arising by virtue of his interest in Shares or debentures or other securities or otherwise in or through the Company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.

A Director shall be entitled to vote (and be counted in the quorum) in respect of any resolutions concerning any of the following matters, namely:-

- (i) the giving of any security, guarantee or indemnity to him in respect of money lent by him to the Company or any of its subsidiary or associated companies or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary or associated companies;
- (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary or associated companies for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning any offer of shares or debentures or other securities of or by the Company or any of its subsidiary or associated companies for subscription, purchase or exchange in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof; or
- (iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever.

Borrowing Powers

The Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof and to issue securities, whether outright or as collateral security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits and conditions laid down by the Central Bank;

Delegation to Committee

The Directors may delegate any of their powers to any committee consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the

proceedings of a committee with two or more members shall be governed by the provisions of the Articles of Association regulating the proceedings of Directors so far as they are capable of applying;

Retirement of Directors

No Director shall be required to retire by rotation and no Director shall be required to retire on account of age.

Directors' Remuneration

Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any class of Shares of the Company or otherwise in connection with the discharge of their duties;

Transfer of Shares

Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a Share to a U.S. Person (other than pursuant to an exemption available under the laws of the United States), any person who, by holding Shares, would appear to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or might result in the Company incurring any liability to taxation or suffering pecuniary legal or material administrative disadvantages (including endeavouring to ensure that the relevant Fund's assets are not considered plan assets for the purpose of ERISA) or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached (including without limitation, where a holder fails to provide the Company with information required to satisfy any automatic exchange of information obligations under, for example, FATCA of a Fund, the Company, the Depository, the administrator, the investment manager or any delegate thereof); or in circumstances which might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles any transfer to an individual under the age of 18, any transfer to or by a minor or a person of unsound mind, any transfer unless the transferee of such Shares would following such transfer be the holder of Shares with a value at the then current subscription price equal to or greater than the Minimum Initial Investment Amount, any transfer in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding and any transfer in regard to which any payment of taxation remains outstanding.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate for the Shares to which it relates (if issued), is in respect of one class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint. The Directors may decline to register any transfer of Shares unless the transferor and the transferee have provided the Administrator with such evidence of their identities as the Administrator may reasonably require;

Right of Repurchase

Shareholders have the right to request the Company to repurchase their Shares in accordance with the provisions of the Articles of Association;

Dividends

The Articles of Association permit the Directors to declare such dividends on any class of Shares as appear to the Directors to be justified by the profits of the relevant Fund. The Directors may satisfy any

dividend due to holders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Fund and, in particular, any investments to which the relevant Fund is entitled. A Shareholder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets with the cost of the sale charged to that holder and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund;

Funds

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

- (i) for each Fund the Company shall keep separate books and records in which all transactions relating to the relevant Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each class in the Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
- (iii) in the event that there are any assets of the Company which the Directors do not consider are attributable to a particular Fund or Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depositary, vary the basis in relation to assets previously allocated; and
- (iv) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund;

Fund Exchanges

Subject to the provisions of the Articles of Association, a Shareholder holding Shares in any class in a Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another class (such class being either an existing class or a class agreed by the Directors to be brought into existence with effect from that Dealing Day);

Winding Up

The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Act, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund, provided that rules in relation to segregated liability between Funds apply;
- (ii) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Fund attributable to each class of Share shall be distributed to the holders of Shares in the relevant class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such class of Shares in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the Company not attributable to any class of Share. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to each class of Share; and thirdly, any balance then remaining and not attributable to any of the classes of Shares shall be apportioned pro-rata as between the classes of Shares based on the Net Asset Value attributable to each class of Shares as at the date of commencement to wind up and the amount so apportioned to a class shall be distributed to holders pro-rata to the number of Shares in that class of Shares held by them; and

- (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Act of Ireland, divide among the holders of Shares of any class or classes in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between all the holders of Shares or different classes of Shares. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A holder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.
- (iv) A Fund may be wound up pursuant to section 1407 of the Act and in such event the provisions reflected in this paragraph 13 shall apply mutatis mutandis.

Share Qualification

The Articles do not contain a share qualification for Directors.

13.4. Litigation and Arbitration

Since incorporation the Company has not been involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

13.5. Directors' Interests

- 13.5.1. There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed;
- 13.5.2. At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as otherwise provided no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company; and
- 13.5.3. At the date of this Prospectus neither the Directors nor any Persons Closely Associated have any beneficial interest in the share capital of the Company or any options in respect of such capital.
- 13.5.4. Andrew Bell is a Director of the Company and an employee of the Investment Manager. Mike Kirby is a director of KB Associates which has been engaged by the Company to provide certain monitoring and reporting services to the Company and is in receipt of remuneration and out of pocket expenses for such services.

13.6. Material Contracts

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

- 13.6.1. **The Depositary Agreement** the material terms of which are set out in the Depositary section above. This Agreement provides that it will continue in force unless and until terminated by either party giving not less than 90 days' prior written notice to the other(s), although termination may be immediate in certain circumstances, such as the insolvency of the Depositary. Upon an (envisaged) removal or resignation of the Depositary, the Company shall with due observance of the applicable requirements of the Central Bank and in accordance with applicable law, rules and regulations, appoint a successor depositary. The Depositary may not be replaced without the approval of the Central Bank; This Agreement is governed by

the laws of Ireland and the courts of Ireland shall have non-exclusive jurisdiction to hear any disputes or claims arising out of or in connection with this Agreement; This Agreement contains indemnities in favour of the Depositary excluding matters arising by reason of its failure to satisfy its obligation of due skill, care and diligence, or by reason of its negligence.

- 13.6.2. **The Administration Agreement**, which provides that the appointment of the Administrator will continue for an initial term of one year and for successive periods of a year (or such other period as the parties may agree) thereafter unless and until terminated by the Company or the Administrator in accordance with the terms of the Administration Agreement; the Administration Agreement contains certain indemnities in favour of the Administrator which are restricted to exclude matters arising by reason of negligence, fraud, wilful default or, or any breach of the Administrator's obligations under the Administration Agreement.
- 13.6.3. **The Investment Management Agreement**, which provides that the appointment of the Investment Manager will continue for an initial period of three years (the **Initial Term**) and for successive periods of one year unless and until terminated by the Investment Manager giving not less than 90 days written notice to the Company or by the Company giving not less than 90 days written notice to the Investment Manager in each case to end on the expiry of the Initial Term or an extension thereof although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other; the Investment Management Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters resulting from the wilful misfeasance, bad faith, fraud, wilful default or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.
- 13.6.4. **The Distribution Agreement** dated 26 October 2007 between the Company, RBS Fund Services (Ireland) Limited and Aegon Asset Management UK plc, as novated to the Company by way of a Novation Agreement dated 30 June 2009 and amended by way of a Variation Agreement to the Distribution Agreement dated 14 July 2011, this Agreement provides that the appointment of the Distributor will continue for an initial period of three years (the **Initial Term**) and for successive periods of one year unless and until terminated by the Distributor giving not less than 90 days written notice to the Company or by the Company giving not less than 90 days written notice to the Distributor in each case to end on the expiry of the Initial Term or an extension thereof although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other; under this Agreement the Distributor will not be liable to the Company for matters in the absence of the Distributor's fraud, negligence or wilful default.
- 13.6.5. **The Distribution Agreement** dated 15 March 2019 between the Company and Aegon Investment Management B.V.. The Agreement provides that it may be terminated by the Company or Aegon Investment Management B.V. by giving at least 90 days prior written notice to the other party of such termination, although in certain circumstances the Agreement may be terminated at any time by notice in writing by either party to the other; this Agreement contains certain indemnities in favour of Aegon Investment Management B.V. which are restricted to exclude claims attributable to the fraud, negligence or wilful default in the performance or non-performance by Aegon Investment Management B.V. of its obligations or of its duties thereunder.

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

13.7. **Miscellaneous**

Save as may result from the entry by the Company into the agreements listed under **Material Contracts** above or any other fees, commissions or expenses discharged, no amount or benefit has been paid or given or is intended to be paid or given to any promoter of the Company.

Save as disclosed under the Portfolio Transactions and Conflicts of Interest section above, no commissions, discounts, brokerages or other special terms have been paid or granted or are payable for

subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the Company.

13.8. **Remuneration**

Taking into account the internal organisation and the nature, scale and complexity of the Company's activities, the Board has put in place a remuneration policy designed to ensure that any relevant conflicts of interest can be managed appropriately at all times, taking into consideration the need to align risks in terms of risk management and exposure to risk and for the policies to be in line with the business strategy, objectives and interests of the Company.

The Company has no employees to whom remuneration is paid. The directors are paid fixed fees in accordance with this Prospectus, as disclosed in the section entitled **FEES AND EXPENSES**.

The Board is satisfied that the Company's remuneration policies for the Directors whose activities may have a material impact on the risk profiles of the Company are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of the Company. None of the Directors have a performance based variable component to their remuneration, therefore avoiding any potential conflicts of interest. The components of any variable element to remuneration arrangements will be in accordance with the Regulations, as will deferral payment thereof. The Board is satisfied that the Company's remuneration policies and practices for the Directors are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of the Company.

Details of the up to date remuneration policy of the Company including but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available at the Responsible Investors section of Aegon Asset Management UK plc's website - www.aegonam.com. A paper copy will be available free of charge upon request at the registered office of the Company

13.9. **Documents for Inspection**

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

- 13.9.1. the Memorandum and Articles of Association of the Company;
- 13.9.2. the Prospectus (as amended and supplemental to) and the Supplements;
- 13.9.3. the annual and semi-annual reports relating to the Company most recently prepared by the Administrator;
- 13.9.4. details of notices sent to Shareholders;
- 13.9.5. the material contracts referred to above;
- 13.9.6. the Regulations;
- 13.9.7. the Central Bank UCITS Regulations;
- 13.9.8. the key investor information documents (**KIIDs**); and
- 13.9.9. a list of any directorships or partnerships, past or present, held by the Directors in the last five years.

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

13.10. **Dispute Resolution**

Any person who has a complaint to make about the operation of the Company can submit his complaint in writing to the address given below:

Citi Fund Services Transfer Agency
1 North Wall Quay
Dublin 1
Ireland

Shareholders may also raise a complaint through the EU Online Dispute Resolution (ODR) portal www.ec.europa.eu/consumers/odr/ if the complaint relates to Shares that were subscribed by electronic means, including via email. Making a complaint will not prejudice your rights to commence legal proceedings.

Further information regarding any compensation scheme or any other investor-compensation scheme of which the Investment Manager or any Fund is a member (including, if relevant, membership through a branch) or any alternative arrangement provided, are also available on request.

13.11. **Communications Recording**

Please note that the Investment Manager or the Administrator may record telephone calls and electronic communications for training and monitoring purposes and to confirm investors' instructions. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years, where we can identify the call or communication. If you ask us to send you a recording of a particular call, we may ask for further information to help us identify the exact call to which your request relates.

SCHEDULE 1 - MARKETS

Subject to the provisions of the Central Bank and with the exception of permitted investments in unlisted securities, the Company will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public):

- 1 (a) any stock exchange which is:
- located in an EEA Member State; or
 - located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America, United Kingdom; or
- (b) any stock exchange included in the following list:
- | | |
|------------|--|
| Argentina | Bolsa de Comercio de Buenos Aires, Bolsa de Comercio de Cordoba, Bolsa de Comercio de Rosario; |
| Bahrain | Bahrain Stock Exchange; |
| Bangladesh | Dhaka Stock Exchange and Chittagong Stock Exchange; |
| Brazil | Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro; |
| Chile | Bolsa de Comercio de Santiago, Bolsa Electronica de Chile, Bolsa de Valparaiso |
| China | Shanghai Stock Exchange and Shenzhen Stock Exchange, |
| Colombia | Bolsa de Medellin, Bolsa de Occidente |
| Costa Rica | |
| Egypt | Alexandria Stock Exchange, Cairo Stock Exchange |
| Ghana | Ghana Stock Exchange |
| Guernsey | The International Stock Exchange |
| India | Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India; |
| Indonesia | Jakarta Stock Exchange and Surabaya Stock Exchange; |
| Israel | Tel-Aviv Stock Exchange; |
| Jamaica | Jamaican Stock Exchange |
| Jersey | The International Stock Exchange |
| Jordan | Amman Financial Market; |
| Kazakhstan | Central Asian Stock Exchange, Kazakhstan Stock Exchange; |
| Kenya | Nairobi Stock Exchange |

Korea	Korean Stock Exchange;
Kuwait	Kuwait Stock Exchange;
Malaysia	Kuala Lumpur Stock Exchange;
Mexico	Bolsa Mexicana de Valores
Morocco	Societe de la Bourse des Valeurs de Casablanca
Namibia	Namibian Stock Exchange;
Nigeria	Nigerian Stock Exchange
Oman	Muscat Securities Market;
Pakistan	Islamabad Stock Exchange; Karachi Stock Exchange; Lahore Stock Exchange
Panama	Bolsa de Valores de Panama S.A.
Peru	Bolsa de Valores de Lima
Philippines	Philippines Stock Exchange
Qatar	Qatar Stock Exchange
Russia	Moscow Stock Exchange; Russian Trading System; Moscow Interbank Currency Exchange
Saudi Arabia	Riyadh Stock Exchange;
Serbia	Belgrade Stock Exchange
Singapore	The Stock Exchange of Singapore
South Africa	Johannesburg Stock Exchange South African Futures Exchange; Bond Exchange of South Africa
Sri Lanka	Colombo Stock Exchange;
Taiwan	Taipei Stock Exchange Corporation; Gre Tai Securities Market; Taiwan Futures Exchange
Tanzania	Dar es Salaam Stock Exchange
Thailand	The Stock Exchange of Thailand
Tunisia	Bourse des Valeurs Mobilieres de Tunis
Turkey	Istanbul Stock Exchange;
United Arab Emirates	Dubai Financial Market ; NASDAQ Dubai; Abu Dhabi Securities Exchange
Uruguay	Bolsa de Valores de Montevideo; Bolsa Electronica de Valores del Uruguay SA
Vietnam	Ho Chi Minh Stock Exchange; Hanoi Stock Exchange

(c) any of the following:

The market organised by the International Capital Market Association;

The (i) market conducted by banks and other institutions regulated by the Financial Conduct Authority (**FCA**) and subject to the Inter-Professional Conduct provisions of the FCA's Market

Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;

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

The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

KOSDAQ;

NASDAQ;

SESDAQ;

TAISDAQ/Gretai Market;

The Chicago Board of Trade;

The Chicago Mercantile Exchange;

The Johannesburg Securities Exchange;

The Singapore International Monetary Exchange;

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

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

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

2. In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is:
 - (i) located in an EEA Member State;
 - (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, the United Kingdom or the United States;
 - (iii) the Channel Islands Stock Exchange;
 - (iv) listed at (c) above.
3. The stock exchanges and regulated markets described above are set out herein in accordance with the requirements of the Central Bank which does not issue a list of approved markets.

SCHEDULE 2 – SUB-DELEGATES

As at the date of this Prospectus, the following sub-delegates have been appointed:

As at the date of this Prospectus, the sub-delegates used by the Depositary in various markets are as follows:

Country	Citibank NA
Argentina	The branch of Citibank N.A., in the Republic of Argentina
Australia	Citigroup Pty. Limited
Austria	Citibank Europe Plc
Bahrain	Citibank, N.A., Bahrain Branch
Bangladesh	Citibank, N.A., Bangladesh Branch
Belgium	Citibank Europe plc
Bermuda	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Bermuda Limited
Bosnia-Herzegovina (Sarajevo)	UniCredit Bank d.d.
Bosnia-Herzegovina: Srpska (Banja Luka)	UniCredit Bank d.d.
Botswana	Standard Chartered Bank of Botswana Limited
Brazil	Citibank, N.A., Brazilian Branch
Bulgaria	Citibank Europe plc Bulgaria Branch
Canada	Citibank Canada
Chile	Banco de Chile
China B Shanghai	Citibank, N.A., Hong Kong Branch (For China B shares)
China B Shenzhen	Citibank, N.A., Hong Kong Branch (For China B shares)
China A Shares	Citibank China Co Ltd (China A shares)

China Hong Kong Stock Connect	Citibank, N.A., Hong Kong Branch
Clearstream ICSD	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	Banco Nacional de Costa Rica
Croatia	Privedna banka Zagreb d.d.
Cyprus	Citibank Europe plc, Greece Branch
Czech Republic	Citibank Europe plc, organizacni slozka
Denmark	Citibank Europe plc
Egypt	Citibank, N.A., Egypt
Estonia	Swedbank AS
Euroclear	Euroclear Bank SA/NV
Finland	Nordea Bank AB (publ), Finnish Branch
France	Citibank Europe plc
Georgia	JSC Bank of Georgia
Germany	Citibank Europe plc
Ghana	Standard Chartered Bank of Ghana Limited
Greece	Citibank Europe plc, Greece Branch
Hong Kong	Citibank NA Hong Kong Branch
Hungary	Citibank Europe plc Hungarian Branch Office
Iceland	Citibank is a direct member of Clearstream Banking, which is an ICSD.

India	Citibank NA Mumbai Branch
Indonesia	Citibank, N.A., Jakarta Branch
Ireland	Citibank NA London Branch
Israel	Citibank, N.A., Israel Branch
Italy	Citibank Europe plc, CEP effective Oct 21st 2019
Jamaica	Scotia Investments Jamaica Limited
Japan	Citibank N.A. Tokyo Branch
Jordan	Standard Chartered Bank Jordan Branch
Kenya	Standard Chartered Bank Kenya Limited
Korea (South)	Citibank Korea Inc.
Kuwait	Citibank NA Kuwait Branch
Latvia	Swedbank AS, based in Estonia and acting through its Latvian branch, Swedbank AS
Lithuania	Swedbank AS, based in Estonia and acting through its Lithuanian branch "Swedbank" AB
Luxembourg	only offered through the ICSDs- Euroclear & Clearstream
Macedonia	Raiffeisen Bank International AG
Malaysia	Citibank Berhad
Malta	Citibank is a direct member of Clearstream Banking, which is an ICSD.
Mauritius	The Hong Kong & Shanghai Banking Corporation Limited
Mexico	Banco Nacional de Mexico, S.A.
Morocco	Citibank Maghreb

Namibia	Standard Bank of South Africa Limited acting through its agent, Standard Bank Namibia Limited
Netherlands	Citibank Europe plc
New Zealand	Citibank, N.A., New Zealand Branch
Nigeria	Citibank Nigeria Limited
Norway	Citibank Europe Plc
Oman	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Oman S.A.O.G
Pakistan	Citibank, N.A., Citibank Europe Plc Pakistan Branch
Panama	Citibank, N.A., Panama Branch
Peru	Citibank del Peru S.A
Philippines	Citibank, N.A., Philippine Branch
Poland	Bank Handlowy w Warszawie SA
Portugal	Citibank Europe Plc
Qatar	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Bank Middle East Limited
Romania	Citibank Europe plc, Dublin - Romania Branch
Russia	AO Citibank
Saudi Arabia	The Hong Kong & Shanghai Banking Corporation Limited acting through its agent, HSBC Saudi Arabia Ltd.
Serbia	UniCredit Bank Srbija a.d.
Singapore	Citibank, N.A., Singapore Branch
Slovak Republic	Citibank Europe plc pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d. Ljubljana

South Africa	Citibank NA South Africa branch
Spain	Citibank Europe Plc
Sri Lanka	Citibank NA Colombo Branch
Sweden	Citibank Europe plc, Sweden Branch
Switzerland	Citibank NA London branch
Taiwan	Citibank Taiwan Limited
Tanzania	Standard Bank of South Africa acting through its affiliate Stanbic Bank Tanzania Ltd
Thailand	Citibank, N.A. Bangkok Branch
Tunisia	Union Internationale de Banques
Turkey	Citibank, A.S.
Uganda	Standard Chartered Bank of Uganda Limited
Ukraine	JSC Citibank
UAE- Abu Dhabi Securities Exchange	Citibank NA UAE
United Arab Emirates DFM	Citibank NA UAE
United Arab Emirates NASDAQ Dubai	Citibank NA UAE
United Kingdom	Citibank NA London branch
United States	Citibank NA New York offices
Uruguay	Banco Itau Uruguay S.A.
Vietnam	Citibank NA Hanoi Branch

SCHEDULE 3 DIRECTORY

AEGON ASSET MANAGEMENT INVESTMENT COMPANY (IRELAND) PLC

70 SIR JOHN ROGERSON'S QUAY

DUBLIN 2

IRELAND

DIRECTORS

MIKE KIRBY

BRONWYN WRIGHT

STUART DONALD

INVESTMENT MANAGER

AEGON ASSET MANAGEMENT UK PLC

3 LOCHSIDE CRESCENT

EDINBURGH EH12 9SA

UNITED KINGDOM

DEPOSITARY

CITI DEPOSITARY SERVICES IRELAND DESIGNATED ACTIVITY COMPANY

1 NORTH WALL QUAY

DUBLIN 1

IRELAND

ADMINISTRATOR

CITIBANK EUROPE PLC

1 NORTH WALL QUAY

DUBLIN 1

IRELAND

AUDITORS

PRICEWATERHOUSECOOPERS

1 SPENCER DOCK

NORTH WALL QUAY

DUBLIN 1

IRELAND

IRISH LEGAL ADVISERS TO THE COMPANY

MATHESON

70 SIR JOHN ROGERSON'S QUAY

DUBLIN 2

IRELAND

SPONSORING BROKERS

MATHESON

70 SIR JOHN ROGERSON'S QUAY

DUBLIN 2

IRELAND

SECRETARY

MATSACK TRUST LIMITED

70 SIR JOHN ROGERSON'S QUAY

NORTH

DUBLIN 2

IRELAND

DISTRIBUTORS

AEGON ASSET MANAGEMENT UK PLC

3 LOCHSIDE CRESCENT

EDINBURGH EH12 9SA

UNITED KINGDOM

AEGON INVESTMENT MANAGEMENT B.V.

AEGONPLEIN 50

2591 TV

DEN HAAG

THE NETHERLANDS

Aegon Investment Grade Global Bond Fund

Supplement to the Prospectus for Aegon Asset Management Investment Company (Ireland) Plc

An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Aegon Investment Grade Global Bond Fund (the **Fund**), a sub-fund of Aegon Asset Management Investment Company (Ireland) Plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). The Company has sixteen other sub-funds in existence as at the date of this Supplement:

- (1) Aegon Active Long Dated Bond Fund;
- (2) Aegon Global Equity Income Fund;
- (3) Aegon High Yield Global Bond Fund;
- (4) Aegon Global Sustainable Equity Fund;
- (5) Aegon Global Equity Market Neutral Fund;
- (6) Aegon Global Diversified Growth Fund;
- (7) Aegon Global Diversified Income Fund;
- (8) Aegon Absolute Return Bond Fund;
- (9) Aegon Strategic Global Bond Fund;
- (10) Aegon Equity Market Neutral Fund;
- (11) Aegon Equity Market Neutral Plus Fund;
- (12) Aegon Absolute Return Bond Global Fund;
- (13) Aegon Absolute Return Bond Constrained Fund;
- (14) Aegon Emerging Market Bond Opportunities Fund;
- (15) Aegon Short Dated High Yield Global Bond Fund; and
- (16) Aegon Short Dated Investment Grade Global Bond Fund.

The following sub-funds are currently closed for subscription and it is intended that an application will be made to the Central Bank to withdraw their approvals following preparation of audited accounts disclosing a zero Net Asset Value in respect of the relevant funds:

- Aegon Absolute Return Bond Constrained Fund
- Aegon Absolute Return Bond Global Fund
- Aegon Active Long Dated Bond Fund
- Aegon Emerging Market Bond Opportunities Fund
- Aegon Equity Market Neutral Fund
- Aegon Equity Market Neutral Plus Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 7 September 2020 (the Prospectus).

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

Investors should also note that subscription for Shares of the Fund is not the same as making a deposit with a bank or other deposit taking body. The principal invested in the Fund is capable of fluctuation and the value of the Shares is not insured or guaranteed.

Application may be made to Euronext Dublin for Shares of any Class issued and to be issued to be admitted to its official list and to trading on the regulated market of Euronext Dublin but the Directors do not anticipate that an active secondary market will develop in any of the Shares.

Neither the admission of Shares of the Company to the official list and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The launch and listing of various classes within the Fund may occur at different times and therefore at the time of the launch of a given class(es), the pool of assets to which a given class(es) relates may have commenced to trade. Financial information in respect of the Fund will be published from time to time, and the most recently published audited and unaudited financial information will be available to potential investors upon request following publication.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 26 November 2020

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1. INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximise total return (income plus capital).

2. INVESTMENT MANAGER

Aegon Asset Management UK plc, based in Edinburgh, currently manages and distributes Irish and UK domiciled investment companies through its retail sales team to investors in the UK and overseas.

3. INVESTMENT POLICIES

The Investment Manager will seek to achieve the investment objective by investing primarily in investment grade government and corporate bonds in any currency which may be at a fixed or floating rate, rated or unrated. The Fund may also hold selected high yield bonds and cash.

Investment Grade Bonds The Fund will invest at least 67% of its net assets in bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's) BBB- or higher by Standard & Poor's (S&P) or BBB- or higher by Fitch or its successors or equivalent or, in the case of unrated bonds, are deemed to have an equivalent rating by the Investment Manager.

High Yield Bonds The Fund may invest up to 20% of its net assets in high yield bonds, which are issues rated Ba1 by Moody's or below or BB+ by Standard and Poor's or below, or non-rated debt instruments deemed by the Investment Manager to be of similar credit quality. The average quality of the Fund's holdings will usually be in the range of B1 to Ba2 (B+ to BB), but may fluctuate. Lower quality companies may be a focus at certain times.

The Fund will be broadly diversified by industry and issuer. The allocation ranges are subject to change as the market for high yield bonds throughout the world evolves. No issuer will represent more than 10% of the Fund's net assets at any time save as described in paragraph 3.2.2(5) in the Permitted Investments section in the Prospectus.

The Fund may invest in government bonds both fixed and floating, inflation linked, rated and unrated.

The Fund may make use of derivatives for investment purposes (as well as for the purposes of Efficient Portfolio Management), as provided for below.

Duration, yield curve and currency investment strategies will be used. The Investment Manager will take over or under weight positions to various points of the yield curve, in line with its team's views of interest rates and how these will cause the yield curve to change shape. In addition, the Investment Manager will usually hedge the majority of currency exposure arising from bond positions back to the Fund's base currency. From time to time, the Investment Manager may take modest currency positions where it sees potential value, relative to the base currency.

There is no geographic limitation to the investment universe. Most of the assets are publicly listed/traded on Recognised Markets with an active secondary market (see Appendix 1 for a list of Recognised Markets).

The Fund will invest primarily in US Dollar-denominated assets or assets hedged back to US Dollars assets. However, at times, up to 20% of Fund net assets may be denominated in non-US currencies that are not hedged back to US dollars.

The Fund may invest up to 20% of its net assets in ancillary liquid assets such as cash, bank deposits, stocks, bonds, short term certificates, commercial paper, and treasury bills. However, no more than 20% of the net assets of the Fund may be held in aggregate in ancillary liquid assets.

Target performance

The Investment Manager expects that the Fund will return performance exceeding Bloomberg Barclays Capital Global Aggregate Corporate Index (USD Hedged) (the "**Target Benchmark**") on an annualised basis over a rolling 36 month period, net of fees. Although the Fund expects to reach this level of performance, there is no guarantee that this will be achieved. The Fund's capital is at risk meaning that

the Fund could suffer a decrease in value at any time. The duration of the Fund's portfolio is limited to no greater than plus or minus three years relative to the duration of the Target Benchmark. This notwithstanding, there will be deviation between the Fund's portfolio holdings and those of the Target Benchmark and this deviation may be significant.

Financial Derivative Instruments

The Fund may invest in financial derivative instruments (**FDIs**) for the purposes of Efficient Portfolio Management (**EPM**). The Fund may also invest in FDIs for investment purposes.

Efficient Portfolio Management and FDIs

The Fund may invest in FDIs for the purposes of EPM. Permitted EPM transactions (excluding stock lending transactions) are transactions in FDIs (as described in the Prospectus) dealt in or traded on an Eligible Derivatives Market; off-exchange futures, options, swaps or forward currency transactions. For example, the Fund may use forward currency transactions to hedge foreign exchange and interest rate risk.

Any forward transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparties with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy three broadly-based requirements:

- Transactions for EPM purposes must be economically appropriate.
- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the fund:
 - Reduction of risk
 - Reduction of cost
 - The generation of additional capital or income for the Fund with no, or an acceptably low level of, risk.
- Each EPM transaction must be covered globally i.e. there must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund. Assets and cash can be used only once for cover.
- They cannot result in a change to the Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Fund identified in the Prospectus and this Supplement.

The use of FDIs for the purpose of EPM is not otherwise expected to raise the risk profile of the Fund or result in higher volatility.

Investment Purposes

The Fund may use FDIs for investment purposes. The Fund may use FDIs:

- (i) as a substitute for taking a position in an underlying asset;
- (ii) to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and/or
- (iii) to gain an exposure to the composition and performance of a particular index (including a financial index). For example, the Fund may make use of index and credit default swaps to control the risk of loss due to market movements and to reduce the risk of credit risk with individual stock holdings or to gain exposure to an index or individual stocks.

FDIs may also be used in order to take tactical decisions. Futures, options, forwards or swaps (including credit default swaps) may be used to gain or reduce the Fund's exposure to credit spreads or a particular security or market for periods of time to be determined by the Investment Manager, either in advance of a longer term allocation or reappraisal of the Fund's commitment to the asset or market in question, or purely on a temporary basis where it is more efficient to use FDIs for this purpose.

Specific FDI

Below are the details of the FDI in which the Fund may invest. The underlying assets of these FDI will be one of the asset classes referred to above in this **Investment Policies** section.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Generally, these the underlying assets of the futures contracts will be the reference security, index, interest rate or currency.

Futures contracts allow the Fund to hedge against market risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. The Investment Manager may enter into futures contracts in order to both hedge and more efficiently manage the Fund.

Options

The Fund may purchase options to seek to provide an efficient, liquid and effective mechanism for locking in gains and/or protecting against future declines in the value of securities that it owns in order to benefit from future gains in the value of a security without the risk of the fall in value of security below the strike price. Generally these will be put/call options in relation to interest rates and currency and the underlying assets will be the assets referred to in the Investment Policy.

The Fund may also write (sell) options in respect of underlying assets, including writing call options which will give the counterparty a right to call for delivery of the asset at a given price in return for the payment of a premium to the Fund by the counterparty.

Forwards

The Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates and efficiently manage currency exposure. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another counterparty a specified amount of one currency at a specified price with another currency on a specified future date. Forward contracts may be cash settled between the parties. This reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. These contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Fund to benefit from favourable fluctuations in relevant foreign currencies. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another. Currency forwards are transacted over-the-counter (**OTC**).

Swaps

Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Swaps may be bought instead of purchasing the underlying asset as a more cost effective way of gaining exposure to that asset, for example a situation may arise where local settlement in a market is either difficult to access or expensive, asset swaps may

be used. Swaps can also be used to enable the Investment Manager to exchange a benefit (e.g. a floating rate of exchange) in one financial market for a corresponding benefit (e.g. a fixed rate of exchange) with a party in another market. As such they are very useful instruments for the management of risk.

Typically, the Fund may use credit default swaps to alter the Fund's exposure in accordance with the Investment Manager's outlook for broad credit movements at the time. Generally the underlyings of swaps will be single stocks (bonds) or indices.

Other Information

The Fund will be able to take long and/or short positions across the assets described in the investment policy. It is anticipated that the Fund may hold between 100% to 150% of its assets in long positions and up to 50% of its assets in short positions.

Any OTC transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

The use of FDIs will be fully supported by a risk management process (RMP) to ensure that the use of FDIs continue to be commensurate with the overall investment objectives of the Fund.

The use of FDIs for investment purposes will result in the creation of financial leverage and any such leverage will be within any limits set down by the Central Bank

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's risk management process (**RMP**). VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 14.1% of the Net Asset Value of the Fund; and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observation period will be not less than 3 years. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated as the sum of the notionals of the FDIs used by the Fund) under normal circumstances is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example at times when there is low volatility.

The collateral management policy of the Company is set out in the Prospectus.

Use of benchmarks

The Fund is actively managed, including by reference to the Target Benchmark described above. In addition, other benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

4. INVESTMENT RESTRICTIONS

The Fund shall not invest in collective investment schemes. In addition, the general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund.

5. SHARE CLASS CURRENCY HEDGING

The Base Currency of the Fund is US Dollar.

The classes available for subscription in the Fund are listed in the section entitled, **Key Information for Buying and Selling**.

The Company, at its absolute discretion, has the power to issue currency hedged Share classes. The non-US Dollar classes will be currency hedged Share classes. For such Share classes, the Investment Manager intends to hedge the currency exposure of those Share classes denominated in a currency

other than the Base Currency of the relevant Fund, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency. This is 'Method 1 (Base Currency Hedging)' of Share class currency hedging, as explained in the Prospectus in section 3.9.2 under the heading 'Hedged and Unhedged Share Classes'.

The costs of providing hedged Share classes and all other additional costs and gains/losses of such hedging transactions will accrue solely to the holders of the relevant Share class and shall not form part of the assets of the Fund or constitute a liability of the Fund. Any such hedging will endeavour to hedge no less than 95% of the net assets of the relevant Share classes. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105%. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward month to month.

Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.

This currency hedging policy aims to limit any potential currency risk linked to the value of the Base Currency falling against the currency in which the hedge Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the Base Currency.

This Section should be read in conjunction with the section entitled **Hedged and Unhedged Share Classes** in the Prospectus.

6. **BORROWINGS**

In accordance with the general provisions set out in the Prospectus under the heading FUNDS - Borrowing and Lending Powers the Fund may borrow up to 10% of its net assets on a temporary basis.

7. **RISK MANAGEMENT**

The Company on behalf of the Fund employs a RMP which helps it to accurately measure, monitor and manage the various risks associated with FDIs. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Fund will only utilise FDIs which have been included in the RMP report that has been cleared by the Central Bank.

8. **RISK FACTORS**

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

8.1. **General Instrument Risk**

The following risks may apply to investments made in both private and public debt and FDIs in these asset classes.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

8.2. **Objective Risk**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and those referred to below. These investment risks

are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares. There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon fixed income securities and FDIs before investing in the Fund.

The investments of the Fund will be subject to market fluctuations, currency fluctuations, emerging markets risks, custody and settlement risks, registration risk and foreign exposure risk.

8.3. **Liquidity Risk**

The secondary market for high yield bonds is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. The Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, a Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

8.4. **Credit Risk**

The Fund is subject to credit risk in respect to its investments and with regard to its contractual counterparties (such as hedge providers). The Fund intends to mitigate credit risk generally by pursuing a diversified investment strategy. This may be achieved through investments in a number of debt asset classes that naturally involve a diversification of credit risk or through diversifying its issuer exposure but there is no guarantee that this will be achieved.

8.5. **Interest Rate Risk**

The Fund's exposure to market risk is mainly with regard to movements in the value of its investments, changes in interest rates that in the event the Fund makes any fixed interest investments, may decrease its net interest income. In the event of a general rise in interest rates, the value of certain investment in the Fund's assets may fall, reducing the net asset value of the Fund.

Changes in interest rates may adversely affect the market value of some of the Fund's investments. Declining interest rates may affect the return on available reinvestment opportunities.

Fluctuation in rates may affect interest rate spreads in a manner adverse to the Fund. The Fund's interest rate exposure will reflect the Investment Manager's opinion on the future path of interest rates but there is no guarantee that this will be successful. Interest rates are highly sensitive to factors beyond the Fund's control, including, among others, government monetary and tax policies, and domestic and international economic and political conditions.

8.6. **Yield Risk**

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

8.7. **Foreign Exchange Risk**

Changes in rates of exchange may have an adverse effect on the net asset value of the Fund. In addition a change in foreign currency exchange rates may adversely affect cash flows or income from investments which are denominated in currencies other than the Base Currency, which could in turn adversely affect the Fund's ability to pay dividends. Foreign exchange investment and hedging strategies that may be employed to manage such risks might not be successful.

8.8. **Hedging Costs relating to Foreign Exchange Risk**

The value of certain of the Investments may be expressed in a currency other than the currency of the Shares, creating a risk that movements in the exchange rate between the two currencies may adversely affect the value of the Investments. The Investment Manager may hedge this risk on a notional basis. The costs of this hedging will be deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

8.9. **Legal and/or Regulatory Risk**

Legal and Regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

8.10. **Investment Grade and Government Bonds**

Investment grade assets must have a minimum credit rating issued by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., or its successors (S&P) of BBB-, or Moody's Investors Service Limited or its successors (Moody's) of Baa3, or BBB- by Fitch or its successors, or, in the case of unrated bonds, are deemed to have an equivalent rating by the Investment Manager.

Although these assets exhibit these minimum ratings or higher, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial, or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of **investment grade** debt.

In addition, it is possible that investment grade assets may be subordinated or junior in the capital structure, (have a lesser priority than that of an additional debt claim on the same asset). In the event of default holders of subordinated debt get paid after the holders of the **senior debt**. Subordinated debt has a higher expected rate of return than senior debt due to the increased inherent risk.

8.11. **High Yield Securities Risk**

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

8.12. **Default Risk**

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

8.13. **Custody Risk**

Local custody services in some of the emerging market countries in which the Fund may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

8.14. **Conflicts of Interest**

The Company will rely on the Investment Manager in implementing its investment strategies. The Directors have determined the Investment Policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an ongoing basis. Investors must rely on the judgement of the Directors in determining to invest in the manner set out herein. The Investment Manager will devote a portion of their business time to the Company's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

8.15. Limited Number of Investments Risk

The Fund anticipates that it will be well diversified. However, in the event of a material demand for redemptions, the Fund could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Fund may be substantially and adversely affected by the unfavourable performance of a single investment. The Fund's restriction of repurchases of Shares in excess of 10% of the total Net Asset Value of the Fund on any one Dealing Day will mitigate this risk to an extent should these circumstances arise.

8.16. Default of Service Provider Risk

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Investment Manager or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

8.17. Limited Disposal Rights Risk

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

8.18. Taxation Risk

A risk exists that the tax authorities in countries in which the Fund invests may not be prepared to permit persons in their jurisdictions to pay interest (or other amounts) to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

8.19. Potential Involvement in Litigation Risk

As a result of the Fund's investment in below investment grade investments and as a consequence of credit problems with such investment and the possibility that the Fund may participate in restructuring activities undertaken by a company (in which it has invested) of its debt obligations including those owed to the Fund, it is possible that the Fund may become involved in litigation. Litigation entails expense and the possibility of counterclaims against the Fund and ultimately judgments may be rendered against the Fund for which the Fund may not carry insurance.

8.20. Valuations of Net Asset Value Risk

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed "Valuation of Assets".

8.21. Political Legal and/or Regulatory Risks

The value of the assets of the Fund may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements or an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

8.22. FDI Risks

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM and investment purposes, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

- a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;
- b) imperfect correlation between the price movements of the FDI and price movements of related instruments;
- c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;
- d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;
- e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and
- f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

8.22.1. **OTC Transactions Risk**

Where the Fund acquires or values securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise such securities at a premium due to the nature of the over-the-counter market and the tendency to have limited liquidity and comparatively high price volatility.

8.22.2. **Counterparty Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in options and forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures, options and swaps. Due to the nature of futures, cash to meet margin monies may be held by a broker with whom the Fund has an open position. In the event of the insolvency, bankruptcy or default of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, the Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

8.22.3. **Settlement Risk**

The counterparty to a Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

8.22.4. **Correlation Risk**

The Company may utilise forward contracts to seek to hedge against fluctuations in the relative values of the Company's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolios positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Company to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Company is not able to enter into a hedging transaction at a price sufficient to protect the Company from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

8.22.5. **Basis Risk**

FDI value may not track the underlying notional asset. This is only relevant if the instrument is traded prior to maturity.

8.23. **Specific Instrument Risks**

8.23.1. **Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

8.23.2. **Options**

Buying options involves less risk than writing options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on an asset contract and the Fund later exercises the option, the Fund will acquire the asset. This will expose the Fund to the risks of that particular asset.

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as covered call options) the risk is reduced. If the Fund does not own the underlying asset (known as uncovered call options) the risk can be unlimited. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

8.23.3. **Forwards**

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Forward contracts are instruments traded OTC. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

8.23.4. **Swaps**

Where the Fund enters into swap arrangements and FDI techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing FDI transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

9. DIVIDEND POLICY

The Directors may declare dividends for the Income Share classes on a quarterly basis at close of business on the last Business Day of July, October, January and April. Dividends shall be declared out of the accumulated revenue (consisting of all revenue accrued including interest and dividends) less any applicable expenses. The Directors currently intend to pay dividends equal to substantially all of the income arising to the Income Share classes. This will also ensure that the Income Share classes can qualify as reporting funds for UK tax purposes. Any such dividend in relation to the Income Share classes will be paid out of income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within two months of the relevant declaration date.

The Company will operate grouping for equalisation with respect to Income Shares. Each Class of each Fund will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 Shares. Shares purchased during any previous distribution period are called Group 1 Shares. Group 2 Shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refunded to them as part of their first distribution. It may be treated as a return of capital for tax purposes.

As set out in section 11.3 of the Prospectus, equalisation data will be provided in respect of Reporting Shares on the Shareholder reports referred in section 11.3 of the Prospectus. Group 2 Shareholders investing in Reporting Shares can use the equalisation data to reduce their reportable income for a period.

Each holder of Income Shares has the option to take dividends in cash or to reinvest in the relevant Fund by the allotment of additional Shares at Net Asset Value per Share provided that no Preliminary Charge will be payable on any Shares so allotted of the Fund. The Fund's default position unless specifically advised on the application form will be to reinvest dividends into the Shares of the Fund. Those Shareholders wishing to have their distribution of income automatically paid in cash should elect for such method when completing the Application Form. Payment will be made by telegraphic transfer to an account in the name of the Shareholder within 2 months of the declaration date. Distributions not claimed within six years from their due date will lapse and will revert to assets of the Fund.

Accumulation Shares of any class may at the discretion of the Directors be issued on the basis that no dividends will be declared in respect of those Shares and that any income available for distribution will form part of the assets of the Fund and will be applied when calculating the subscription price and the repurchase price as part of the proportion of the Fund which is attributable to the holders of that class of Shares.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

10. PROFILE OF A TYPICAL INVESTOR

The Fund is designed for retail and institutional investors seeking pooled exposure to the investment grade global bond market and who are comfortable with a medium level of investment risk. It is expected that the Fund will be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall significantly in value. It is important to understand that the fund should be viewed as a medium to long term investment. The Fund may not be appropriate for investors who plan to invest in the short term.

11. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is US Dollar.

Shares available for subscription

Shares of the Fund are currently available for subscription in the following denominations:

1.	Sterling	(hedged)	Class A	Accumulation
2.	Sterling	(hedged)	Class A	Income
3.	US Dollar		Class A	Accumulation
4.	US Dollar		Class A	Income
5.	Euro	(hedged)	Class A	Accumulation
6.	Euro	(hedged)	Class A	Income
7.	Swiss Franc	(hedged)	Class A	Accumulation
8.	Swiss Franc	(hedged)	Class A	Income
9.	Japanese Yen	(hedged)	Class A	Accumulation
10.	Japanese Yen	(hedged)	Class A	Income
11.	Icelandic Króna	(hedged)	Class A	Accumulation
12.	Icelandic Króna	(hedged)	Class A	Income
13.	Norwegian Krone	(hedged)	Class A	Accumulation
14.	Norwegian Krone	(hedged)	Class A	Income
15.	Swedish Krona	(hedged)	Class A	Accumulation
16.	Swedish Krona	(hedged)	Class A	Income
17.	Danish Krone	(hedged)	Class A	Accumulation
18.	Danish Krone	(hedged)	Class A	Income
19.	Sterling	(hedged)	Class B	Accumulation
20.	Sterling	(hedged)	Class B	Income
21.	US Dollar		Class B	Accumulation
22.	US Dollar		Class B	Income
23.	Euro	(hedged)	Class B	Accumulation
24.	Euro	(hedged)	Class B	Income
25.	Swiss Franc	(hedged)	Class B	Accumulation
26.	Swiss Franc	(hedged)	Class B	Income
27.	Japanese Yen	(hedged)	Class B	Accumulation
28.	Japanese Yen	(hedged)	Class B	Income

29.	Icelandic Króna	(hedged)	Class B	Accumulation
30.	Icelandic Króna	(hedged)	Class B	Income
31.	Norwegian Krone	(hedged)	Class B	Accumulation
32.	Norwegian Krone	(hedged)	Class B	Income
33.	Swedish Krona	(hedged)	Class B	Accumulation
34.	Swedish Krona	(hedged)	Class B	Income
35.	Danish Krone	(hedged)	Class B	Accumulation
36.	Danish Krone	(hedged)	Class B	Income
37.	Swedish Krona	(hedged)	Class C	Accumulation
38.	Swedish Krona	(hedged)	Class C	Income
39.	Japanese Yen	(hedged)	Class C	Accumulation
40.	Japanese Yen	(hedged)	Class C	Income
41.	Icelandic Króna	(hedged)	Class C	Accumulation
42.	Icelandic Króna	(hedged)	Class C	Income
43.	Norwegian Krone	(hedged)	Class C	Accumulation
44.	Norwegian Krone	(hedged)	Class C	Income
45.	Danish Krone	(hedged)	Class C	Accumulation
46.	Danish Krone	(hedged)	Class C	Income
47.	Euro	(hedged)	Class I	Accumulation
48.	US Dollar		Class J	Accumulation
49.	US Dollar		Class J	Income
50.	Euro	(hedged)	Class J	Accumulation
51.	Euro	(hedged)	Class J	Income
52.	Sterling	(hedged)	Class J	Accumulation
53.	Sterling	(hedged)	Class J	Income
54.	Swedish Krona	(hedged)	Class J	Accumulation
55.	Swedish Krona	(hedged)	Class J	Income
56.	Swiss Franc	(hedged)	Class J	Accumulation

57.	Swiss Franc	(hedged)	Class J	Income
58.	Japanese Yen	(hedged)	Class J	Accumulation
59.	Japanese Yen	(hedged)	Class J	Income
60.	Norwegian Krone	(hedged)	Class J	Accumulation
61.	Norwegian Krone	(hedged)	Class J	Income
62.	Danish Krone	(hedged)	Class J	Accumulation
63.	Danish Krone	(hedged)	Class J	Income
64.	Icelandic Krone	(hedged)	Class J	Accumulation
65.	Icelandic Krone	(hedged)	Class J	Income
66.	Euro	(hedged)	Class L	Accumulation
67.	US Dollar		Class S	Accumulation
68.	US Dollar		Class S	Income
69.	Euro	(hedged)	Class S	Accumulation
70.	Euro	(hedged)	Class S	Income
71.	Swedish Krona	(hedged)	Class S	Accumulation
72.	Swedish Krona	(hedged)	Class S	Income
73.	Swiss Franc	(hedged)	Class S	Accumulation
74.	Swiss Franc	(hedged)	Class S	Income
75.	Sterling	(hedged)	Class S	Accumulation
76.	Sterling	(hedged)	Class S	Income
77.	Japanese Yen	(hedged)	Class S	Accumulation
78.	Japanese Yen	(hedged)	Class S	Income
79.	Icelandic Króna	(hedged)	Class S	Accumulation
80.	Icelandic Króna	(hedged)	Class S	Income
81.	Norwegian Krone	(hedged)	Class S	Accumulation
82.	Norwegian Krone	(hedged)	Class S	Income
83.	Danish Krone	(hedged)	Class S	Accumulation
84.	Danish Krone	(hedged)	Class S	Income

85.	US Dollar		Class Z	Accumulation
86.	US Dollar		Class Z	Income
87.	Euro	(hedged)	Class Z	Accumulation
88.	Euro	(hedged)	Class Z	Income
89.	Swedish Krona	(hedged)	Class Z	Accumulation
90.	Swedish Krona	(hedged)	Class Z	Income
91.	Swiss Franc	(hedged)	Class Z	Accumulation
92.	Swiss Franc	(hedged)	Class Z	Income
93.	Sterling	(hedged)	Class Z	Accumulation
94.	Sterling	(hedged)	Class Z	Income
95.	Japanese Yen	(hedged)	Class Z	Accumulation
96.	Japanese Yen	(hedged)	Class Z	Income
97.	Icelandic Króna	(hedged)	Class Z	Accumulation
98.	Icelandic Króna	(hedged)	Class Z	Income
99.	Norwegian Krone	(hedged)	Class Z	Accumulation
100	Norwegian Krone	(hedged)	Class Z	Income
101	Danish Krone	(hedged)	Class Z	Accumulation
102	Danish Krone	(hedged)	Class Z	Income
103	US Dollar		Class D	Accumulation
104	US Dollar		Class D	Income
105	US Dollar		Class G	Accumulation
106	US Dollar		Class G	Income
107	US Dollar		Class X	Accumulation
108	US Dollar		Class X	Income
109	US Dollar	(hedged)	Class D	Accumulation
110	US Dollar	(hedged)	Class D	Income
111	US Dollar	(hedged)	Class G	Accumulation
112	US Dollar	(hedged)	Class G	Income

113	US Dollar	(hedged)	Class X	Accumulation
114	US Dollar	(hedged)	Class X	Income

The B and C share classes are for institutional investors but the Directors may at their discretion accept applications received from other investors.

The S share classes are for institutional investors and are not available to investors investing in the Fund via investment platforms but the Directors may at their discretion accept applications received from other investors.

The D, G and X share classes are for non-US investors.

Minimum Share Class Size

Sterling Classes	GBP 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
US Dollar Classes	USD 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Euro Classes	EUR 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swiss Franc Classes	CHF 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Japanese Yen Classes	JPY 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Icelandic Króna Classes	ISK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Norwegian Krone Classes	NOK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swedish Krona Classes	SEK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Danish Krone Classes	DKK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Minimum Investment Levels

Class A

Minimum initial investment amount

USD1,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class D

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class B

Minimum initial investment amount

USD500,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class C

Minimum initial investment amount

USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 225,000,000 or equivalent in another acceptable currency

Class I

Minimum investment limit

EUR1,000,000

Min additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class J

Minimum initial investment amount

USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum residual holding
USD 225,000,000 or equivalent in another acceptable currency

Class L

Minimum investment limit

EUR500,000

Min additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class G

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class S

Minimum initial investment amount

USD 100,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 50,000,000 or equivalent in another acceptable currency

Class X

Minimum initial investment amount

USD 250,000 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class Z

Minimum initial investment amount

USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 225,000,000 or equivalent in another acceptable currency

The Directors may waive such minimum investment levels in their absolute discretion.

Initial Offer Period

The Initial Offer Period for each Share class which has not launched has commenced and they will continue to be available for subscription at the Initial Issue Price, as set out below, until 5.00 pm (Irish time) on 26 May 2021. The Initial Offer Period of each class of Shares may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank in accordance with its requirements. After the Initial Offer Period of each class, Shares of such class will be available for subscription at the Net Asset Value per Share.

Initial Issue Price

The Initial Issue Price per Share is:

Sterling Classes	GBP 10
US Dollar Classes	USD 10
Euro Classes (except I and L Classes)	EUR 10
Euro Classes (I and L Classes)	EUR 10,000
Swiss Franc Classes	CHF 10
Japanese Yen Classes	JPY 10
Icelandic Króna Classes	ISK 10
Norwegian Krone Classes	NOK 10
Swedish Krona Classes	SEK 10
Danish Krone Classes	DKK 10

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions or Redemptions is defined as 11.00am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 3rd Business Day falling after the Dealing Day on which the redemption request is received. However, the Company may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Share class.

Preliminary Charge

The Company may levy an initial charge of up to 5.5% of the Net Asset Value per Share in connection with the subscription of Class A Shares and a charge of up to 3% of the Net Asset Value per Share in connection with the subscription of Class L Shares. This fee will be retained for the benefit of the Distributor. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries, advisers and introducing agents who refer and/or advise prospective investors out of the initial charge and/or (ii) waive the initial charge for certain prospective investors based on factors deemed appropriate by the Distributor. There is no preliminary charge payable on the Class B Shares or Class I Shares.

Exchange Charge

The Directors reserve the right at their sole discretion, to impose an exchange fee of up to 1.5% of the total repurchase price of the Shares in respect of an exchange of Shares held in one class for Shares in another class but such fee is charged only if exchanges are in excess of 5 in a calendar year.

Dilution Adjustment

Please refer to the section entitled Dilution Adjustment in the Prospectus.

Valuation Point

Shall mean 12:00 Noon (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary.

12. FEES AND EXPENSES

Investment Manager Fees

The fee payable to the Investment Manager will be no more than 1% per annum of the Net Asset Value of the Fund.

Such fee shall be accrued daily and payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for reasonable out-of pocket expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager may agree at its discretion to waive a portion of the Investment Management Fee with respect to certain Shareholders' investment in the Fund. Any such waiver or reduction will not entitle other Shareholders to a similar waiver.

Administration Fee

The fee payable to the Administrator for the services provided to the Company shall not exceed 1% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

Depositary Fee

The fee payable to the Depositary, for the custodial services provided to the Company, will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund subject to a minimum fee of £3000 per annum.

The Depositary will also be entitled to any out-of-pocket expenses incurred (including any transaction charges or sub-custodian fees at normal commercial rates). The Depositary's fees shall be accrued daily and payable monthly in arrears.

Registrar Fee

The fee payable to the Administrator for registration services provided to the Company will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

Distribution Fee

In addition to the preliminary charge that may be paid to the Distributor as referred to above, the fee payable to the Distributor for its services in the distribution of Shares of the Fund shall not exceed 1% per annum of the Net Asset Value attributable to the Class A Shares. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries and advisers who refer and/or advise prospective investors out of the Distributor's fee as set out above and/or (ii) waive the Distribution Fee for certain prospective investors based on factors deemed appropriate by the Distributor. Where taken, this fee shall be accrued daily and payable monthly in arrears.

This section should be read in conjunction with the section entitled Fees and Expenses in the Prospectus.

13. REPORTING FUNDS REGIME – SHARE CLASSES

The Directors have applied to HM Revenue and Customs for 'Reporting Fund' status on any of the sub-funds' Share classes which shall be directed towards the UK market.

Aegon Strategic Global Bond Fund

Supplement to the Prospectus for Aegon Asset Management Investment Company (Ireland) Plc An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Aegon Strategic Global Bond Fund (the **Fund**), a sub-fund of Aegon Asset Management Investment Company (Ireland) Plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). The Company has sixteen other sub-funds in existence as at the date of this Supplement:

- (1) Aegon Investment Grade Global Bond Fund;
- (2) Aegon Global Equity Income Fund;
- (3) Aegon High Yield Global Bond Fund;
- (4) Aegon Active Long Dated Bond Fund;
- (5) Aegon Global Sustainable Equity Fund;
- (6) Aegon Global Equity Market Neutral Fund;
- (7) Aegon Global Diversified Income Fund;
- (8) Aegon Global Diversified Growth Fund
- (9) Aegon Absolute Return Bond Fund;
- (10) Aegon Equity Market Neutral Fund;
- (11) Aegon Equity Market Neutral Plus Fund;
- (12) Aegon Absolute Return Bond Global Fund;
- (13) Aegon Absolute Return Bond Constrained Fund
- (14) Aegon Short Dated High Yield Global Bond Fund;
- (15) Aegon Emerging Market Bond Opportunities Fund; and
- (16) Aegon Short Dated Investment Grade Global Bond Fund.

The following sub-funds are currently closed for subscription and it is intended that an application will be made to the Central Bank to withdraw their approvals following preparation of audited accounts disclosing a zero Net Asset Value in respect of the relevant funds:

- Aegon Absolute Return Bond Constrained Fund
- Aegon Absolute Return Bond Global Fund
- Aegon Active Long Dated Bond Fund
- Aegon Emerging Market Bond Opportunities Fund
- Aegon Equity Market Neutral Fund
- Aegon Equity Market Neutral Plus Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 7 September 2020 (the Prospectus).

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

Investors should also note that subscriptions for Shares of the Fund is not the same as making a deposit

with a bank or other deposit taking body. The principal invested in the Fund is capable of fluctuation and the value of the Shares is not insured or guaranteed.

The Directors confirm there has been no significant change in the financial or trading position of the Fund since the end of the period for which the audited financial statement included in the listing particulars are prepared and which form part of the listing particulars.

Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.

Application may be made to Euronext Dublin for Shares of any Class issued and to be issued to be admitted to its official list and to trading on the regulated market of Euronext Dublin but the Directors do not anticipate that an active secondary market will develop in any of the Shares.

Neither the admission of Shares of the Company to the official list and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The launch and listing of various classes within the Fund may occur at different times and therefore at the time of the launch of a given class(es), the pool of assets to which a given class(es) relates may have commenced to trade. Financial information in respect of the Fund will be published from time to time, and the most recently published audited and unaudited financial information will be available to potential investors upon request following publication.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 26 November 2020

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1. INVESTMENT OBJECTIVE

The investment objective of the Fund is to maximise total return (income plus capital).

2. INVESTMENT MANAGER

Aegon Asset Management UK plc, based in Edinburgh, currently manages and distributes Irish and UK domiciled investment companies through its retail sales team to investors in the UK and overseas.

3. INVESTMENT POLICIES

The Investment Manager will seek to achieve the Fund's investment objective by investing at least two thirds of its net assets in global debt instruments in any currency, ranging from AAA Government Bonds through to high yield and emerging market bonds. The investment grade and government bond sector includes all fixed income securities available globally, including (but not limited to) the following:

The Fund may invest in government and corporate bonds which may be at a fixed or floating rate, rated or unrated.

Investment Grade Bonds The Fund may invest up to 100% of its net assets in bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services or its successors (**Moody's**), BBB- or higher by Standard & Poor's Rating Services or its successors (**S&P**), or BBB- or higher by Fitch Ratings or its successors (**Fitch**) or, in the case of unrated bonds, are deemed to have an equivalent rating by the Investment Manager.

Emerging Market Debt

The Fund may invest up to 40% of its net assets in what the Investment Manager considers to be smaller, less-developed or emerging markets. The Investment Manager's opinion as to what are emerging markets may change over time as a result of developments in national or regional economies and capital markets. Within emerging market investments, the Fund seeks to participate in the more established markets which the Investment Manager believes provide sufficient liquidity. The Fund may invest in sovereign and corporate emerging market debt. This will usually be, but not exclusively, US dollar denominated.

High Yield Bonds The Fund may invest up to 100% of its net assets in high yield bonds, which are issues rated Ba1 by Moody's or below or BB+ by S&P or below, or non-rated debt instruments deemed by the Investment Manager to be of similar credit quality. The average quality of the Fund's holdings will usually be in the range of B1 to Ba2 (B+ to BB), but may fluctuate. Lower quality companies may be a focus at certain times.

The Fund will be broadly diversified by industry and issuer. The allocation ranges are subject to change as the market for high yield bonds throughout the world evolves. No issuer will represent more than 10% of the Fund's net assets at any time save as described in paragraph 3.2.2(5) in the Permitted Investments section in the Prospectus.

Duration, yield curve and currency investment strategies will be used. The Investment Manager will take over or under weight positions to various points of the yield curve, in line with its team's views of interest rates and how these will cause the yield curve to change shape. In addition, the Investment Manager will usually hedge the majority of currency exposure arising from bond positions back to the Fund's base currency. From time to time, the Investment Manager may take modest currency positions where it sees potential value, relative to the base currency.

There is no geographic limitation to the investment universe. Most of the assets are publicly listed/traded on a Recognised Market (see Appendix 1 of Prospectus for a list of Recognised Markets).

The Fund will invest primarily in US Dollar-denominated assets or assets hedged back to US Dollars assets. However, at times, up to 50% of Fund net assets may be denominated in non-US currencies that are not hedged back to US dollars.

The Fund may invest up to 20% of its net assets in ancillary liquid assets such as cash, bank deposits, stocks, bonds, short term certificates, commercial paper, and treasury bills. However, no more than 20% of the net assets of the Fund may be held in aggregate in ancillary liquid assets.

Financial Derivative Instruments (FDI)

The Fund may invest in FDIs for the purposes of Efficient Portfolio Management (**EPM**). The Fund may also invest in FDIs for investment purposes.

Efficient Portfolio Management and FDIs

The Fund may invest in FDI for the purposes of EPM. Permitted EPM transactions (excluding stock lending transactions) are transactions in FDIs (as described in the Prospectus) dealt in or traded on an Eligible Derivatives Market; off-exchange futures, options, swaps or forward currency transactions. For example, the Fund may use forward currency transactions to hedge foreign exchange and interest rate risk.

Any forward transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy three broadly-based requirements:

- EPM may not include speculative transactions.
- Transactions for EPM purposes must be economically appropriate.
- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the Fund:
 - Reduction of risk
 - Reduction of cost
 - The generation of additional capital or income for the Fund with no, or an acceptably low level of risk.
- Each EPM transaction must be covered globally i.e. there must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund. Assets and cash can be used only once for cover.
- They cannot result in a change to the Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Fund identified in the Prospectus and this Supplement.

The use of FDIs for the purposes of EPM is not otherwise expected to raise the risk profile of the Fund or result in higher volatility.

Investment Purposes

The Fund may use FDIs for investment purposes. The Fund may use FDIs

- (i) as a substitute for taking a position in an underlying asset;
- (ii) to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and/or
- (iii) to gain an exposure to the composition and performance of a particular index (including a financial index). For example, the Fund may make use of index and swaps to control the risk of loss due to market movements and to reduce the risk of credit risk with individual stock holdings or to gain exposure to an index or individual stocks.

FDIs may also be used in order to take tactical decisions. Futures, options, forwards or swaps may be used to gain or reduce the Fund's exposure to credit spreads or a particular security or market for periods of time to be determined by the Investment Manager, either in advance of a longer term allocation or reappraisal of the Fund's commitment to the asset or market in question, or purely on a temporary basis where it is more efficient to use FDIs for this purpose.

Specific FDI

Below are the details of the FDI in which the Fund may invest. The underlying assets of these FDI will be one of the asset classes referred to above in this **Investment Policies** section.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Generally, the underlying assets of the futures contracts will be government bonds and interest rates.

Futures contracts allow the Fund to hedge against market risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. The Investment Manager may enter into futures contracts in order to both hedge and more efficiently manage the Fund.

Options

The Fund may purchase options to seek to provide an efficient, liquid and effective mechanism for locking in gains and/or protecting against future declines in the value of securities that it owns in order to benefit from future gains in the value of a security without the risk of the fall in value of security below the strike price. Generally these will be put/call options in relation to interest rates and currency and the underlying assets will be the assets referred to in the Investment Policy.

The Fund may also write (sell) options in respect of underlying assets, including writing call options which will give the counterparty a right to call for delivery of the asset at a given price in return for the payment of a premium to the Fund by the counterparty.

Forwards

The Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates and efficiently manage currency exposure. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another counterparty a specified amount of one currency at a specified price with another currency on a specified future date. Forward contracts may be cash settled between the parties. This reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. These contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Fund to benefit from favourable fluctuations in relevant foreign currencies. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another. Currency forwards are transacted over-the-counter (**OTC**).

Swaps

Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Swaps may be bought instead of purchasing the underlying asset as a more cost effective way of gaining exposure to that asset, for example a situation may arise where local settlement in a market is either difficult to access or expensive, asset swaps may be used. Swaps can also be used to enable the Investment Manager to exchange a benefit (e.g. a floating rate of exchange) in one financial market for a corresponding benefit (e.g. a fixed rate of exchange) with a party in another market. As such they are very useful instruments for the management of risk.

Typically, the Fund may use credit default swaps to alter the Fund's exposure in accordance with the Investment Manager's outlook for broad credit movements at the time. Generally the underlyings of swaps will be single stocks (bonds) or indices.

Other Information

The Fund will be able to take long and/or short positions across the assets described in the investment policy. It is anticipated that the Fund may hold up to 200% of its assets in long positions and up to 100% of its assets in short positions.

Transactions in OTC transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

The use of FDIs will be fully supported by risk management process (**RMP**) to ensure that the use of FDIs continue to be commensurate with the overall risk objectives of the Fund.

The use of FDIs for investment purposes will result in the creation of financial leverage and any such leverage will be within the limits set down by the Central Bank.

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's RMP. VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 14.1% of the Net Asset Value of the Fund; and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observation period will be not less than 3 years. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated as the sum of the notionals of the FDIs used by the Fund) under normal circumstances is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

The collateral management policy of the Company is set out in the Prospectus.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark. Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

4. EFFICIENT PORTFOLIO MANAGEMENT – REPO TRANSACTIONS

The Fund may enter into repurchase and reverse repurchase agreements ("**repo transactions**") for the purposes of efficient portfolio management in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

Direct and indirect operational costs and fees incurred in the use of these techniques may be deducted from the revenue delivered to the Fund from the use of such techniques. All revenue from these techniques, net of direct and indirect operational costs, will be returned to the Fund. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The Investment Manager does not receive costs or fees for techniques of this type. The entities to which such costs and fees are paid (including whether such entities are related to the Investment Manager or the Depository) will be disclosed in the annual report.

5. SECURITIES FINANCING TRANSACTIONS

The Fund may engage in securities financing transactions in respect of repo transactions (**SFTs**) in order to meet its investment objective to generate income for the benefit of the Fund. The assets that can be subject to SFTs are the assets described in the investment policy. It is anticipated that the expected proportion of assets under management (AUM) subject to repo transactions will be less than 100% AUM and the maximum expected proportion of AUM subject to SFTs shall not exceed 200% AUM. The Company's counterparties for SFTs must satisfy the requirements for counterparties set out in the Company's RMP. Counterparties to the Fund may include central counterparties authorised or recognised by ESMA, credit institutions or entities that have an investment grade credit rating or are indemnified by an institution that has an investment grade credit rating. The Investment Manager will only

select counterparties that are in a position to value transactions at least daily and to provide weekly valuations to the Investment Manager. In order to reduce its exposure to any counterparty through SFTs, the Fund may adopt collateral arrangements as described under the section “Collateral Management Policy” in the Prospectus. Cash will be valued at par value, other securities will be valued on a mark-to-market basis. Assets and collateral subject to SFTs will be held by the Depositary on behalf of the Fund. The re-use of collateral is not permitted by the Fund. All proceeds of SFTs shall be allocated to the Fund minus any reasonable costs borne by the Investment Manager

6. INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund. The Fund shall not invest in collective investment schemes.

7. SHARE CLASS CURRENCY HEDGING

The Base Currency of the Fund is US Dollar.

The classes available for subscription in the Fund are listed in the section entitled, **Key Information for Buying and Selling**.

The Company, at its absolute discretion, has the power to issue currency hedged Share classes. The non-US Dollar classes will be currency hedged Share classes. For such Share classes, the Investment Manager intends to hedge the currency exposure of those Share classes denominated in a currency other than the Base Currency of the relevant Fund, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency. This is 'Method 1 (Base Currency Hedging)' of Share class currency hedging, as explained in the Prospectus in section 3.9.2 under the heading 'Hedged and Unhedged Share Classes'.

The costs of providing hedged Share classes and all other additional costs and gains/losses of such hedging transactions will accrue solely to the holders of the relevant Share class and shall not form part of the assets of the Fund or constitute a liability of the Fund. Any such hedging will endeavour to hedge no less than 95% of the net assets of the relevant Share classes. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105%. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward month to month.

Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.

This currency hedging policy aims to limit any potential currency risk linked to the value of the Base Currency falling against the currency in which the hedge Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the Base Currency.

This Section should be read in conjunction with the section entitled **Hedged and Unhedged Share Classes** in the Prospectus.

8. BORROWINGS

In accordance with the general provisions set out in the Prospectus under the heading **FUNDS - Borrowing and Lending Powers** the Fund may borrow up to 10% of its net assets on a temporary basis.

9. RISK MANAGEMENT

The Company on behalf of the Fund employs a RMP which helps it to accurately measure, monitor and manage the various risks associated with FDIs. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the

quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Fund will only utilise FDIs which have been included in the RMP report that has been cleared by the Central Bank.

10. RISK FACTORS

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

10.1. General Instrument Risk

The following risks may apply to investments made in both private and public debt and FDIs in these asset classes.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

10.2. Objective Risk

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the Investment Risks section of the Prospectus and those referred to below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares. There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon fixed income securities and FDIs before investing in the Fund.

The investments of the Fund will be subject to market fluctuations, currency fluctuations, emerging markets risks, custody and settlement risks, registration risk and foreign exposure risk.

10.3. Liquidity Risk

From time to time the secondary market for high yield bonds is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. As a result the Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, a Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

10.4. Credit Risk

The Fund is subject to credit risk in respect to its investments and with regard to its contractual counterparties (such as hedge providers). The Fund intends to mitigate credit risk generally by pursuing a diversified investment strategy. This may be achieved through investments in a number of bonds that naturally involve a diversification of credit risk or through diversifying its issuer exposure but there is no guarantee that this will be achieved.

10.5. Interest Rate Risk

The Fund's exposure to market risk is mainly with regard to movements in the value of its investments, changes in interest rates that may decrease its net interest income. In the event of a general rise in interest rates, the value of certain investment in the Fund's assets may fall, reducing the net asset value of the Fund.

Changes in interest rates may adversely affect the market value of some of the Fund's investments. Declining interest rates may affect the return on available reinvestment opportunities.

Fluctuation in rates may affect interest rate spreads in a manner adverse to the Fund. The Fund's interest rate exposure will reflect the Investment Manager's opinion on the future path of interest rates but there is no guarantee that this will be successful. Interest rates are highly sensitive to factors beyond the Fund's control, including, among others, government monetary and tax policies, and domestic and international economic and political conditions.

10.6. **Yield Risk**

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

10.7. **Foreign Exchange Risk**

Changes in rates of exchange may have an adverse effect on the net asset value of the Fund. In addition a change in foreign currency exchange rates may adversely affect cash flows or income from investments which are denominated in currencies other than the Base Currency, which could in turn adversely affect the Fund's ability to pay dividends. Foreign exchange investment and hedging strategies that may be employed to manage such risks might not be successful.

10.8. **Hedging Costs relating to Foreign Exchange Risk**

The value of certain of the Investments may be expressed in a currency other than the currency of the Shares, creating a risk that movements in the exchange rate between the two currencies may adversely affect the value of the Investments. The Investment Manager may hedge this risk on a notional basis. The costs of this hedging will be deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

10.9. **Legal and/or Regulatory Risk**

Legal and Regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

10.10. **Investment Grade and Government Bonds Risk**

Investment grade assets must have a minimum credit rating issued by S&P of BBB-, or by Moody's of Baa3, or by Fitch of BBB- , or, in the case of unrated bonds, are deemed to have an equivalent rating by the Investment Manager.

Although these assets exhibit these minimum ratings or higher, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial, or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of **investment grade debt**.

In addition, it is possible that investment grade assets may be subordinated or junior in the capital structure, (have a lesser priority than that of an additional debt claim on the same asset). In the event of default holders of subordinated debt get paid after the holders of the senior debt. Subordinated debt has a higher expected rate of return than **senior debt** due to the increased inherent risk.

10.11. **High Yield Securities Risk**

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

10.12. **Default Risk**

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

10.13. **Emerging Markets Risk**

Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for US dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders.

10.14. **Custody Risk**

Local custody services in some of the emerging market countries in which the Fund may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

10.15. **Conflict of Interest Risk**

The Company will rely on the Investment Manager in implementing its investment strategies. The Directors have determined the Investment Policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an ongoing basis. Investors must rely on the judgement of the Directors in determining to invest in the manner set out herein. The Investment Manager will devote a portion of their business time to the Company's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based on or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

10.16. **Limited Number of Investments Risk**

The Fund anticipates that it will be well diversified. However, in the event of a material demand for redemptions, the Fund could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Fund may be substantially and adversely affected by the unfavourable performance of a single investment. The Fund's restriction of repurchases of Shares in excess of 10% of the total Net Asset Value of the Fund on any one Dealing Day will mitigate this risk to an extent should these circumstances arise.

10.17. **Default of Service Provider Risk**

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Investment Manager or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

10.18. **Limited Disposal Rights Risk**

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

10.19. **Taxation Risk**

A risk exists that the tax authorities in countries in which the Fund invests may, where relevant, not be prepared to permit persons in their jurisdictions to pay interest to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

10.20. **Potential Involvement in Litigation Risk**

As a result of the Fund's investment in below investment grade investments and as a consequence of credit problems with such investment and the possibility that the Fund may participate in restructuring activities undertaken by a company (in which it has invested) of its debt obligations including those owed to the Fund, it is possible that the Fund may become involved in litigation. Litigation entails expense and the possibility of counterclaims against the Fund and ultimately judgments may be rendered against the Fund for which the Fund may not carry insurance.

10.21. **Valuations of Net Asset Value Risk**

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed Valuation of Assets.

10.22. **Political Legal and/or Regulatory Risks**

The value of the assets of the Fund may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements or an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

10.23. **FDI Risks**

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM and investment purposes, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

- a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;
- b) imperfect correlation between the price movements of the FDI and price movements of related instruments;
- c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;
- d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;
- e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and
- f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

10.23.1. **OTC Transactions Risk**

Where the Fund acquires or values securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise such securities at a premium due to the nature of the over-the-counter market and the tendency to have limited liquidity and comparatively high price volatility.

10.23.2. **Counterparty Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in options and forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures, options and swaps. Due to the nature of futures, cash to meet margin monies may be held by a broker with whom the Fund has an open position. In the event of the insolvency, bankruptcy or default of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, the Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

10.23.3. **Settlement Risk**

The counterparty to a Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

10.23.4. **Basis Risk**

FDI value may not track the underlying notional asset. This is only relevant if the instrument is traded prior to maturity.

10.23.5. **Correlation Risk**

The Company may utilise forward contracts to seek to hedge against fluctuations in the relative values of the Company's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolios positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Company to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Company is not able to enter into a hedging transaction at a price sufficient to protect the Company from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

10.24. **Specific Instrument Risks**

10.24.1. **Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

10.24.2. **Options**

Buying options involves less risk than writing options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum

loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on an asset contract and the Fund later exercises the option, the Fund will acquire the asset. This will expose the Fund to the risks of that particular asset.

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as covered call options) the risk is reduced. If the Fund does not own the underlying asset (known as uncovered call options) the risk can be unlimited. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

10.24.3. **Forwards**

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Forward contracts are instruments traded OTC. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

10.24.4. **Swaps**

Where the Fund enters into swap arrangements and FDI techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing FDI transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

11. **DIVIDEND POLICY**

The Directors may declare dividends for the Income Share classes on a quarterly basis at the close of business on the last Business Day of July, October, January and April. Dividends shall be declared out of the accumulated revenue (consisting of all revenue accrued including interest and dividends) less any applicable expenses. The Directors currently intend to pay dividends equal to substantially all of the income arising to the Income Share classes. This will also ensure that the Income Share classes can qualify as reporting funds for UK tax purposes. Any such dividend in relation to the Income Share classes will be paid out of income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within two months of the relevant declaration date.

The Company will operate grouping for equalisation with respect to Income Shares classes. Each class of each Fund will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 Shares. Shares purchased during any previous distribution period are called Group 1 Shares. Group 2 Shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refunded to them as part of their first distribution. It may be treated as a return of capital for tax purposes.

As set out in section 11.3 of the Prospectus, equalisation data will be provided in respect of Reporting

Shares on the Shareholder reports referred in section 11.3 of the Prospectus. Group 2 Shareholders investing in Reporting Shares can use the equalisation data to reduce their reportable income for a period.

Each holder of Income Shares has the option to take dividends in cash or to reinvest in the relevant Fund by the allotment of additional Shares at Net Asset Value per Share provided that no Preliminary Charge will be payable on any Shares so allotted of the Fund. The Fund's default position unless specifically advised on the application form will be to reinvest dividends into the Shares of the Fund. Those Shareholders wishing to have their distribution of income automatically paid in cash should elect for such method when completing the Application Form. Payment will be made by telegraphic transfer to an account in the name of the Shareholder within 2 months of the declaration date. Distributions not claimed within six years from their due date will lapse and will revert to assets of the Fund.

Accumulation Shares of any class may at the discretion of the Directors be issued on the basis that no dividends will be declared in respect of those Shares and that any income available for distribution will form part of the assets of the Fund and will be applied when calculating the subscription price and the repurchase price as part of the proportion of the Fund which is attributable to the holders of that class of Shares.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

12. PROFILE OF A TYPICAL INVESTOR

The Fund is designed for retail and institutional investors seeking pooled exposure to global bond markets and who are comfortable with a medium level of investment risk. It is expected that the Fund will be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall significantly in value. It is important to understand that the Fund should be viewed as a medium to long term investment. The Fund may not be appropriate for investors who plan to invest in the short term.

13. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is US Dollar.

Shares available for subscription

Shares of the Fund are currently available for subscription in the following denominations:

1.	Sterling	(hedged)	Class A	Accumulation
2.	Sterling	(hedged)	Class A	Income
3.	US Dollar		Class A	Accumulation
4.	US Dollar		Class A	Income
5.	Euro		Class A	Accumulation
6.	Euro	(hedged)	Class A	Accumulation
7.	Euro	(hedged)	Class A	Income
8.	Swiss Franc	(hedged)	Class A	Accumulation
9.	Swiss Franc	(hedged)	Class A	Income
10.	Japanese Yen	(hedged)	Class A	Accumulation
11.	Japanese Yen	(hedged)	Class A	Income

12.	Swedish Krona	(hedged)	Class A	Accumulation
13.	Swedish Krona	(hedged)	Class A	Income
14.	Norwegian Krone	(hedged)	Class A	Accumulation
15.	Norwegian Krone	(hedged)	Class A	Income
16.	Danish Krone	(hedged)	Class A	Accumulation
17.	Danish Krone	(hedged)	Class A	Income
18.	Icelandic Króna	(hedged)	Class A	Accumulation
19.	Icelandic Króna	(hedged)	Class A	Income
20.	Sterling	(hedged)	Class B	Accumulation
21.	Sterling	(hedged)	Class B	Income
22.	US Dollar		Class B	Accumulation
23.	US Dollar		Class B	Income
24.	Euro		Class B	Accumulation
25.	Euro	(hedged)	Class B	Accumulation
26.	Euro	(hedged)	Class B	Income
27.	Swiss Franc	(hedged)	Class B	Accumulation
28.	Swiss Franc	(hedged)	Class B	Income
29.	Japanese Yen	(hedged)	Class B	Accumulation
30.	Japanese Yen	(hedged)	Class B	Income
31.	Swedish Krona	(hedged)	Class B	Accumulation
32.	Swedish Krona	(hedged)	Class B	Income
33.	Norwegian Krone	(hedged)	Class B	Accumulation
34.	Norwegian Krone	(hedged)	Class B	Income
35.	Danish Krone	(hedged)	Class B	Accumulation
36.	Danish Krone	(hedged)	Class B	Income
37.	Icelandic Króna	(hedged)	Class B	Accumulation
38.	Icelandic Króna	(hedged)	Class B	Income
39.	Swedish Krona	(hedged)	Class C	Accumulation
40.	Swedish Krona	(hedged)	Class C	Income
41.	Euro		Class C	Accumulation
42.	Japanese Yen	(hedged)	Class C	Accumulation

43.	Japanese Yen	(hedged)	Class C	Income
44.	Norwegian Krone	(hedged)	Class C	Accumulation
45.	Norwegian Krone	(hedged)	Class C	Income
46.	Danish Krone	(hedged)	Class C	Accumulation
47.	Danish Krone	(hedged)	Class C	Income
48.	Icelandic Króna	(hedged)	Class C	Accumulation
49.	Icelandic Króna	(hedged)	Class C	Income
50.	Euro	(hedged)	Class I	Accumulation
51.	Euro	(hedged)	Class I	Income
52.	US Dollar		Class J	Accumulation
53.	US Dollar		Class J	Income
54.	Euro	(hedged)	Class J	Accumulation
55.	Euro	(hedged)	Class J	Income
56.	Sterling	(hedged)	Class J	Accumulation
57.	Sterling	(hedged)	Class J	Income
58.	Swedish Krona	(hedged)	Class J	Accumulation
59.	Swedish Krona	(hedged)	Class J	Income
60.	Swiss Franc	(hedged)	Class J	Accumulation
61.	Swiss Franc	(hedged)	Class J	Income
62.	Japanese Yen	(hedged)	Class J	Accumulation
63.	Japanese Yen	(hedged)	Class J	Income
64.	Norwegian Krone	(hedged)	Class J	Accumulation
65.	Norwegian Krone	(hedged)	Class J	Income
66.	Danish Krone	(hedged)	Class J	Accumulation
67.	Danish Krone	(hedged)	Class J	Income
68.	Icelandic Krone	(hedged)	Class J	Accumulation
69.	Icelandic Krone	(hedged)	Class J	Income
70.	Euro	(hedged)	Class L	Accumulation
71.	Euro	(hedged)	Class L	Income
72.	Sterling	(hedged)	Class S	Accumulation
73.	Sterling	(hedged)	Class S	Income

74.	US Dollar		Class S	Accumulation
75.	US Dollar		Class S	Income
76.	Euro	(hedged)	Class S	Accumulation
77.	Euro	(hedged)	Class S	Income
78.	Swedish Krona	(hedged)	Class S	Accumulation
79.	Swedish Krona	(hedged)	Class S	Income
80.	Swiss Franc	(hedged)	Class S	Accumulation
81.	Swiss Franc	(hedged)	Class S	Income
82.	Japanese Yen	(hedged)	Class S	Accumulation
83.	Japanese Yen	(hedged)	Class S	Income
84.	Norwegian Krone	(hedged)	Class S	Accumulation
85.	Norwegian Krone	(hedged)	Class S	Income
86.	Danish Krone	(hedged)	Class S	Accumulation
87.	Danish Krone	(hedged)	Class S	Income
88.	Icelandic Króna	(hedged)	Class S	Accumulation
89.	Icelandic Króna	(hedged)	Class S	Income
90.	Sterling	(hedged)	Class Z	Accumulation
91.	Sterling	(hedged)	Class Z	Income
92.	US Dollar		Class Z	Accumulation
93.	US Dollar		Class Z	Income
94.	Euro	(hedged)	Class Z	Accumulation
95.	Euro	(hedged)	Class Z	Income
96.	Swedish Krona	(hedged)	Class Z	Accumulation
97.	Swedish Krona	(hedged)	Class Z	Income
98.	Swiss Franc	(hedged)	Class Z	Accumulation
99.	Swiss Franc	(hedged)	Class Z	Income
100.	Japanese Yen	(hedged)	Class Z	Accumulation
101.	Japanese Yen	(hedged)	Class Z	Income
102.	Norwegian Krone	(hedged)	Class Z	Accumulation
103.	Norwegian Krone	(hedged)	Class Z	Income
104.	Danish Krone	(hedged)	Class Z	Accumulation

105.	Danish Krone	(hedged)	Class Z	Income
106.	Icelandic Króna	(hedged)	Class Z	Accumulation
107.	Icelandic Króna	(hedged)	Class Z	Income
108.	US Dollar		Class D	Accumulation
109.	US Dollar		Class D	Income
110.	US Dollar		Class G	Accumulation
111.	US Dollar		Class G	Income
112.	US Dollar		Class X	Accumulation
113.	US Dollar		Class X	Income
114.	US Dollar	(hedged)	Class D	Accumulation
115.	US Dollar	(hedged)	Class D	Income
116.	US Dollar	(hedged)	Class G	Accumulation
117.	US Dollar	(hedged)	Class G	Income
118.	US Dollar	(hedged)	Class X	Accumulation
119.	US Dollar	(hedged)	Class X	Income

The B and C share classes are for institutional investors but the Fund may at its discretion accept applications received from other investors.

The S share classes are for institutional investors and are not available to investors investing in the Fund via investment platforms but the Fund may at its discretion accept applications received from other investors.

The D, G and X share classes are for non-US investors.

Minimum Share Class Size

Sterling Classes	GBP 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Euro Classes	EUR 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
US Dollar Classes	USD 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swiss Franc Classes	CHF 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Japanese Yen Classes	JPY 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swedish Krona Classes	SEK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Norwegian Krone Classes	NOK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Danish Krone Classes	DKK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Icelandic Króna Classes ISK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Minimum Investment Levels

Class A

Minimum initial investment amount

USD1,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class D

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class B

Minimum initial investment amount

USD500,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class C

Minimum initial investment amount

USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 225,000,000 or equivalent in another acceptable currency

Class I

Minimum initial investment amount

EUR1,000,000

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class J

Minimum initial investment amount

USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 225,000,000 or equivalent in another acceptable currency

Class L

Minimum initial investment amount

EUR500,000

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class G

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class S

Minimum initial investment amount

USD 100,000,000 or equivalent in another acceptable currency

Minimum additional investment amount
 USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount
 USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding
 USD 50,000,000 or equivalent in another acceptable currency

Class X

Minimum initial investment amount
 USD 250,000 or equivalent in another acceptable currency

Minimum additional investment amount
 No minimum

Minimum withdrawal amount
 No minimum

Minimum residual holding
 No minimum

Class Z

Minimum initial investment amount
 USD 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount
 USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount
 USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding
 USD 225,000,000 or equivalent in another acceptable currency

The Directors may waive such minimum investment levels in their absolute discretion.

Initial Offer Period

The Initial Offer Period for each Share class which has not launched has commenced and they will continue to be available for subscription at the Initial Issue Price, as set out below, until 5.00 pm (Irish time) on 26 May 2021. The Initial Offer Period of each class of Shares may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank in accordance with its requirements. After the Initial Offer Period of each class, Shares of such class will be available for subscription at the Net Asset Value per Share.

Initial Issue Price

Sterling Classes	GBP 10
Euro Classes (except I and L Classes)	EUR 10
Euro Classes (I and L Classes)	EUR 10,000
US Dollar Classes	USD 10

Swiss Franc Classes	CHF 10
Japanese Yen Classes	JPY 1,000
Swedish Krona Classes	SEK 100
Norwegian Krone Classes	NOK 100
Danish Krone Classes	DKK 100
Icelandic Króna Classes	ISK 1,000

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions and Redemptions is defined as 11.00 am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 3rd Business Day falling after the Dealing Day on which the redemption request is received. However, the Company may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Share class.

Preliminary Charge

The Company may levy an initial charge of up to 5.5% of the Net Asset Value per Share in connection with the subscription of Class A Shares of the Fund and up to 3% of the Net Asset Value per Share in connection with the subscription of Class L Shares of the Fund. This fee will be retained for the benefit of the Distributor. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries, advisers and introducing agents who refer and/or advise prospective investors out of the initial charge and/or (ii) waive the initial charge for certain prospective investors based on factors deemed appropriate by the Distributor. There is no preliminary charge payable on the Class B Shares or Class I Shares.

Exchange Charge

The Directors reserve the right at their sole discretion, to impose an exchange fee of up to 1.5% of the total repurchase price of the Shares in respect of an exchange of Shares held in one class for Shares in another class but such fee is charged only if exchanges are in excess of 5 in a calendar year.

Dilution Adjustment

Please refer to the section entitled Dilution Adjustment in the Prospectus.

Valuation Point

Shall mean 12:00 Noon (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary.

14. FEES AND EXPENSES

Investment Manager Fees

The fee payable to the Investment Manager will be no more than 1% per annum of the Net Asset Value of each Fund including both Income Shares and Accumulation Shares.

Such fee shall be accrued daily and payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager may agree at its discretion to waive a portion of the Investment Management Fee with respect to certain Shareholders' investment in the Fund. Any such waiver or reduction will not entitle other Shareholders to a similar waiver.

Administration Fee

The fee payable to the Administrator for the services provided to the Company shall not exceed 1% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and shall be payable monthly in arrears.

Depository Fee

The fee payable to the Depository, for the custodial services provided to the Company, will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund subject to a minimum fee of £3000 per annum.

The Depository will also be entitled to receive any out-of-pocket expenses incurred (including any transaction charges or sub-custodian fees at normal commercial rates). The Depository's fees will be accrued daily and shall be payable monthly in arrears.

Registrar Fee

The fee payable to the Administrator for registration services provided to the Company will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

Distribution Fee

In addition to the preliminary charge that may be paid to the Distributor as referred to, the fee payable to the Distributor for its services in the distribution of Shares of the Fund shall not exceed 1% per annum of the Net Asset Value attributable to the Class A Shares. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries and advisers who refer and/or advise prospective investors out of the Distributor's fee as set out above and/or (ii) waive the Distribution Fee for certain prospective investors based on factors deemed appropriate by the Distributor. Where taken, this fee shall be accrued daily and payable monthly in arrears.

This section should be read in conjunction with the section entitled Fees and Expenses in the Prospectus.

15. REPORTING STATUS

The Directors have applied HM Revenue and Customs for Reporting Fund status on any sub-funds' Share classes which are directed towards the UK market.

Aegon Global Sustainable Equity Fund

Supplement to the Prospectus for Aegon Asset Management Investment Company (Ireland) Plc

An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Aegon Global Sustainable Equity Fund (the **Fund**), a sub-fund of Aegon Asset Management Investment Company (Ireland) Plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). The Company has sixteen other sub-funds in existence as at the date of this Supplement:

- (1) Aegon Investment Grade Global Bond Fund;
- (2) Aegon Strategic Global Bond Fund;
- (3) Aegon High Yield Global Bond Fund;
- (4) Aegon Active Long Dated Bond Fund;
- (5) Aegon Global Equity Income Fund;
- (6) Aegon Global Equity Market Neutral Fund;
- (7) Aegon Global Diversified Growth Fund;
- (8) Aegon Absolute Return Bond Fund;
- (9) Aegon Equity Market Neutral Fund;
- (10) Aegon Equity Market Neutral Plus Fund;
- (11) Aegon Absolute Return Bond Global Fund;
- (12) Aegon Absolute Return Bond Constrained Fund;
- (13) Aegon Emerging Market Bond Opportunities Fund;
- (14) Aegon Short Dated High Yield Global Bond Fund;
- (15) Aegon Global Diversified Income Fund and
- (16) Aegon Short Dated Investment Grade Global Bond Fund.

The following sub-funds are currently closed for subscription and it is intended that an application will be made to the Central Bank to withdraw their approvals following preparation of audited accounts disclosing a zero Net Asset Value in respect of the relevant funds:

- Aegon Absolute Return Bond Constrained Fund
- Aegon Absolute Return Bond Global Fund
- Aegon Active Long Dated Bond Fund
- Aegon Emerging Market Bond Opportunities Fund
- Aegon Equity Market Neutral Fund
- Aegon Equity Market Neutral Plus Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 7 September 2020 (the Prospectus).

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

Investors should also note that subscriptions for Shares of the Fund is not the same as making a deposit with a bank or other deposit taking body. The principal invested in the Fund is capable of fluctuation and the value of the Shares is not insured or guaranteed.

Shareholders should note that all or part of the fees and expenses (including investment management fees) may be charged (in whole or part) to the capital of the Fund. Where such fees and expenses are charged to capital, Shareholders may not receive back the full amount invested on repurchases of Shares which would have the effect of lowering the capital value of your investment.

Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.

Application may be made to Euronext Dublin for Shares of any Class issued and to be issued to be admitted to its official list and to trading on the regulated market of Euronext Dublin but the Directors do not anticipate that an active secondary market will develop in any of the Shares.

Neither the admission of Shares of the Company to the official list and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The launch and listing of various classes within the Fund may occur at different times and therefore at the time of the launch of a given class(es), the pool of assets to which a given class(es) relates may have commenced to trade. Financial information in respect of the Fund will be published from time to time, and the most recently published audited and unaudited financial information will be available to potential investors upon request following publication.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 26 November 2020

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1. INVESTMENT OBJECTIVE

The investment objective is to maximise total return (income plus capital).

2. INVESTMENT MANAGER

Aegon Asset Management UK plc, based in Edinburgh, currently manages and distributes Irish and UK domiciled investment companies through its sales team to investors in the UK and overseas.

3. INVESTMENT POLICIES

The Investment Manager in seeking to achieve the Fund's investment objective intends to invest directly in a diversified portfolio of global equity securities which meet the Fund's predefined sustainability criteria.

The Fund is not constrained by any index weightings and will not concentrate on any particular sector. There are no currency or geographical limitations on the Fund's investments. All of the listed assets that the Fund invests in are publicly listed / traded on a Recognised Market (see Appendix 1 of the Prospectus for a list of Recognised Markets).

The Investment Manager may or may not hedge any currency exposures within the Fund's investment portfolio back to the Fund's Base Currency depending on whether it is anticipated that the currency is likely to outperform or underperform against the Base Currency.

Equity Securities:

The Fund shall directly invest at least 80% of the Net Asset Value of the Fund in equity securities. Equity securities shall comprise common stocks of companies which are incorporated, listed, carrying on business, dealt in or traded on a Recognised Market.

Other Investments:

The Fund may invest up to 20% of the Net Asset Value of the Fund in the following ancillary liquid assets: cash, bank deposits, short term certificates, commercial paper and treasury bills.

The Fund may invest up to 10% of the Net Asset Value of the Fund in other open-ended collective investment schemes.

Investment Strategy:

In order to achieve the Fund's investment objective the Investment Manager will directly invest in companies. When investing in a company the Investment Manager uses a consistent Fundamental, Valuation and Technical approach. **Fundamentals**; This involves considering a company's business model, the dynamics of the company's industry (for example, the level of competition and any barriers to entry) and structural trends (for example, changing consumer habits); **Valuation** the company's valuation relative to historical valuations and relative to the valuation of its peers. **Technical**; the Investment Manager will also seek to identify companies with positive share price momentum (increasing share prices) and earnings momentum by considering a company's historic share prices and expected earnings per share growth (**Technical**).

The aim of this strategy is to consistently identify companies that will outperform their peers and build a diversified, investment portfolio with high levels of stock specific risk¹.

Sustainability Criteria

In order to identify investments which meet the Fund's pre-defined sustainability criteria, the Investment Manager will follow the below two stage process.

Stage one - Potential investments will be screened by the Investment Manager so as to remove the following types of organisation from the Fund's potential investment universe:

¹ The Fund shall have high levels of stock specific risk given the relatively concentrated nature of the Fund as compared to the investment universe as whole

Adult entertainment: Firms which own an adult entertainment company or produce adult entertainment.

Animal testing: Firms that engage in the production or sales of animal tested cosmetics

Gambling: Firms which derive more than 10% of revenue from gambling

Genetic modification: Firms which conduct genetic modification for agricultural policies

Tobacco: Firms which derive more than 10% of revenue from tobacco

Weapons: Firms which produce or sell civilian firearms and firms which manufacture or sell armaments, nuclear weapons or associated strategic products

Nuclear power: Firms which own a nuclear power facility

Fossil fuels: Firms which engage in the extraction of oil, gas or coal

Human Rights: Firms failing to address serious allegations of violations of international standards on human rights including the use of child, forced or bonded labour

Stage two – Companies which are not eliminated by the stage 1 negative screens shall then be positively screened. The positive screen will use multiple data sources including data from ESG (environment, social & governance) rating agencies, broker research and primary research.

Positive screen – Stage 1 – quantitative assessment

The Investment Manager will employ a quantitative screen using ESG rating data (such as emissions data or safety reports) from a number of third parties to screen those companies which have passed through the negative screen outlined above and identify consistently poor ESG performers for exclusion.

Positive screen – Stage 2 – fundamental analysis

Companies that have then passed through the positive quantitative screen will then be further reviewed for their inclusion in the fund.

The Investment Manager will identify the key ESG risks on a sector basis and positively screen companies accordingly. Fundamental ESG analysis will consider the nature of the products and services that a company provides and also the company's operational practices and standards.

The reporting by companies of ESG data varies by region, sector and within sectors. High ESG impact sectors such as mining, oil & gas, automobiles and airlines would typically report more quantitative information on their ESG performance (for example safety, emissions, energy use, water, mineral grade) which allows more quantitative comparisons and assessments to be made.

For other sectors, where the ESG impacts are less significant (for example media), ESG data disclosure is often less comprehensive. The ESG assessment must therefore be more qualitative focusing on factors such as employee benefits and compensation etc and less on environmental factors since the latter is less relevant to a company's success.

Only companies which the positive screens identify as ESG sector 'leaders' (companies that meet a large amount of the Investment Manager's ESG criteria quantitatively and qualitatively) or 'improvers' (companies where some environmental, social or governance issues have been identified but the company is showing clear evidence of material improvements) will be suitable for investment and inclusion in the portfolio.

Financial Derivative Instruments (FDI):

The Fund has the ability to invest in FDI for the purposes of efficient portfolio management (**EPM**) as further described below.

Efficient Portfolio Management and FDIs

The Fund may invest in FDIs for the purposes of EPM. Permitted EPM transactions are limited to transactions in futures and forwards dealt in or traded on a Recognised Market.

In addition to the foregoing, the transactions must satisfy the following requirements:

- Transactions for EPM purposes must be economically appropriate.
- The purpose of an EPM transaction for the Fund must be to achieve at least one of the following in respect of the Fund:
 - Reduction of risk
 - Reduction of cost
 - The generation of additional capital or income for the Fund with no, or an acceptably low level of, risk.
- Each EPM transaction must be covered globally i.e. there must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund. Assets and cash can be used only once for cover.
- They cannot result in a change to the Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Fund identified in the Prospectus and this Supplement. The use of FDI for the purpose of EPM is not otherwise expected to raise the risk profile of the Fund or result in higher volatility.

Specific FDI

Below are the details of the FDI in which the Fund may invest. The underlying assets of these FDI will be one of the asset classes referred to above in this **Investment Policies** section.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange.

Futures contracts allow the Fund to hedge against market risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. The Investment Manager may enter into futures contracts in order to both hedge and more efficiently manage the Fund.

Futures will only be used for the purposes of EPM.

Forwards

The Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates and efficiently manage currency exposure. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another counterparty a specified amount of one currency at a specified price with another currency on a specified future date. Forward contracts may be cash settled between

the parties. This reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. These contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Fund to benefit from favourable fluctuations in relevant foreign currencies. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another. Currency forwards are transacted over-the-counter (**OTC**).

Forwards will only be used for the purposes of EPM.

Other Information

Any OTC transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

The use of FDIs will be fully supported by a risk management process (**RMP**) to ensure that the use of FDIs continue to be commensurate with the overall investment objectives of the Fund.

The Fund must at any given time, be capable of meeting all of its payment and delivery incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as relative value-at-risk (**VaR**) to measure the Fund's global exposure.

VaR is an advanced risk measurement methodology used to assess the Fund's global exposure, as set out in the RMP. Relative VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which the VaR of the Fund's portfolio shall not exceed twice the VaR of the reference portfolio and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observational period will be not less than 3 years. VaR will be calculated on a daily basis.

The reference portfolio for the purpose of relating VaR is the MSCI AC World Total Return Index (the **Index**). It is a stock market index of over 6,000 global stocks. It is maintained by MSCI Inc., formerly Morgan Stanley Capital International and is often used as a benchmark for global stock funds. The risk profile of the Index is consistent with the investment objectives, policies and limits of the Fund. As it is not expected that the risk profile of the Fund will change frequently, the Fund is managed and marketed with reference to this Index. It is, therefore, appropriate to monitor the global exposure of the Fund using relative VaR. The VaR of the Fund shall not exceed twice the VaR of the Index.

The level of leverage of the Fund (calculated using the sum of the notionals of the FDIs used by the Fund) under normal circumstance is expected to be in the range of 0% to 50% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

The collateral management policy of the Company is set out in the Prospectus.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark. Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

4. INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund.

5. HEDGED AND UNHEDGED SHARE CLASSES

The Base Currency of the Fund is Euro.

The classes of shares available for subscription in the Fund are listed in the section entitled **Key Information for Buying and Selling**.

- 5.1. The Company at its absolute discretion, has the power to issue unhedged Share classes that are denominated in a currency other than the Base Currency. For such Share classes, the Investment Manager will not attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the currency(ies) of the Fund's underlying assets or the Base Currency. In the case of an unhedged Share class that is denominated in a currency other than the Base Currency, a currency conversion will take place on subscriptions, redemptions, switches and distributions at prevailing exchange rates. The value of the share expressed in the unhedged Share class currency will be subject to exchange rate risk in relation to the Base Currency.
- 5.2. The Company, at its absolute discretion, has the power to issue currency hedged Share classes that are denominated in a currency other than the Base Currency. Currency hedged Share classes may carry the reference '(hedged)' in the name of the Share class.

For such Share classes, the Investment Manager intends to hedge the currency exposure of the currency(ies) of the Fund's underlying assets in order to attempt to mitigate the effect of fluctuations in the exchange rate between the currency(ies) of the Fund's underlying assets and the Share class currency. This is 'Method 2 (Portfolio Currency Hedging)' of Share class currency hedging, as explained in the Prospectus in section 3.9.2 under the heading 'Hedged and Unhedged Share Classes'. The following sections are relevant to hedged Share classes:

- 5.2.1. The costs of providing hedged Share classes and all other additional costs and gains/losses of such hedging transactions will accrue solely to the holders of the relevant Share class and shall not form part of the assets of the Fund or constitute a liability of the Fund. Any such hedging will endeavour to hedge no less than 95% of the net assets of the relevant Share classes. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105%. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward month to month.
- 5.2.2. Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency and the currencies of the Fund's underlying assets is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.
- 5.2.3. This currency hedging policy aims to limit any potential currency risk linked to the value of the currency(ies) of the underlying assets falling against the currency in which the hedge Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the value of the currency(ies) of the underlying assets.

This section should be read in conjunction with the section entitled **Hedged and Unhedged Share Classes** in the Prospectus.

6. **BORROWINGS**

In accordance with the general provisions set out in the Prospectus under the heading **FUNDS - Borrowing and Lending Powers** the Fund may borrow up to 10% of its net assets on a temporary basis.

7. **RISK MANAGEMENT**

The Company on behalf of the Fund employs a RMP which helps it to accurately measure, monitor and manage the various risks associated with FDIs. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Fund will only utilise FDI which have been included in the RMP report that has been cleared by the Central Bank.

8. **RISK FACTORS**

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. These risk factors are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares. The investments of the Fund may be subject to market fluctuations, currency fluctuations, emerging markets risks, custody and settlement risks, registration risk and foreign exposure risk.

In addition, the following risk factors apply to the Fund:

8.1. **General Instrument Risk**

The value of the Fund's investments in the securities and assets in which it invests may be affected by market fluctuations and other risks inherent in investing in such assets such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

8.2. **Objective Risk**

There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon global equity securities and FDIs before investing in the Fund.

8.3. **Equities and Securities Risk**

As the Fund will invest primarily in equity securities, it may be more volatile than a fund that invests in fixed income securities, but may also offer greater potential for growth. The value of the Fund's underlying investments may fluctuate in response to activities and results of individual companies, as well as in connection with general market conditions.

There is a risk that the stock price of one or more companies comprised within the assets of the Fund will fall or will fail to rise.

8.4. **Foreign Investment Risk**

As the Fund will invest in global equity securities, there is a risk of currency fluctuations, economic or financial insolvency, lack of timely or reliable financial information, possible imposition of foreign withholding taxes or unfavourable political, economic or legal developments.

8.5. **Foreign Exchange Risk**

Changes in rates of exchange may have an adverse effect on the Net Asset Value of the Fund. In addition a change in foreign currency exchange rates may adversely affect cash flows or income from investments which are denominated in currencies other than the Base Currency, which could in turn adversely affect the Fund's ability to pay dividends. Foreign exchange investment and hedging strategies that may be employed to manage such risks might not be successful.

8.6. **Hedging Costs relating to Foreign Exchange Risk**

The value of certain of the Fund's investments may be expressed in a currency other than the Base Currency, creating a risk that movements in the exchange rate between the two currencies may adversely affect the value of the Investments. The Investment Manager may hedge this risk on a notional basis. The costs of this hedging will be deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

8.7. **Custody Risk**

Local custody services in some of the emerging market countries in which the Fund may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

8.8. **Conflict of Interest Risk**

The Company will rely on the Investment Manager in implementing its investment strategies. The Directors have determined the Investment Policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an on-going basis. Investors must rely on the judgement of the Directors in determining to invest in the manner set out herein. The Investment Manager will devote a portion of their business time to the Company's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based on or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

8.9. **Default of Service Provider**

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Investment Manager, the Administrator, or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

8.10. **Payment of Charges and Expenses to Capital**

The fees and expenses of the Fund may be charged to the capital of the Fund in circumstances set out in section 12 of the Supplement. In such circumstances, the capital value of a Shareholder's investment may be lowered and income may be achieved by forgoing the potential for future capital growth.

8.11. **Political Legal and/or Regulatory Risk**

Legal and regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the Company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the Company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders. The value of the assets of the Fund may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements or an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

8.12. **Liquidity Risk**

From time to time secondary markets can experience reduced liquidity, sometimes with significantly more volatile prices and larger spreads between bid and asked price in trading. At times secondary markets may be very illiquid. As a result the Fund may have to sell investments at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, the Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

8.13. **Limited Number of Investments Risk**

It is anticipated that the Fund will be well diversified. However, in the event of a material demand for redemptions, the Fund could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Fund may be substantially and adversely affected by the unfavourable performance of a single investment. The Fund's restriction of repurchases of Shares in excess of 10% of the total Net Asset Value of the Fund on any one Dealing Day will mitigate this risk to an extent should these circumstances arise.

8.14. **Position/Market Risk**

The investments of a Portfolio are subject to normal market fluctuations and the risks inherent in investment in international securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change, but diversification across a sizeable number of such securities and markets will typically result in the reduction of volatility at the portfolio level compared with the individual security level. In addition, the Investment Manager will select securities such as to endeavour to prevent high levels of volatility, and may reduce volatility further through the use of hedging transactions. Since investment in securities may involve currencies other than the Base Currency, the value of a Portfolio's assets may also be affected by changes in currency rates and exchange control regulations, including currency blockage. The performance of a Portfolio will therefore depend in part on the ability of the Investment Manager to anticipate and respond to such fluctuations in stock prices, market interest rates and currency rates and to utilise appropriate strategies to maximise returns, while attempting to reduce the associated risks to investment capital.

8.15. **Limited Disposal Rights Risk**

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

8.16. **Taxation Risk**

A risk exists that the tax authorities in countries in which the Fund invests may, where relevant, not be prepared to permit persons in their jurisdictions to pay interest to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

8.17. **Valuations of Net Asset Value Risk**

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed **Valuation of Assets**.

8.18. **FDI Risks**

The prices of FDIs, including futures, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM purposes, there is a risk that, in a rising market, potential gains may be restricted.

8.18.1. **General Risk**

The use of these techniques and instruments involves certain risks, including:

- (i) dependence on the ability to predict movements of the FDIs and price movements of related instruments;
- (ii) imperfect correlation between the price movements of the FDIs and price movements of related instruments;

- (iii) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;
- (iv) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;
- (v) the Fund may invest in certain FDIs which may involve the assumption of obligations as well as rights and assets; and
- (vi) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

8.18.2. **OTC Transactions Risk**

Where the Fund acquires or values securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise such securities at a premium due to the nature of the over-the-counter market and the tendency to have limited liquidity and comparatively high price volatility.

8.18.3. **Credit Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures. Due to the nature of futures, cash to meet margin monies may be held by a broker with whom the Fund has an open position. In the event of the insolvency, bankruptcy or default of the broker, there can be no guarantee that such monies will be returned to the Fund.

8.18.4. **Settlement Risk**

The counterparty to the Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

8.18.5. **Correlation Risk**

The Company may utilise forward contracts to seek to hedge against fluctuations in the relative values of the Company's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Company to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Company is not able to enter into a hedging transaction at a price sufficient to protect the Company from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

8.18.6. **Basis Risk**

FDI value may not track the underlying notional asset. This is only relevant if the instrument is traded prior to maturity

8.19. **Emerging Markets**

Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory

taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for Euro; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders

8.20. Specific Instrument Risks

8.20.1. Forwards

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Forward contracts are instruments traded OTC. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

8.20.2. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The **gearing or leverage** often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

9. DIVIDEND POLICY

It is the current intention of the Directors to declare dividends for the Income Share classes on a quarterly basis at close of business on the last Business Day of July, October, January and April. Dividends shall be declared out of the accumulated revenue (consisting of all revenue accrued including interest and dividends less any applicable expenses). The Directors currently intend to pay dividends equal to substantially all of the income arising to the Income Share classes. This will also ensure that the Income Share classes can qualify as reporting funds for UK tax purposes. Any such dividend in relation to the Income Share classes will be paid out of income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within two months of the relevant declaration date.

The Company will operate grouping for equalisation with respect to Income Shares. Each Class of each Fund will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 Shares. Shares purchased during any previous distribution period are called Group 1 Shares. Group 2 Shares contain in their purchase price an amount called equalization which represents a proportion of the net income of the Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refunded to them as part of their first distribution. It may be treated as a return of capital for tax purposes.

Each holder of Income Shares has the option to take dividends in cash or to reinvest in the Fund by the allotment of additional Shares at Net Asset Value per Share provided that no Preliminary Charge will be

payable on any Shares so allotted of the Fund. The Fund's default position unless specifically advised on the Application Form will be to reinvest dividends into the Shares of the Fund. Those Shareholders wishing to have their distribution of income automatically paid in cash should elect for such method when completing the Application Form. Payment will be made by telegraphic transfer to an account in the name of the Shareholder within 2 months of the declaration date. Distributions not claimed within six years from their due date will lapse and will revert to assets of the Fund.

Accumulation Shares of any class may, at the discretion of the Directors, be issued on the basis that no dividends will be declared in respect of those Shares and that any income available for distribution will form part of the assets of the Fund and will be applied when calculating the subscription price and the repurchase price as part of the proportion of the Fund which is attributable to the holders of that class of Shares.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

10. PROFILE OF A TYPICAL INVESTOR

The Fund is designed for retail and institutional investors seeking pooled exposure to the global sustainable equity market, and who are comfortable with a higher level of investment risk. It is expected that the Fund will be held as part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall in value. It is important to understand that the Fund should be viewed as a medium to long term investment. The Fund may not be appropriate for investors who plan to invest in the short term.

11. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is Euro.

Shares available for subscription

Shares of the Fund are currently available for subscription in the following denominations:

1.	Sterling		Class A	Income
2.	Sterling		Class A	Accumulation
3.	Euro		Class A	Income
4.	Euro		Class A	Accumulation
5.	US Dollar		Class A	Income
6.	US Dollar		Class A	Accumulation
7.	Swiss Franc		Class A	Income
8.	Swiss Franc		Class A	Accumulation
9.	Swedish Krona		Class A	Income
10.	Swedish Krona		Class A	Accumulation
11.	Norwegian Krone		Class A	Income
12.	Norwegian Krone		Class A	Accumulation
13.	Danish Krone		Class A	Income
14.	Danish Krone		Class A	Accumulation
15.	Icelandic Krona		Class A	Income
16.	Icelandic Krona		Class A	Accumulation

17.	Japanese Yen		Class A	Income
18.	Japanese Yen		Class A	Accumulation
19.	Sterling		Class B	Income
20.	Sterling		Class B	Accumulation
21.	Euro		Class B	Income
22.	Euro		Class B	Accumulation
23.	US Dollar		Class B	Income
24.	US Dollar		Class B	Accumulation
25.	Swiss Franc		Class B	Income
26.	Swiss Franc		Class B	Accumulation
27.	Swedish Krona		Class B	Income
28.	Swedish Krona		Class B	Accumulation
29.	Norwegian Krone		Class B	Income
30.	Norwegian Krone		Class B	Accumulation
31.	Danish Krone		Class B	Income
32.	Danish Krone		Class B	Accumulation
33.	Icelandic Krona		Class B	Income
34.	Icelandic Krona		Class B	Accumulation
35.	Japanese Yen		Class B	Income
36.	Japanese Yen		Class B	Accumulation
37.	Sterling		Class C	Accumulation
38.	Sterling		Class C	Income
39.	Euro		Class C	Accumulation
40.	Euro		Class C	Income
41.	US Dollar		Class C	Accumulation
42.	US Dollar		Class C	Income
43.	Swiss Franc		Class C	Accumulation
44.	Swiss Franc		Class C	Income
45.	Swedish Krona		Class C	Income
46.	Swedish Krona		Class C	Accumulation
47.	Norwegian Krone		Class C	Income
48.	Norwegian Krone		Class C	Accumulation
49.	Danish Krone		Class C	Income
50.	Danish Krone		Class C	Accumulation
51.	Icelandic Krona		Class C	Income
52.	Icelandic Krona		Class C	Accumulation
53.	Japanese Yen		Class C	Income
54.	Japanese Yen		Class C	Accumulation

55.	US Dollar		Class J	Accumulation
56.	US Dollar		Class J	Income
57.	Euro		Class J	Accumulation
58.	Euro		Class J	Income
59.	Sterling		Class J	Accumulation
60.	Sterling		Class J	Income
61.	Swedish Krona		Class J	Accumulation
62.	Swedish Krona		Class J	Income
63.	Swiss Franc		Class J	Accumulation
64.	Swiss Franc		Class J	Income
65.	Japanese Yen		Class J	Accumulation
66.	Japanese Yen		Class J	Income
67.	Norwegian Krone		Class J	Accumulation
68.	Norwegian Krone		Class J	Income
69.	Danish Krone		Class J	Accumulation
70.	Danish Krone		Class J	Income
71.	Icelandic Krone		Class J	Accumulation
72.	Icelandic Krone		Class J	Income
73.	Sterling		Class Z	Income
74.	Sterling		Class Z	Accumulation
75.	Euro		Class Z	Income
76.	Euro		Class Z	Accumulation
77.	US Dollar		Class Z	Income
78.	US Dollar		Class Z	Accumulation
79.	Swiss Franc		Class Z	Income
80.	Swiss Franc		Class Z	Accumulation
81.	Swedish Krona		Class Z	Income
82.	Swedish Krona		Class Z	Accumulation
83.	Norwegian Krone		Class Z	Income
84.	Norwegian Krone		Class Z	Accumulation
85.	Danish Krone		Class Z	Income
86.	Danish Krone		Class Z	Accumulation
87.	Icelandic Krona		Class Z	Income
88.	Icelandic Krona		Class Z	Accumulation
89.	Japanese Yen		Class Z	Income
90.	Japanese Yen		Class Z	Accumulation
91.	Euro		Class I	Accumulation
92.	Euro		Class I	Income

93.	Euro		Class L	Accumulation
94.	Euro		Class L	Income
95.	US Dollars		Class D	Income
96.	US Dollars		Class D	Accumulation
97.	US Dollars		Class G	Income
98.	US Dollars		Class G	Accumulation
99.	US Dollars		Class X	Income
100.	US Dollars		Class X	Accumulation
101.	US Dollars	(hedged)	Class D	Income
102.	US Dollars	(hedged)	Class D	Accumulation
103.	US Dollars	(hedged)	Class G	Income
104.	US Dollars	(hedged)	Class G	Accumulation
105.	US Dollars	(hedged)	Class X	Income
106.	US Dollars	(hedged)	Class X	Accumulation

The B and C share classes are for institutional investors but the Fund may at its discretion accept applications received from other investors.

The D, G and X share classes are for non-US investors.

Minimum Share Class Size

Sterling Classes	GBP 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Euro Classes	EUR 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
US Dollar Classes	USD 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swiss Franc Classes	CHF 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swedish Krona Classes	SEK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Norwegian Krone Classes	NOK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Danish Krone Classes	DKK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Icelandic Krona Classes	ISK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Japanese Yen Classes	JPY 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Minimum Investment Levels

Minimum initial investment amount

Class A: €500 or equivalent in another acceptable currency

Class B: €500,000 or equivalent in another acceptable currency

Class L :	€500,000 or equivalent in another acceptable currency
Class I:	€1,000,000 or equivalent in another acceptable currency
Classes C and Z:	€250,000,000 or equivalent in another acceptable currency
Class J:	€250,000,000 or equivalent in another acceptable currency
Class X	USD 250,000 or equivalent in another acceptable currency
Class G	USD 500 or equivalent in another acceptable currency
Class D	USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

Classes A and B:	€500 or equivalent in another acceptable currency
Class I and L:	no minimum
Classes C and Z:	€1,000,000 or equivalent in another acceptable currency
Class J:	€10,000,000 or equivalent in another acceptable currency
Class X	no minimum
Class G	no minimum
Class D	no minimum

Minimum withdrawal amount

Classes A and B:	€500 or equivalent in another acceptable currency
Class J:	€10,000,000 or equivalent in another acceptable currency
Class I and L:	no minimum
Classes C and Z:	€1,000,000 or equivalent in another acceptable currency
Class X	no minimum
Class G	no minimum
Class D	no minimum

Minimum residual holding

Classes A and B:	€500 or equivalent in another acceptable currency
Class I and L:	no minimum
Classes C and Z:	€1,000,000 or equivalent in another acceptable currency
Class J:	€225,000,000 or equivalent in another acceptable currency
Class X	no minimum
Class G	no minimum
Class D	no minimum

The Directors may waive such minimum investment levels in their absolute discretion.

Initial Offer Period

The Initial Offer Period for each Share class which has not launched has commenced and they will continue to be available for subscription at the Initial Issue Price, as set out below, until 5.00 pm (Irish time) on 26 May 2021. The Initial Offer Period of each class of Shares may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank in accordance with its requirements. After the Initial Offer Period of each class, Shares of such class will be available for subscription at the Net Asset Value per Share.

Initial Issue Price

1.	Sterling Classes	GBP 10
2.	Euro Classes (excluding I and L Classes)	EUR 10
3.	US Dollar Classes	USD 10
4.	Swiss Franc Classes	CHF 10
5.	Swedish Krona Classes	SEK 100
6.	Norwegian Krone Classes	NOK 100
7.	Danish Krone Classes	DKK 100
8.	Icelandic Krona Classes	ISK 1000
9.	Japanese Yen Classes	JPY 1000
10.	Euro Classes (I and L Classes)	EUR 10,000

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions and Redemptions is defined as 11.00 am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 3rd Business Day falling after the Dealing Day on which the redemption request is received. However, the Company may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Share class.

Preliminary Charge

The Company may levy an initial charge of up to 5% of the Net Asset Value per Share in connection with the subscription of Class A Shares of the Fund. This fee will be retained for the benefit of the Distributor. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries,

advisers and introducing agents who refer and/or advise prospective investors out of the initial charge and/or (ii) waive the initial charge for certain prospective investors based on factors deemed appropriate by the Distributor.

There is no preliminary charge payable on the Class B, Class C, Class J, Class Z, Class I or Class L Shares.

Exchange Charge

The Directors reserve the right at their sole discretion, to impose an exchange fee of up to 1.5% of the total repurchase price of the Shares in respect of an exchange of Shares held in one class for Shares in another class but such fee is charged only if exchanges are in excess of 5 in a calendar year.

Dilution Adjustment

Please refer to the section entitled Dilution Adjustment in the Prospectus.

Valuation Point

Shall mean 12:00 Noon (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary

12. CHARGING OF FEES AND EXPENSES TO CAPITAL

The fees and expenses (including investment management fees) of the Fund may be charged (in whole or part) to the capital of the Fund in order to enable the Fund to pay a larger distribution amount and/or in circumstances where there is insufficient income being received by the Fund and/or as an efficient and accurate method of ensuring that fees incurred at a Share class level are apportioned to the relevant Share classes.

In circumstances where such fees and expenses are charged to capital, there may be a lack of potential for capital growth meaning the capital value of a shareholder's investment may be eroded and due to such capital erosion the value of future returns may also be diminished. As such, income may be achieved by forgoing the potential for future capital growth.

The Fund's objective is to maximise total return (income plus capital) rather than capital appreciation alone. Dividends paid in circumstances where fees and expenses are charged to capital should be understood as a type of capital reimbursement. Any income statement issued to shareholders where fees and/or expenses have been charged to capital shall include a statement to explain the effect of this accounting policy and, if applicable, that the shareholder's capital amount has been reduced.

13. FEES AND EXPENSES

13.1. Investment Management Fees

The fee payable to the Investment Manager will be no more than 1.5% per annum of the Net Asset Value of each class.

Such fees shall be accrued daily and payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for reasonable out-of pocket expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager may agree at its discretion to rebate a portion of the Investment Management Fees with respect to certain Shareholders' investment in the Fund. Any such rebate or reduction will not entitle other Shareholders to a similar waiver.

13.2. Administration Fee

The fee payable to the Administrator for the services provided to the Company shall not exceed 1% per annum (plus VAT, if any) of the Net Asset Value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

13.3. **Depositary Fee**

The fee payable to the Depositary for the services provided to the Company shall not exceed 0.5% per annum (plus VAT, if any) of the Net Asset Value of the Fund subject to a minimum fee of £3000 per annum. The Depositary's fees will be accrued daily and shall be payable monthly in arrears.

The Depositary will also be entitled to receive any out-of-pocket expenses incurred (including any transaction charges or sub-custodian fees at normal commercial rates). The Depositary's fees will be accrued daily and shall be payable monthly in arrears.

13.4. **Registrar Fee**

The fee payable to the Administrator for registration services provided to the Company will not exceed 0.5% per annum (plus VAT, if any) of the Net Asset Value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

13.5. **Distribution Fee**

In addition to the preliminary charge that may be paid to the Distributor as referred to, the fee payable to the Distributor for its services in the distribution of Shares of the Fund shall not exceed 1% per annum of the Net Asset Value attributable to the Class A Shares. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries and advisers who refer and/or advise prospective investors out of the Distributor's fee as set out above and/or (ii) waive the Distribution Fee for certain prospective investors based on factors deemed appropriate by the Distributor. Where taken, this fee shall be accrued daily and payable monthly in arrears.

13.6. **Establishment Costs and Expenses**

The cost of establishing the Fund did not exceed €20,000 (excluding VAT) and this cost is being amortised over the first five years of the Fund's operation.

The Investment Manager may initially incur all or part of the cost of establishing the Fund, in which case it will be entitled to be reimbursed out of the assets of the Fund for such expenditure. This section should be read in conjunction with the section entitled Fees and Expenses in the Prospectus.

14. **REPORTING FUND STATUS**

The Directors intend to apply to HM Revenue and Customs for **Reporting Fund** status on any of the sub-funds' Share classes which shall be directed towards the UK market.

Aegon High Yield Global Bond Fund

Supplement to the Prospectus for Aegon Asset Management Investment Company (Ireland) Plc An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Aegon High Yield Global Bond Fund (the **Fund**), a sub-fund of Aegon Asset Management Investment Company (Ireland) Plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). The Company has sixteen other sub-funds in existence as at the date of this Supplement:

- (1) Aegon Investment Grade Global Bond Fund;
- (2) Aegon Global Equity Income Fund;
- (3) Aegon Strategic Global Bond Fund;
- (4) Aegon Active Long Dated Bond Fund;
- (5) Aegon Global Sustainable Equity Fund;
- (6) Aegon Global Equity Market Neutral Fund;
- (7) Aegon Global Diversified Income Fund;
- (8) Aegon Global Diversified Growth Fund
- (9) Aegon Absolute Return Bond Fund;
- (10) Aegon Equity Market Neutral Fund;
- (11) Aegon Equity Market Neutral Plus Fund;
- (12) Aegon Absolute Return Bond Global Fund;
- (13) Aegon Absolute Return Bond Constrained Fund;
- (14) Aegon Short Dated High Yield Global Bond Fund;
- (15) Aegon Emerging Market Bond Opportunities Fund; and
- (16) Aegon Short Dated Investment Grade Global Bond Fund.

The following sub-funds are currently closed for subscription and it is intended that an application will be made to the Central Bank to withdraw their approvals following preparation of audited accounts disclosing a zero Net Asset Value in respect of the relevant funds:

- Aegon Absolute Return Bond Constrained Fund
- Aegon Absolute Return Bond Global Fund
- Aegon Active Long Dated Bond Fund
- Aegon Emerging Market Bond Opportunities Fund
- Aegon Equity Market Neutral Fund
- Aegon Equity Market Neutral Plus Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 7 September 2020 (the Prospectus).

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

Investors should also note that subscriptions for Shares of the Fund is not the same as making a deposit

with a bank or other deposit taking body. The principal invested in the Fund is capable of fluctuation and the value of the Shares is not insured or guaranteed.

Shareholders should note that all or part of the fees and expenses (including investment management fees) may be charged (in whole or part) to the capital of the Fund. Where such fees and expenses are charged to capital, Shareholders may not receive back the full amount invested on repurchases of Shares which would have the effect of lowering the capital value of your investment.

The Directors confirm there has been no significant change in the financial or trading position of the Fund since the end of the period for which the audited financial statement included in the listing particulars are prepared and which form part of the listing particulars. Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.

Application may be made to Euronext Dublin for Shares of any Class issued and to be issued to be admitted to its official list and to trading on the regulated market of Euronext Dublin but the Directors do not anticipate that an active secondary market will develop in any of the Shares.

Neither the admission of Shares of the Company to the official list and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The launch and listing of various classes within the Fund may occur at different times and therefore at the time of the launch of a given class(es), the pool of assets to which a given class(es) relates may have commenced to trade. Financial information in respect of the Fund will be published from time to time, and the most recently published audited and unaudited financial information will be available to potential investors upon request following publication.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 26 November 2020

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1. **INVESTMENT OBJECTIVE**

The investment objective of the Fund is to maximise total return (income plus capital).

2. **INVESTMENT MANAGER**

Aegon Asset Management UK plc, based in Edinburgh, currently manages and distributes Irish and UK domiciled investment companies through its retail sales team to investors in the UK and overseas.

3. **INVESTMENT POLICIES**

The Investment Manager will seek to achieve the Fund's investment objective by investing at least two thirds of its net assets in high yield bonds (i.e. securities having a rating of Ba1 by Moody's or below or BB+ by Standard and Poor's or below, or other debt instruments deemed by the Investment Manager to be of similar credit quality) in any currency, which may be government or corporate, and which may be at a fixed or floating rate, rated or unrated. The fund may also hold selected investment grade bonds and cash.

The Fund will invest primarily in high yield bonds whose credit rating is rated below investment grade.

High Yield Bonds The Fund will invest at least two thirds of its net assets within the global high yield bond universe, which are issues rated Ba1 by Moody's or below or BB+ by Standard and Poor's or below, or other debt instruments deemed by the Investment Manager to be of similar credit quality. The average quality of the Fund's holdings will usually be in the range of B1 to Ba2 (B+ to BB), but may fluctuate. Lower quality companies may be a focus at certain times.

Investment Grade Bonds The Fund may invest at most 20% of its net assets in bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's), as BBB- or higher by Standard & Poor's (S&P), or equivalent.

Emerging Market Debt The Fund may invest up to 20% of its net assets in what the Investment Manager considers to be smaller, less-developed or emerging markets. The Investment Manager's opinion as to what are "emerging markets" may change over time as a result of developments in national or regional economies and capital markets. Within emerging market investments, the Fund seeks to participate in the more established markets which the Investment Manager believes provide sufficient liquidity. The Fund may invest in sovereign and corporate emerging market debt. This will usually be, but not exclusively, US dollar denominated.

The Fund will invest primarily in US dollar-denominated assets or assets hedged back to US dollars assets. However, at times, up to 20% of Fund assets may be denominated in non-US currencies that are not hedged back to US dollars.

Duration, yield curve and currency investment strategies will be used. The average portfolio duration of this Fund will normally vary within a plus one and a half to seven and a half year time frame based on the Investment Manager's views for interest rates and government and corporate bond yields. The Investment Manager will take over or under weight positions to various points of the yield curve, in line with its team's views of interest rates and how these will cause the yield curve to change shape. In addition, the Investment Manager will usually hedge the majority of currency exposure arising from bond positions back to the Fund's base currency. From time to time, the Investment Manager may take modest currency positions where it sees potential value, relative to the base currency.

There is no geographic limitation to the investment universe. Most of the assets are publicly listed/traded on a Recognised Market (see Appendix 1 of Prospectus for a list of Recognised Markets).

The Fund will be broadly diversified by industry and issuer. The allocation ranges are subject to change as the market for high yield bonds throughout the world evolves. No issuer will represent more than 10% of the Fund's net assets at any time save as described in paragraph 3.2.2(5) in the Permitted Investments section in the Prospectus.

The Fund may invest up to 20% of its net assets in ancillary liquid assets such as cash, bank deposits, stocks, bonds, short term certificates, commercial paper, and treasury bills. However, no more than 20% of the net assets of the Fund may be held in aggregate in ancillary liquid assets.

Financial Derivative Instruments (FDI)

The Fund may invest in FDIs for the purposes of Efficient Portfolio Management (**EPM**). The Fund may also invest in FDIs for investment purposes.

Efficient Portfolio Management and FDIs

The Fund may invest in FDIs for the purposes of EPM. Permitted EPM transactions (excluding stock lending transactions) are transactions in FDIs (as described in the Prospectus) dealt in or traded on an Eligible Derivatives Market; off-exchange futures, options, swaps or forward currency transactions. For example, the Fund may use forward currency transactions to hedge foreign exchange and interest rate risk.

Any forward transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy three broadly-based requirements:

- EPM may not include speculative transactions.
- Transactions for EPM purposes must be economically appropriate.
- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the fund:
 - Reduction of risk;
 - Reduction of cost; or
 - The generation of additional capital or income for the Fund with no, or an acceptably low level of, risk.
- Each EPM transaction must be covered globally i.e. there must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund. Assets and cash can be used only once for cover.
- They cannot result in a change to the Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Fund identified in the Prospectus and this Supplement.

The use of FDIs for the purposes of EPM is not otherwise expected to raise the risk profile of the Fund or result in higher volatility.

Investment Purposes

The Fund may use FDIs for investment purposes. The Fund may use FDIs:

- (i) as a substitute for taking a position in an underlying asset;
- (ii) to tailor the Fund's interest rate exposure to the Investment Manager's outlook for interest rates; and/or

(iii) to gain an exposure to the composition and performance of a particular index (including a financial index). For example, the Fund may make use of index and credit default swaps to control the risk of loss due to market movements and to reduce the risk of credit risk with individual stock holdings or to gain exposure to an index or individual stocks.

FDIs may also be used in order to take tactical decisions. Futures, options, forwards and swaps (including credit default swaps) may be used to gain or reduce the Fund's exposure to credit spreads or a particular security or market for periods of time to be determined by the Investment Manager, either in advance of a longer term allocation or reappraisal of the Fund's commitment to the asset or market in question, or purely on a temporary basis where it is more efficient to use FDIs for this purpose.

The Investment Manager may use futures, options forwards or swaps (including credit default swaps) to increase or reduce the beta, interest rate duration or spread duration of all or part of the Fund's portfolio to take account of changing levels of volatility in the market while at the same time maintaining exposure to the market.

Specific FDI

Below are the details of the FDIs in which the Fund may invest. The underlying assets of these FDIs will be one of the asset classes referred to above in this **Investment Policies** section.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Generally, the underlying assets of the futures contracts will be government bonds and interest rates.

Futures contracts allow the Fund to hedge against market risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. The Investment Manager may enter into futures contracts in order to both hedge and more efficiently manage the Fund.

Options

The Fund may purchase options to seek to provide an efficient, liquid and effective mechanism for locking in gains and/or protecting against future declines in the value of securities that it owns in order to benefit from future gains in the value of a security without the risk of the fall in value of security below the strike price. Generally these will be put/call options in relation to interest rates and currency and the underlying assets will be the assets referred to in the Investment Policy.

The Fund may also write (sell) options in respect of underlying assets including writing call options which will give the counterparty a right to call for delivery of the asset at a given price in return for the payment of a premium to the Fund by the counterparty.

Forwards

The Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates and efficiently manage currency exposure. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another counterparty a specified amount of one currency at a specified price with another currency on a specified future date. Forward contracts may be cash settled between the parties. This reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. These contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Fund to benefit from favourable fluctuations in relevant foreign currencies. The commercial purpose of a forward foreign exchange contract may include, but is

not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another. Currency forwards are transacted over-the-counter (**OTC**).

Swaps

Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Swaps may be bought instead of purchasing the underlying asset as a more cost effective way of gaining exposure to that asset, for example a situation may arise where local settlement in a market is either difficult to access or expensive, asset swaps may be used. Swaps can also be used to enable the Investment Manager to exchange a benefit (e.g. a floating rate of exchange) in one financial market for a corresponding benefit (e.g. a fixed rate of exchange) with a party in another market. As such they are very useful instruments for the management of risk.

Typically, the Fund may use credit default swaps to alter the Fund's exposure in accordance with the Investment Manager's outlook for broad credit movements at the time. Generally the underlying assets of swaps will be single stocks (bonds) or indices.

Other Information

The Fund will be able to take long and/or short positions across the assets described in the investment policy. It is anticipated that the Fund may between 100% to 150% of its assets in long positions and up to 50% of its assets in short positions.

Any OTC transactions must be approved with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

The use of FDIs will be fully supported by a risk management process (**RMP**) to ensure that the use of FDIs continue to be commensurate with the overall investment objectives of the Fund.

The use of FDIs for investment purposes will result in the creation of financial leverage and any such leverage will be within the limits set down by the Central Bank.

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's RMP. VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 14.1% of the Net Asset Value of the Fund; and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observation period will be not less than 3 years. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated using the sum of the notionals of the FDIs used by the Fund) under normal circumstance is expected to be in the range of 50% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

The collateral management policy of the Company is set out in the Prospectus.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark. Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

4. **EFFICIENT PORTFOLIO MANAGEMENT – REPO TRANSACTIONS**

The Fund may enter into repurchase and reverse repurchase agreements ("**repo transactions**") for the purposes of efficient portfolio management in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

Direct and indirect operational costs and fees incurred in the use of these techniques may be deducted from the revenue delivered to the Fund from the use of such techniques. All revenue from these techniques, net of direct and indirect operational costs, will be returned to the Fund. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The Investment Manager does not receive costs or fees for techniques of this type. The entities to which such costs and fees are paid (including whether such entities are related to the Investment Manager or the Depositary) will be disclosed in the annual report.

5. **SECURITIES FINANCING TRANSACTIONS**

The Fund may engage in securities financing transactions in respect of repo transactions (**SFTs**) in order to meet its investment objective to generate income for the benefit of the Fund. The assets that can be subject to SFTs are the assets described in the investment policy. It is anticipated that the expected proportion of assets under management (AUM) subject to repo transactions will be less than 100% AUM and the maximum expected proportion of AUM subject to SFTs shall not exceed 200% AUM. The Company's counterparties for SFTs must satisfy the requirements for counterparties set out in the Company's RMP. Counterparties to the Fund may include central counterparties authorised or recognised by ESMA, credit institutions or entities that have an investment grade credit rating or are indemnified by an institution that has an investment grade credit rating. The Investment Manager will only select counterparties that are in a position to value transactions at least daily and to provide weekly valuations to the Investment Manager. In order to reduce its exposure to any counterparty through SFTs, the Fund may adopt collateral arrangements as described under the section "Collateral Management Policy" in the Prospectus. Cash will be valued at par value, other securities will be valued on a mark-to-market basis. Assets and collateral subject to SFTs will be held by the Depositary on behalf of the Fund. The re-use of collateral is not permitted by the Fund. All proceeds of SFTs shall be allocated to the Fund minus any reasonable costs borne by the Investment Manager

6. **INVESTMENT RESTRICTIONS**

The Fund is not permitted to invest in collective investment schemes. In addition, the general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund.

7. **SHARE CLASS CURRENCY HEDGING**

The Base Currency of the Fund is US Dollar.

The classes available for subscription in the Fund are listed in the section entitled, **Key Information for Buying and Selling**.

The Company, at its absolute discretion, has the power to issue currency hedged Share classes. The non-US Dollar classes will be currency hedged Share classes. For such Share classes, the Investment Manager intends to hedge the currency exposure of those Share classes denominated in a currency other than the Base Currency of the relevant Fund, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency. This is 'Method 1 (Base Currency Hedging)' of Share class currency hedging, as explained in the Prospectus in section 3.9.2 under the heading 'Hedged and Unhedged Share Classes'.

The costs of providing hedged Share classes and all other additional costs and gains/losses of such hedging transactions will accrue solely to the holders of the relevant Share class and shall not form part of the assets of the Fund or constitute a liability of the Fund. Any such hedging will endeavour to hedge no less than 95% of the net assets of the relevant Share classes. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept

under review to ensure that over hedged positions will not be permitted to exceed 105%. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward month to month.

Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.

This currency hedging policy aims to limit any potential currency risk linked to the value of the Base Currency falling against the currency in which the hedge Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the Base Currency.

This Section should be read in conjunction with the section entitled **Hedged and Unhedged Share Classes** in the Prospectus.

8. **BORROWINGS**

In accordance with the general provisions set out in the Prospectus under the heading FUNDS - Borrowing and Lending Powers the Fund may borrow up to 10% of its net assets on a temporary basis.

9. **RISK MANAGEMENT**

The Company on behalf of the Fund employs a RMP which helps it to accurately measure, monitor and manage the various risks associated with FDIs. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Fund will only utilise FDIs which have been included in the RMP report that has been cleared by the Central Bank.

10. **RISK FACTORS**

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

10.1. **General Instrument Risk**

The following risks may apply to investments made in both private and public debt and FDIs in these asset classes.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

10.2. **Objective Risk**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the Investment Risks section of the Prospectus and those referred to below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares. There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon fixed income securities and FDIs before investing in the Fund.

The investments of the Fund will be subject to market fluctuations, currency fluctuations, emerging markets risks, custody and settlement risks, registration risk and foreign exposure risk.

10.3. **Liquidity Risk**

The secondary market for high yield bonds is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. The Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, a Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

10.4. **Credit Risk**

The Fund is subject to credit risk in respect to its investments and with regard to its contractual counterparties (such as hedge providers). The Fund intends to mitigate credit risk generally by pursuing a diversified investment strategy. This may be achieved through investments in a number of debt asset classes that naturally involve a diversification of credit risk or through diversifying its issuer exposure but there is no guarantee that this will be achieved.

10.5. **Interest Rate Risk**

The Fund's exposure to market risk is mainly with regard to movements in the value of its investments, changes in interest rates that in the event the Fund makes any fixed interest investments, may decrease its net interest income. In the event of a general rise in interest rates, the value of certain investment in the Fund's assets may fall, reducing the Net Asset Value of the Fund.

Changes in interest rates may adversely affect the market value of some of the Fund's investments. Declining interest rates may affect the return on available reinvestment opportunities.

Fluctuation in rates may affect interest rate spreads in a manner adverse to the Fund. The Fund's interest rate exposure will reflect the Investment Manager's opinion on the future path of interest rates but there is no guarantee that this will be successful. Interest rates are highly sensitive to factors beyond the Fund's control, including, among others, government monetary and tax policies, and domestic and international economic and political conditions.

10.6. **Yield Risk**

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

10.7. **Foreign Exchange Risk**

Changes in rates of exchange may have an adverse effect on the Net Asset Value of the Fund. In addition a change in foreign currency exchange rates may adversely affect cash flows or income from investments which are denominated in currencies other than the Base Currency, which could in turn adversely affect the Fund's ability to pay dividends. Foreign exchange investment and hedging strategies that may be employed to manage such risks might not be successful.

10.8. **Hedging Costs relating to Foreign Exchange Risk**

The value of certain of the Investments may be expressed in a currency other than the currency of the Shares, creating a risk that movements in the exchange rate between the two currencies may adversely

affect the value of the Investments. The Investment Manager may hedge this risk on a notional basis. The costs of this hedging will be deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

10.9. **Legal and/or Regulatory Risk**

Legal and Regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

10.10. **Investment Grade and Government Bonds**

Investment grade assets must have a minimum credit rating issued by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., or its successors (**S&P**) of BBB- or Moody's Investors Service Limited or its successors (Moody's) of Baa3, or BBB- by Fitch or its successors, or, in the case of unrated bonds, are deemed to have an equivalent rating by the Investment Manager.

Although these assets exhibit these minimum ratings, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial, or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of **investment grade** debt.

In addition, it is possible that investment grade assets may be subordinated or junior in the capital structure, (have a lesser priority than that of an additional debt claim on the same asset). In the event of default, holders of subordinated debt get paid after the holders of the **senior debt**. Subordinated debt has a higher expected rate of return than senior debt due to the increased inherent risk.

10.11. **High Yield Securities Risk**

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

10.12. **Default Risk**

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

10.13. **Emerging Markets**

Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for US dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of

material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of Shareholders.

10.14. **Custody Risk**

Local custody services in some of the emerging market countries in which the Fund may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

10.15. **Conflicts of Interest**

The Company will rely on the Investment Manager in implementing its investment strategies. The Directors have determined the Investment Policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an on-going basis. Investors must rely on the judgement of the Directors in determining to invest in the manner set out herein. The Investment Manager will devote a portion of their business time to the Company's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based on or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

10.16. **Default of Service Provider Risk**

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Investment Manager, the Administrator, or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

10.17. **Payment of Charges and Expenses to Capital**

The fees and expenses of the Fund may be charged to the capital of the Fund in circumstances set out in section 12 of the Supplement. In such circumstances, the capital value of a Shareholder's investment may be lowered and income may be achieved by forgoing the potential for future capital growth.

10.18. **Political Legal and/or Regulatory Risks**

The value of the assets of the Fund may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements or an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

10.19. **Limited Number of Investments Risk**

The Fund anticipates that it will be well diversified. However, in the event of a material demand for redemptions, the Fund could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Fund may be substantially and adversely affected by the unfavourable performance of a single investment. The Fund's restriction of repurchases of Shares in excess of 10% of the total Net Asset Value of the Fund on any one Dealing Day will mitigate this risk to an extent should these circumstances arise.

10.20. **Limited Disposal Rights Risk**

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted Shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

10.21. **Taxation Risk**

A risk exists that the tax authorities in countries in which the Fund invests may not be prepared to permit persons in their jurisdictions to pay interest (or other amounts) to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

10.22. **Potential Involvement in Litigation Risk**

As a result of the Fund's investment in below investment grade investments and as a consequence of credit problems with such investment and the possibility that the Fund may participate in restructuring activities undertaken by a company (in which it has invested) of its debt obligations including those owed to the Fund, it is possible that the Fund may become involved in litigation. Litigation entails expense and the possibility of counterclaims against the Fund and ultimately judgments may be rendered against the Fund for which the Fund may not carry insurance.

10.23. **Valuations of Net Asset Value Risk**

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed **Valuation of Assets**.

10.24. **FDI Risks**

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM and investment purposes, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

- a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;
- b) imperfect correlation between the price movements of the FDI and price movements of related instruments;
- c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;
- d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;
- e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and
- f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

10.24.1. **OTC Transactions Risk**

Where the Fund acquires or values securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise such securities at a premium due to the nature of the over-the-counter market and the tendency to have limited liquidity and comparatively high price volatility.

10.24.2. **Counterparty Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in options and forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures, options and swaps. Due to the nature of futures, cash to meet margin monies may be held by a broker with whom the Fund has an open position. In the event of the insolvency, bankruptcy or default of the broker, there can be no guarantee that such monies will be returned to the Fund. On execution of an option, the Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

10.24.3. **Settlement Risk**

The counterparty to a Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

10.24.4. **Correlation Risk**

The Company may utilise forward contracts to seek to hedge against fluctuations in the relative values of the Company's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Company to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Company is not able to enter into a hedging transaction at a price sufficient to protect the Company from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

10.24.5. **Basis Risk**

FDI value may not track the underlying notional asset. This is only relevant if the instrument is traded prior to maturity.

10.25. **Specific Instrument Risks**

10.25.1. **Futures**

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

10.25.2. **Options**

Buying options involves less risk than writing options because, if the price of the underlying asset moves against the Fund, the Fund can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if the Fund buys a call option on an asset contract and the Fund later exercises the option, the Fund will acquire the asset. This will expose the Fund to the risks of that particular asset.

If the Fund writes an option, the risk involved is considerably greater than buying options. The Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, the Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against the Fund, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset which the Fund has contracted to sell (known as covered call options) the risk is reduced. If the Fund does not own the underlying asset (known as uncovered call options) the risk can be unlimited. Certain options markets operate on a margined basis under which buyers do not pay the full premium on their option at the time they purchase it. In this situation the Fund may subsequently be called upon to pay margin on the option up to the level of its premium. If the Fund fails to do so as required, the Fund's position may be closed or liquidated in the same way as a futures position.

10.25.3. **Forwards**

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Forward contracts are instruments traded OTC. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

10.25.4. **Swaps**

Where the Fund enters into swap arrangements and FDI techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing FDI transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

11. **DIVIDEND POLICY**

The Directors may declare dividends for the Income Share classes on a quarterly basis at close of business on the last Business Day of July, October, January and April. Dividends shall be declared out of the accumulated revenue (consisting of all revenue accrued including interest and dividends) less any applicable expenses). The Directors currently intend to pay dividends equal to substantially all of the income arising to the Income Share classes. This will also ensure that the Income Share classes can qualify as reporting funds for UK tax purposes. Any such dividend in relation to the Income Classes will be paid out of income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within two months of the relevant declaration date.

The Company will operate grouping for equalisation with respect to Income Shares. Each class of each Fund will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 Shares. Shares purchased during any previous distribution period are called Group 1 Shares. Group 2 Shares contain in their purchase price an amount called equalisation which represents a

proportion of the net income of the Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refunded to them as part of their first distribution. It may be treated as a return of capital for tax purposes.

As set out in section 11.3 of the Prospectus, equalisation data will be provided in respect of Reporting Shares on the Shareholder reports referred in section 11.3 of the Prospectus. Group 2 Shareholders investing in Reporting Shares can use the equalisation data to reduce their reportable income for a period.

Each holder of Income Shares has the option to take dividends in cash or to reinvest in the relevant Fund by the allotment of additional Shares at Net Asset Value per Share provided that no Preliminary Charge will be payable on any Shares so allotted of the Fund. The Fund's default position unless specifically advised on the application form will be to reinvest dividends into the Shares of the Fund. Those Shareholders wishing to have their distribution of income automatically paid in cash should elect for such method when completing the Application Form. Payment will be made by telegraphic transfer to an account in the name of the Shareholder within 2 months of the declaration date. Distributions not claimed within six years from their due date will lapse and will revert to assets of the Fund.

Accumulation Shares of any class may at the discretion of the Directors be issued on the basis that no dividends will be declared in respect of those Shares and that any income available for distribution will form part of the assets of the Fund and will be applied when calculating the subscription price and the repurchase price as part of the proportion of the Fund which is attributable to the holders of that class of Shares.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

12. PROFILE OF A TYPICAL INVESTOR

The Fund will target retail and institutional investors seeking pooled exposure to the high yield global bond market and who are comfortable with a medium level of investment risk. It is expected that the Fund will be held as a part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall in value. It is important to understand that the Fund should be viewed as a medium to long term investment. The Fund may not be appropriate for investors who plan to invest in the short term.

13. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is US Dollar.

Shares available for subscription

Shares of the Fund are currently available for subscription in the following denominations:

1.	Sterling	(hedged)	Class A	Accumulation
2.	Sterling	(hedged)	Class A	Income
3.	US Dollar		Class A	Accumulation
4.	US Dollar		Class A	Income
5.	Euro	(hedged)	Class A	Accumulation
6.	Euro	(hedged)	Class A	Income
7.	Swiss Franc	(hedged)	Class A	Accumulation
8.	Swiss Franc	(hedged)	Class A	Income

9.	Japanese Yen	(hedged)	Class A	Accumulation
10.	Japanese Yen	(hedged)	Class A	Income
11.	Swedish Krona	(hedged)	Class A	Accumulation
12.	Swedish Krona	(hedged)	Class A	Income
13.	Norwegian Krone	(hedged)	Class A	Accumulation
14.	Norwegian Krone	(hedged)	Class A	Income
15.	Danish Krone	(hedged)	Class A	Accumulation
16.	Danish Krone	(hedged)	Class A	Income
17.	Icelandic Króna	(hedged)	Class A	Accumulation
18.	Icelandic Króna	(hedged)	Class A	Income
19.	Sterling	(hedged)	Class B	Accumulation
20.	Sterling	(hedged)	Class B	Income
21.	US Dollar		Class B	Accumulation
22.	US Dollar		Class B	Income
23.	Euro	(hedged)	Class B	Accumulation
24.	Euro	(hedged)	Class B	Income
25.	Swiss Franc	(hedged)	Class B	Accumulation
26.	Swiss Franc	(hedged)	Class B	Income
27.	Japanese Yen	(hedged)	Class B	Accumulation
28.	Japanese Yen	(hedged)	Class B	Income
29.	Swedish Krona	(hedged)	Class B	Accumulation
30.	Swedish Krona	(hedged)	Class B	Income
31.	Norwegian Krone	(hedged)	Class B	Accumulation
32.	Norwegian Krone	(hedged)	Class B	Income
33.	Danish Krone	(hedged)	Class B	Accumulation
34.	Danish Krone	(hedged)	Class B	Income
35.	Icelandic Króna	(hedged)	Class B	Accumulation
36.	Icelandic Króna	(hedged)	Class B	Income
37.	Swedish Krona	(hedged)	Class C	Accumulation
38.	Swedish Krona	(hedged)	Class C	Income
39.	Norwegian Krone	(hedged)	Class C	Accumulation
40.	Norwegian Krone	(hedged)	Class C	Income

41.	Danish Krone	(hedged)	Class C	Accumulation
42.	Danish Krone	(hedged)	Class C	Income
43.	Icelandic Króna	(hedged)	Class C	Accumulation
44.	Icelandic Króna	(hedged)	Class C	Income
45.	Japanese Yen	(hedged)	Class C	Accumulation
46.	Japanese Yen	(hedged)	Class C	Income
47.	Euro	(hedged)	Class I	Accumulation
48.	US Dollar		Class J	Accumulation
49.	US Dollar		Class J	Income
50.	Euro	(hedged)	Class J	Accumulation
51.	Euro	(hedged)	Class J	Income
52.	Sterling	(hedged)	Class J	Accumulation
53.	Sterling	(hedged)	Class J	Income
54.	Swedish Krona	(hedged)	Class J	Accumulation
55.	Swedish Krona	(hedged)	Class J	Income
56.	Swiss Franc	(hedged)	Class J	Accumulation
57.	Swiss Franc	(hedged)	Class J	Income
58.	Japanese Yen	(hedged)	Class J	Accumulation
59.	Japanese Yen	(hedged)	Class J	Income
60.	Norwegian Krone	(hedged)	Class J	Accumulation
61.	Norwegian Krone	(hedged)	Class J	Income
62.	Danish Krone	(hedged)	Class J	Accumulation
63.	Danish Krone	(hedged)	Class J	Income
64.	Icelandic Krone	(hedged)	Class J	Accumulation
65.	Icelandic Krone	(hedged)	Class J	Income
66.	Euro	(hedged)	Class L	Accumulation
67.	Sterling	(hedged)	Class S	Accumulation
68.	Sterling	(hedged)	Class S	Income
69.	US Dollar		Class S	Accumulation
70.	US Dollar		Class S	Income
71.	Euro	(hedged)	Class S	Accumulation
72.	Euro	(hedged)	Class S	Income

73.	Swedish Krona	(hedged)	Class S	Accumulation
74.	Swedish Krona	(hedged)	Class S	Income
75.	Swiss Franc	(hedged)	Class S	Accumulation
76.	Swiss Franc	(hedged)	Class S	Income
77.	Norwegian Krone	(hedged)	Class S	Accumulation
78.	Norwegian Krone	(hedged)	Class S	Income
79.	Danish Krone	(hedged)	Class S	Accumulation
80.	Danish Krone	(hedged)	Class S	Income
81.	Icelandic Króna	(hedged)	Class S	Accumulation
82.	Icelandic Króna	(hedged)	Class S	Income
83.	Japanese Yen	(hedged)	Class S	Accumulation
84.	Japanese Yen	(hedged)	Class S	Income
85.	Sterling	(hedged)	Class Z	Accumulation
86.	Sterling	(hedged)	Class Z	Income
87.	US Dollar		Class Z	Accumulation
88.	US Dollar		Class Z	Income
89.	Euro	(hedged)	Class Z	Accumulation
90.	Euro	(hedged)	Class Z	Income
91.	Swedish Krona	(hedged)	Class Z	Accumulation
92.	Swedish Krona	(hedged)	Class Z	Income
93.	Swiss Franc	(hedged)	Class Z	Accumulation
94.	Swiss Franc	(hedged)	Class Z	Income
95.	Norwegian Krone	(hedged)	Class Z	Accumulation
96.	Norwegian Krone	(hedged)	Class Z	Income
97.	Danish Krone	(hedged)	Class Z	Accumulation
98.	Danish Krone	(hedged)	Class Z	Income
99.	Icelandic Króna	(hedged)	Class Z	Accumulation
100.	Icelandic Króna	(hedged)	Class Z	Income
101.	Japanese Yen	(hedged)	Class Z	Accumulation
102.	Japanese Yen	(hedged)	Class Z	Income
103.	US Dollars		Class D	Income
104.	US Dollars		Class D	Accumulation

105.	US Dollars		Class G	Income
106.	US Dollars		Class G	Accumulation
107.	US Dollars		Class X	Income
108.	US Dollars		Class X	Accumulation
109.	US Dollars	(hedged)	Class D	Income
110.	US Dollars	(hedged)	Class D	Accumulation
111.	US Dollars	(hedged)	Class G	Income
112.	US Dollars	(hedged)	Class G	Accumulation
113.	US Dollars	(hedged)	Class X	Income
114.	US Dollars	(hedged)	Class X	Accumulation

The B and C share classes are for institutional investors but the Fund may at its discretion accept applications received from other investors.

The S share classes are for institutional investors and are not available to investors investing in the Fund via investment platforms but the Fund may at its discretion accept applications received from other investors.

The D and G share classes are for all non-US investors.

The X share class is for non-US institutional investors.

Minimum Share Class Size

Sterling Classes	GBP 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
US Dollar Classes	USD 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swiss Franc Classes	CHF 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Japanese Yen Classes	JPY 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swedish Krona Classes	SEK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Norwegian Krone Classes	NOK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Danish Krone Classes	DKK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Icelandic Króna Classes	ISK 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Euro Classes	EUR 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Minimum Investment Levels

Class A

Minimum initial investment amount

USD1,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class D

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class B

Minimum initial investment amount

USD500,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD1,000 or equivalent in another acceptable currency

Minimum residual holding

USD1,000 or equivalent in another acceptable currency

Class C

Minimum initial investment amount

\$250,000,000

Minimum additional investment amount

\$10,000,000

Minimum withdrawal amount

\$10,000,000

Minimum residual holding

\$225,000,000

Class I

Minimum initial investment amount

EUR1,000,000

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class J

Minimum initial investment amount

\$250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

\$10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

\$10,000,000 or equivalent in another acceptable currency

Minimum residual holding

\$225,000,000 or equivalent in another acceptable currency

Class L

Minimum initial investment amount

EUR500,000

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class G

Minimum initial investment amount

USD 500 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class S

Minimum initial investment amount

USD 100,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

USD 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

USD, 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

USD 50,000,000 or equivalent in another acceptable currency

Class X

Minimum initial investment amount

USD 250,000 or equivalent in another acceptable currency

Minimum additional investment amount

No minimum

Minimum withdrawal amount

No minimum

Minimum residual holding

No minimum

Class Z

Minimum initial investment amount

\$250,000,000

Minimum additional investment amount

\$10,000,000

Minimum withdrawal amount

\$10,000,000

Minimum residual holding

\$225,000,000

The Directors may waive such minimum investment levels in their absolute discretion.

Initial Offer Period

The Initial Offer Period for each Share class which has not launched has commenced and they will continue to be available for subscription at the Initial Issue Price, as set out below, until 5.00 pm (Irish time) on 26 May 2021. The Initial Offer Period of each class of Shares may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank in accordance with its requirements. After the Initial Offer Period of each class, Shares of such class will be available for subscription at the Net Asset Value per Share.

Initial Issue Price

The Initial Issue Price per Share is:

Sterling Classes	GBP 10
US Dollar Classes	USD 10
Swiss Franc Classes	CHF 10
Japanese Yen Classes	JPY 1,000
Swedish Krona Classes	SEK 100
Norwegian Krone Classes	NOK 100
Danish Krone Classes	DKK 100
Icelandic Króna Classes	ISK 1,000
Euro Classes (except I and L Classes)	EUR 10
Euro Classes (I and L Classes)	EUR 10,000

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions and Redemptions is defined as 11.00 am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 3rd Business Day falling after the Dealing Day on which the redemption request is received. However, the Company may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Share class.

Preliminary Charge

The Company may levy an initial charge of up to 5.5% of the Net Asset Value per Share in connection with the subscription of Class A Shares of the Fund and up to 3% of the Net Asset Value per Share in connection with the subscription of Class L Shares of the Fund. This fee will be retained for the benefit of the Distributor. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries, advisers and introducing agents who refer and/or advise prospective investors out of the initial charge and/or (ii) waive the initial charge for certain prospective investors based on factors deemed appropriate by the Distributor. There is no preliminary charge payable on the Class B Shares or Class I Shares.

Exchange Charge

The Directors reserve the right at their sole discretion, to impose an exchange fee of up to 1.5% of the total repurchase price of the Shares in respect of an exchange of Shares held in one class for Shares in another class but such fee is charged only if exchanges are in excess of 5 in a calendar year.

Dilution Adjustment

Please refer to the section entitled **Dilution Adjustment** in the Prospectus.

Valuation Point

Shall mean 12:00 Noon (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary.

14. CHARGING OF FEES AND EXPENSES TO CAPITAL

The fees and expenses (including investment management fees) of the Fund may be charged (in whole or part) to the capital of the Fund in order to enable the Fund to pay a larger distribution amount and/or

in circumstances where there is insufficient income being received by the Fund and/or as an efficient and accurate method of ensuring that fees incurred at a Share class level are apportioned to the relevant Share classes.

In circumstances where such fees and expenses are charged to capital, there may be a lack of potential for capital growth meaning the capital value of a Shareholder's investment may be eroded and due to such capital erosion the value of future returns may also be diminished. As such, income may be achieved by forgoing the potential for future capital growth.

The Fund's objective is to maximise total returns (income plus capital), rather than capital growth alone. Dividends paid in circumstances where fees and expenses are charged to capital should be understood as a type of capital reimbursement. Any income statement issued to Shareholders where fees and/or expenses have been charged to capital shall include a statement to explain the effect of this accounting policy and, if applicable, that the Shareholder's capital amount has been reduced.

15. FEES AND EXPENSES

Investment Manager Fees

The fee payable to the Investment Manager will be no more than 1% per annum of the Net Asset Value of each Fund. Such fee shall be accrued daily and payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager may agree at its discretion to waive a portion of the Investment Management Fee with respect to certain Shareholders' investment in the Fund. Any such waiver or reduction will not entitle other Shareholders to a similar waiver.

Administration Fee

The fee payable to the Administrator for the services provided to the Company shall not exceed 1% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and shall be payable monthly in arrears.

Depositary Fee

The fee payable to the Depositary, for both custodial services provided to the Company, will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund subject to a minimum fee of £3000 per annum.

The Depositary will also be entitled to any out-of-pocket expenses incurred (including any transaction charges or sub-custodian fees at normal commercial rates). The Depositary fees will be accrued daily and shall be payable monthly in arrears.

Registrar Fee

The fee payable to the Administrator for registration services provided to the Company will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

Distribution Fee

In addition to the preliminary charge that may be paid to the Distributor as referred to above, the fee payable to the Distributor for its services in the distribution of Shares of the Fund shall not exceed 1% per annum of the Net Asset Value attributable to the Class A Shares. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries and advisers who refer and/or advise prospective investors out of the Distributor's fee as set out above and/or (ii) waive the Distribution

Fee for certain prospective investors based on factors deemed appropriate by the Distributor. Where taken, this fee shall be accrued daily and payable monthly in arrears.

This section should be read in conjunction with the section entitled **Fees and Expenses** in the Prospectus.

16. **REPORTING FUNDS REGIME – SHARE CLASSES**

The Directors have applied to HM Revenue and Customs for 'Reporting Fund' status on any of the sub-funds' Share classes which shall be directed towards the UK market.

Aegon Short Dated Investment Grade Bond Fund

Supplement to the Prospectus for Aegon Asset Management Investment Company (Ireland) Plc An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Aegon Short Dated Investment Grade Bond Fund (the **Fund**), a sub-fund of Aegon Asset Management Investment Company (Ireland) Plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). The Company has sixteen other sub-funds in existence as at the date of this Supplement:

- (1) Aegon Absolute Return Bond Fund;
- (2) Aegon Absolute Return Bond Constrained Fund;
- (3) Aegon Absolute Return Bond Global Fund;
- (4) Aegon Active Long Dated Bond Fund;
- (5) Aegon Emerging Market Bond Opportunities Fund;
- (6) Aegon Equity Market Neutral Fund;
- (7) Aegon Equity Market Neutral Plus Fund;
- (8) Aegon Global Diversified Growth Fund
- (9) Aegon Global Diversified Income Fund;
- (10) Aegon Global Equity Income Fund;
- (11) Aegon Global Equity Market Neutral Fund;
- (12) Aegon Global Sustainable Equity Fund;
- (13) Aegon High Yield Global Bond Fund
- (14) Aegon Investment Grade Global Bond Fund;
- (15) Aegon Short Dated High Yield Global Bond Fund; and
- (16) Aegon Strategic Global Bond Fund;

The following sub-funds are currently closed for subscription and it is intended that an application will be made to the Central Bank to withdraw their approvals following preparation of audited accounts disclosing a zero Net Asset Value in respect of the relevant funds:

- Aegon Absolute Return Bond Constrained Fund
- Aegon Absolute Return Bond Global Fund
- Aegon Active Long Dated Bond Fund
- Aegon Emerging Market Bond Opportunities Fund
- Aegon Equity Market Neutral Fund
- Aegon Equity Market Neutral Plus Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 7 September 2020 (the Prospectus).

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

Investors should also note that subscriptions for Shares of the Fund is not the same as making a deposit with a bank or other deposit taking body. The principal invested in the Fund is capable of fluctuation and the value of the Shares is not insured or guaranteed.

Application may be made to Euronext Dublin for Shares of any Class issued and to be issued to be admitted to its official list and to trading on the regulated market of Euronext Dublin but the Directors do not anticipate that an active secondary market will develop in any of the Shares.

Neither the admission of Shares of the Company to the official list and to trading on the regulated market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the listing particulars or the suitability of the Company for investment purposes.

The launch and listing of various classes within the Fund may occur at different times and therefore at the time of the launch of a given class(es), the pool of assets to which a given class(es) relates may have commenced to trade. Financial information in respect of the Fund will be published from time to time, and the most recently published audited and unaudited financial information will be available to potential investors upon request following publication.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

Dated: 16 December 2020

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1. **INVESTMENT OBJECTIVE**

The investment objective of the Fund is to provide a return (income plus capital).

2. **INVESTMENT MANAGER**

Aegon Asset Management UK plc, based in Edinburgh, currently manages and distributes Irish and UK domiciled investment companies through its retail sales team to investors in the UK and overseas.

3. **INVESTMENT POLICIES**

The Investment Manager will seek to achieve the Fund's investment objective by investing primarily in global Investment Grade Bonds, including government and corporate bonds denominated in any currency and which may be fixed or floating rate and rated or unrated.

A minimum of 80% of the Fund's net assets will be invested in Investment Grade Bonds having a residual maturity (being the remaining time between acquisition and maturity of the bond) that does not exceed four years. Maturity is measured by legal final maturity. The average portfolio duration of the Fund will normally vary within zero and a plus three year time frame.

Up to 20% of the Fund's net assets may be invested in High Yield Bonds.

Up to 10% of the Fund's net assets may be invested in contingent convertible bonds, which may be used to enhance returns within the Fund's portfolio, while also diversifying the Fund's portfolio.

Investment Grade Bonds are bonds issued by companies whose credit rating is deemed to be investment grade, defined as Baa3 or higher by Moody's Investor Services (Moody's); BBB- or higher by Standard & Poor's (S&P); or BBB- or higher by Fitch, or their respective successors or equivalents.

High Yield Bonds are bonds issued by companies whose credit rating is defined as Ba1 or below by Moody's; BB+ or below by Standard and Poor's; or BB+ or below by Fitch, or their respective successors or equivalents. High Yield Bonds also include non-rated debt instruments.

The average quality of the Fund's holdings will usually be in the range of Baa1/BBB+ to Baa3/BBB-, but may fluctuate.

Emerging Market Debt. The Fund may invest up to 20% of its net assets in emerging markets. Within emerging market investments, the Fund seeks to participate in the more established markets which the Investment Manager believes provide sufficient liquidity. The Fund may invest in corporate emerging market debt.

For the purposes of this Supplement, an "emerging market" is defined as a country, jurisdiction or territory comprised within, or a constituent of, any emerging market bond indices; or any other country which the Investment Manager deems to be an Emerging Market based on the Investment Manager's evaluation of economic fundamentals such as economic growth rate, inflation rate and unemployment rate in a particular market, political developments and other specific factors the Investment Manager believes to be relevant and as further described in the Investment Strategy section below.

The Fund may make investments in any currency although the Investment Manager will hedge the majority of currency exposure arising from bond positions back to the Fund's Base Currency.

The Fund may hold bonds which can be converted into shares in the issuer (and which therefore embed an option and leverage which is not expected to be material), or warrants (the exposure to which is not expected to be material) over such shares received as a result of corporate actions. If the Fund is invested in any such bond which is subsequently converted into equity or warrants, the Investment Manager may in its discretion continue to hold such equities or warrants within the Fund for a period of up to six months after such conversion in order to determine the right moment to redeem the equity or warrants in the best interests of the Fund.

The Fund will be broadly diversified by industry and issuer. No issuer will represent more than 10% of the Fund's net assets at any time save as described in paragraph 3.2.2(5) in the Permitted Investments section in the Prospectus.

The Fund may also use financial derivative instruments (**FDI**) (as further described below) for hedging purposes only.

The Fund may invest up to 20% of its net assets in ancillary liquid assets such as cash, bank deposits, short term certificates, commercial paper, and treasury bills. However, no more than 20% of the net assets of the Fund may be held in aggregate in such ancillary liquid assets.

There is no geographic limitation to the investment universe. All of the listed assets that the Fund invests in are publicly listed/traded on a Recognised Market (see Schedule 1 of the Prospectus for a list of Recognised Markets).

Investment Strategy

In order to achieve the Fund's investment objective, the Investment Manager will invest mostly in short dated Investment Grade Bonds, with the largest investments being made in the Investment Manager's highest conviction ideas (which are ideas that the Investment Manager holds the highest confidence as regards their future performance).

The Investment Manager's highest conviction ideas are identified using an initial universe of potential investments which fall within the Fund's investment policy. In creating an initial universe of potential investments, the Investment Manager will usually start by analysing bonds globally which match the minimum investment criteria for a significant proportion of the Fund (i.e. at least 80% of the Fund must be invested in Investment Grade Bonds which have an issue maturity limit not exceeding four years). The Investment Manager may then add further potential bonds to this initial universe using a variety of research and data analysis methods including independent investment research, broker-generated investment research, desk-based local research, financial news and interrogation of investment data sources (such as Bloomberg and data obtained from ratings agencies) – all of which would allow the Investment Manager to assess an asset's appropriateness in relation to the Fund's investment policy and objective. The Investment Manager will take larger or smaller positions depending on the relative attractiveness of yield in relation to the Investment Manager's view of the likelihood default of the issuer.

Once the universe of potential investments has been identified, each potential investment will be given a score by the Investment Manager in relation to valuation, fundamentals (for example the credit risk of the issuer), technical (i.e. patterns of market activity) and market/investor sentiment. Those with positive scores are then considered for investment by the Investment Manager (with the largest investments being made in the Investment Manager's highest conviction ideas). Positions will be well diversified by issuer and sector.

Target performance

The Investment Manager expects that the Fund will return performance at a rate of SONIA plus 1.25% per annum, over a period of between 1 to 3 years gross of fees and expenses of the Fund. SONIA, is the effective overnight interest rate by banks for unsecured in the British sterling market.

Although the Fund expects to reach this level of performance, there is no guarantee that this will be achieved. The Fund's capital is at risk meaning that the Fund could suffer a decrease in value at any time.

Financial Derivative Instruments (FDI)

The Fund may use FDIs for the purposes of Efficient Portfolio Management (**EPM**).

Efficient Portfolio Management

The Fund may use FDIs for the purposes of EPM. Permitted EPM transactions are transactions in FDIs (as described in the Prospectus) dealt in or traded on an eligible derivatives market; off-exchange futures, warrants, convertible securities, interest rate swaps or forward currency transactions. For example, the Fund may use forward currency transactions to hedge foreign exchange and interest rate risk.

Any OTC transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

There is no limit on the amount of the assets which may be used for EPM. In addition to the foregoing, the transactions must satisfy the following requirements:

- EPM may not include speculative transactions.
- Transactions for EPM purposes must be economically appropriate.
- The purpose of an EPM transaction for the Fund must be to achieve one of the following in respect of the Fund:
 - Reduction of risk;
 - Reduction of cost;
 - The generation of additional capital or income for the Fund with no, or an acceptably low level of, risk.
- Each EPM transaction must be covered globally i.e. there must be adequate cover from within the assets held by the Fund to meet the Fund's total exposure, taking into account the value of the underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions. The global exposure may not exceed the Net Asset Value of the Fund. Assets and cash can be used only once for cover.
- They cannot result in a change to the Fund's investment objective or add substantial supplementary risks in comparison to the risks relative to the Fund identified in the Prospectus and this Supplement.

The use of FDIs for the purposes of EPM is not otherwise expected to raise the risk profile of the Fund or result in higher volatility.

Specific FDI

Below are the details of the FDIs in which the Fund may utilise. The underlying assets of these FDIs will be one of the asset classes referred to above in the **Investment Policies** section.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Generally, the underlying assets of the futures contracts will be government or corporate bonds and interest rates described in the Fund's Investment Policy.

Futures contracts allow the Fund to hedge against market risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. The Investment Manager may enter into futures contracts in order to both hedge and more efficiently manage the Fund.

For example, interest rate futures (either exchange-traded or OTC) may be used to hedge against the risk that interest rate moves in an adverse direction.

Forwards

The Fund may buy and sell currencies on a spot and forward basis, subject to the limits and restrictions adopted by the Central Bank from time to time to reduce the risks of adverse changes in exchange rates and efficiently manage currency exposure. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another counterparty a specified amount of one currency at a specified price with another currency on a specified future date. Forward contracts may be cash settled between the parties. This reduces the Fund's exposure to changes in the value of the currency it will deliver and increases its exposure to changes in the value of the currency it will receive for the duration of the contract. The effect on the value of the Fund is similar to selling securities denominated in one currency and purchasing securities denominated in another currency. A contract to sell currency would limit any potential gain, which might be realised if the value of the hedged currency increases. These contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. Suitable hedging transactions may not be available in all circumstances and there can be no assurance that the Fund will engage in such transactions at any given time or from time to time. Also, such transactions may not be successful and may eliminate any chance for the Fund to benefit from favourable fluctuations in relevant foreign currencies. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency and shifting exposure to currency fluctuations from one currency to another. Currency forwards are transacted over-the-counter (**OTC**).

Interest Rate Swaps

Under a standard interest rate swap, two counterparties agree to exchange specified cash flows for a specified period of time. Generally, a floating rate cash flow is exchanged for a series of fixed interest rate payments. The counterparty that receives the fixed rate payments obtains interest rate exposure similar to buying a fixed rate bond and the other counterparty obtains floating rate interest exposure. The exchanged cash flows are based off a "notional" amount of principal that is not physically exchanged between counterparties. Interest rate swaps are customizable and frequently trade out to 10 years, making interest rate swaps a more flexible tool to be used in managing interest rate risk along the yield curve.

Warrants

The Fund will not actively invest in warrants but may hold warrants where the Fund receives same as a result of a corporate action taken by one of its bond issuers.

A warrant is a contract which gives the contract buyer the right, but not the obligation, to exercise a feature of the warrant, such as buying a specified quantity of a particular product, asset or financial instrument, on, or up to and including, a future date (the exercise date). The 'writer' (seller) has the obligation to honour the specified feature of the contract. A warrant in the classic sense is a security that entitles the holder to buy stock of the company that issued it at a specified price. Warrants have similar characteristics to call options, but are typically longer dated. The commercial purpose of warrants can be to hedge against the movements of a particular market or financial instrument, including futures, or to gain exposure to a particular market or financial instrument instead of using a physical security.

Convertible securities

The Fund will not actively invest in convertible securities, but there may be circumstances where the Fund holds convertible securities as a consequence of a corporate action by a bond issuer taken by one of its bond issuers.

Convertible securities are convertible bonds, warrants and preferred stock which are convertible into the common equity of a company.

Contingent Convertible securities

Contingent convertible bonds are a type of hybrid security (a security which has the potential to convert to equity dependent/contingent upon a specified event, such as the capital ratio of the contingent convertible bond issuer falling below a certain threshold). The Fund may invest up to 10% of its Net Asset Value in contingent convertible bonds. The trigger event is ordinarily linked to the financial position of the issuer and therefore the conversion is likely to occur as a result of a deterioration of the relative capital strength of the underlying.

Collective Investment Schemes

The Fund may invest in other UCITS (including ETFs) whose investment objectives and policies are consistent with those of the Fund. Such collective investment schemes will be regulated as UCITS or UCITS equivalents, in accordance with the requirements of the Central Bank. The Fund may not invest in other sub-funds of the Company.

Other Information

Any OTC transactions must be with an Approved Counterparty (eligible institutions, money market institutions or other counterparty with which a UCITS may contract etc.) and in accordance with the requirements of the Central Bank.

The use of FDIs will be fully supported by a risk management process (**RMP**) to ensure that the use of FDIs continue to be commensurate with the overall investment objectives of the Fund.

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's RMP. VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 7.1% of the Net Asset Value of the Fund; and the one-tailed confidence interval shall not be less than 95% with a one month holding period. The historical observation period will be not less than 3 years. VaR will be calculated on a daily basis.

The level of leverage of the Fund (calculated using the sum of the notionals of the FDIs used by the Fund) under normal circumstances is expected to be in the range of 0% to 200% of the Net Asset Value of the Fund. It is possible that there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is low volatility.

The collateral management policy of the Company is set out in the Prospectus. The level of collateral required by the Fund in respect of its investment in OTC FDIs and use of efficient portfolio management techniques will be that required to manage counterparty exposure within the limits set down by the Central Bank.

Use of benchmarks

The Fund is actively managed and is not constrained by any benchmark. Benchmarks may be used from time to time as performance comparators and any such use will be disclosed in the Key Investor Information Document for the Fund.

4. EFFICIENT PORTFOLIO MANAGEMENT – REPO TRANSACTIONS

The Fund may enter into repurchase agreements and reverse repurchase agreements ("**repo transactions**") for the purposes of efficient portfolio management in accordance with the investment restrictions, conditions and limits laid down by the Central Bank.

Direct and indirect operational costs and fees incurred in the use of these techniques may be deducted from the revenue delivered to the Fund from the use of such techniques. All revenue from these techniques, net of direct and indirect operational costs, will be returned to the Fund. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The Investment Manager does not receive costs or fees for techniques of this type. The entities to which such costs and fees are paid (including whether such entities are related to the Investment Manager or the Depositary) will be disclosed in the annual report.

5. SECURITIES FINANCING TRANSACTIONS

The Fund may engage in securities financing transactions in respect of repo transactions (**SFTs**) for efficient portfolio management purposes. The assets that can be subject to SFTs are the assets described in the investment policy. It is anticipated that the expected proportion of assets under management (AUM)

subject to repo transactions will be less than 100% AUM and the maximum expected proportion of AUM subject to SFTs shall not exceed 200% AUM. The Company's counterparties for SFTs must satisfy the requirements for counterparties set out in the Company's RMP. Counterparties to the Fund may include central counterparties authorised or recognised by ESMA, credit institutions or entities that have an investment grade credit rating or are indemnified by an institution that has an investment grade credit rating. The Investment Manager will only select counterparties that are in a position to value transactions at least daily and to provide weekly valuations to the Investment Manager. In order to reduce its exposure to any counterparty through SFTs, the Fund may adopt collateral arrangements as described under the section "Collateral Management Policy" in the Prospectus. Cash will be valued at par value, other securities will be valued on a mark-to-market basis. Assets and collateral subject to SFTs will be held by the Depositary on behalf of the Fund. The re-use of collateral is not permitted by the Fund. All proceeds of SFTs shall be allocated to the Fund minus any reasonable costs borne by the Investment Manager

6. INVESTMENT RESTRICTIONS

A maximum of 20% of the Fund's net assets may be invested in units or shares of other collective investment schemes. In addition, the general investment restrictions set out under the heading **FUNDS - Investment Restrictions** in the Prospectus shall apply to the Fund.

7. SHARE CLASS CURRENCY HEDGING.

The Base Currency of the Fund is Sterling GBP.

The classes of Shares available for subscription in the Fund are listed under the heading 'Key Information for Buying and Selling' in the Supplement.

The Company, at its absolute discretion, has the power to issue currency hedged Share classes. The non-Sterling GBP classes will be currency hedged Share classes. For such Share classes, the Investment Manager intends to hedge the currency exposure of those Share classes denominated in a currency other than the Base Currency of the Fund, in order to attempt to mitigate the effect of fluctuations in the exchange rate between the Share class currency and the Base Currency. This is 'Method 1 (Base Currency Hedging)' of Share class currency hedging, as explained in the Prospectus in section 3.9.2 under the heading 'Hedged and Unhedged Share Classes'.

The costs of providing hedged Share classes and all other additional costs and gains/losses of such hedging transactions will accrue solely to the holders of the relevant Share class and shall not form part of the assets of the Fund or constitute a liability of the Fund. Any such hedging will endeavour to hedge no less than 95% of the net assets of the relevant Share classes. Due to matters outside the control of the Company, currency exposure may be over or under hedged but over hedged positions will not be permitted to exceed 105% of the net assets of the relevant Share class. Hedged positions will be kept under review to ensure that over hedged positions will not be permitted to exceed 105%.

Such review will incorporate a procedure to ensure that positions below 95% or materially in excess of 100% will not be carried forward month to month.

Investors in hedged Share classes should be aware that the exchange rate used for the purpose of converting the proceeds of their investment to or from the Base Currency is likely to be the rate prevailing at the time the necessary currency hedging contracts are put in place which means that this exchange rate risk is borne by those transacting investors rather than by the other investors in the Fund.

This currency hedging policy aims to limit any potential currency risk linked to the value of the Base Currency falling against the currency in which the hedge Share classes are denominated. On the other hand, as well as incurring the cost of such hedging transactions, holders of the hedged Share classes will sacrifice the potential gain should the value of the hedged currency fall against the Base Currency. To the extent that hedging is successful, the performance of a Hedged Share Class is likely to move in line with the performance of the underlying assets of the Fund.

This Section should be read in conjunction with the section entitled **Hedged and Unhedged Share Classes** in the Prospectus.

8. **BORROWINGS**

In accordance with the general provisions set out in the Prospectus under the heading FUNDS - Borrowing and Lending Powers the Fund may borrow up to 10% of its net assets on a temporary basis.

9. **RISK MANAGEMENT**

The Company on behalf of the Fund employs a RMP which helps it to accurately measure, monitor and manage the various risks associated with FDIs. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The Fund will only utilise FDIs which have been included in the RMP report that has been filed with the Central Bank.

10. **RISK FACTORS**

The general risk factors set out under the heading **RISK FACTORS** section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

10.1. **General Instrument Risk**

The following risks may apply to investments made in both private and public debt and FDIs in these asset classes.

The value of the Fund's assets may be affected by uncertainties such as changes in government policies, taxation, currency repatriation restrictions and other developments in the law or regulations of the countries in which the Fund may invest.

10.2. **Objective Risk**

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the Investment Risks section of the Prospectus and those referred to below. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making a subscription request for Shares. There can be no assurance that the Fund will achieve its investment objective. An investor should consider his personal tolerance for an investment based upon fixed income securities and FDIs before investing in the Fund.

The investments of the Fund will be subject to market fluctuations, currency fluctuations, emerging markets risks, custody and settlement risks, registration risk and foreign exposure risk.

10.3. **Liquidity Risk**

The secondary market for high yield bonds is typically much less liquid than the market for investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. The Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of Shares. Illiquid securities may be difficult to resell at approximately the price they are valued in the ordinary course of business in seven days or less. When investments cannot be sold readily at the desired time or price, a Fund may have to accept a lower price or may not be able to sell the security at all, or may have to forego other investment opportunities, all of which may have an impact on the Fund.

10.4. **Credit Risk**

The Fund is subject to credit risk in respect to its investments and with regard to its contractual counterparties (such as hedge providers). The Fund intends to mitigate credit risk generally by pursuing a diversified investment strategy. This may be achieved through investments in a number of debt asset classes that naturally involve a diversification of credit risk or through diversifying its issuer exposure but there is no guarantee that this will be achieved.

10.5. **Interest Rate Risk**

The Fund's exposure to market risk is mainly with regard to movements in the value of its investments, changes in interest rates that in the event the Fund makes any fixed interest investments, may decrease its net interest income. In the event of a general rise in interest rates, the value of certain investment in the Fund's assets may fall, reducing the Net Asset Value of the Fund.

Changes in interest rates may adversely affect the market value of some of the Fund's investments. Declining interest rates may affect the return on available reinvestment opportunities.

Fluctuation in rates may affect interest rate spreads in a manner adverse to the Fund. The Fund's interest rate exposure will reflect the Investment Manager's opinion on the future path of interest rates but there is no guarantee that this will be successful. Interest rates are highly sensitive to factors beyond the Fund's control, including, among others, government monetary and tax policies, and domestic and international economic and political conditions.

10.6. **Yield Risk**

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields. When interest rates decline, the market value of the Fund's fixed income securities can be expected to rise. Conversely, when interest rates rise, the market value of the Fund's fixed income securities can be expected to decline.

10.7. **Foreign Exchange Risk**

Changes in rates of exchange may have an adverse effect on the Net Asset Value of the Fund. In addition a change in foreign currency exchange rates may adversely affect cash flows or income from investments which are denominated in currencies other than the Base Currency, which could in turn adversely affect the Fund's ability to pay dividends. Foreign exchange investment and hedging strategies that may be employed to manage such risks might not be successful.

10.8. **Hedging Costs relating to Foreign Exchange Risk**

The value of certain of the Investments may be expressed in a currency other than the currency of the Shares, creating a risk that movements in the exchange rate between the two currencies may adversely affect the value of the Investments. The Investment Manager may hedge this risk on a notional basis. The costs of this hedging will be deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

10.9. **Legal and/or Regulatory Risk**

Legal and Regulatory (including taxation) changes could adversely affect the Company. Regulation (including taxation) of investment vehicles such as the company is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the company is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

10.10. **Investment Grade and Government Bonds Risk**

Investment grade assets must have a minimum credit rating of BBB- by S&P; Baa3 by Moody's; or BBB- by Fitch, or their respective successors or equivalents.

Although these assets exhibit these minimum ratings, their respective credit ratings may range widely and may vary over time. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial, or economic conditions. This could lead to them being unable to meet their financial commitments despite their being regarded as issuers of **investment grade** debt.

In addition, it is possible that investment grade assets may be subordinated or junior in the capital structure, (have a lesser priority than that of an additional debt claim on the same asset). In the event of default, holders of subordinated debt get paid after the holders of the **senior debt**. Subordinated debt has a higher expected rate of return than senior debt due to the increased inherent risk.

10.11. **High Yield Securities Risk**

Below investment grade debt securities are speculative and involve a greater risk of default and price changes due to changes in the issuer's creditworthiness. The market prices of these debt securities fluctuate more than investment grade debt securities and may decline significantly in periods of general economic difficulty.

10.12. **Default Risk**

Investments in fixed income securities, specifically those which are rated below investment grade, are subject to the risk that the issuer could default on its obligations and the Fund could sustain losses on such investments. The Fund will seek to limit such risks by credit research and careful securities selection but there can be no assurance that the Fund will not acquire securities with respect to which the issuer subsequently defaults.

10.13. **Emerging Markets**

Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for US dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders.

10.14. **Custody Risk**

Local custody services in some of the emerging market countries in which the Fund may invest may not be the same as those in more developed market countries and there is a transaction and custody risk involved in dealing in such markets.

10.15. **Conflicts of Interest**

The Company will rely on the Investment Manager in implementing its investment strategy. The Directors have determined the Investment Policies of the Fund as set out herein and the Investment Manager will monitor the performance of such investments on an on-going basis. Investors must rely on the judgement of the Directors in determining to invest in the manner set out herein. The Investment Manager will devote

a portion of their business time to the Company's business. In addition, where valuations are provided by the Investment Manager there is a possible conflict of interest where their fees are based on or affected by the Net Asset Value of the Fund. Any conflicts of interest will be resolved fairly.

10.16. Default of Service Provider Risk

The Fund relies on services provided by a number of third parties. The bankruptcy or liquidation of any such third parties, including the Investment Manager, the Administrator, or the Depositary may have an adverse impact on the performance of the Fund and its Net Asset Value.

10.17. Political Legal and/or Regulatory Risks

The value of the assets of the Fund may be adversely affected by uncertainties, such as international political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements or an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

10.18. Limited Number of Investments Risk

The Fund anticipates that it will be well diversified. However, in the event of a material demand for redemptions, the Fund could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Fund may be substantially and adversely affected by the unfavourable performance of a single investment. The Fund's restriction of repurchases of Shares in excess of 10% of the total Net Asset Value of the Fund on any one Dealing Day will mitigate this risk to an extent should these circumstances arise.

10.19. Limited Disposal Rights Risk

There will be no secondary market for Shares of the Fund and transfers of Shares are only permitted to those persons who satisfy the criteria for permitted Shareholders. Consequently, investors may be able to dispose of their Shares only by requesting the Fund to repurchase their Shares on a Dealing Day.

10.20. Taxation Risk

A risk exists that the tax authorities in countries in which the Fund invests may not be prepared to permit persons in their jurisdictions to pay interest (or other amounts) to the Fund (or its subsidiary if any is used) without the imposition of withholding tax in that foreign jurisdiction. Any such withholding tax will impinge upon the return payable by the Fund to investors.

10.21. Potential Involvement in Litigation Risk

As a result of the Fund's investment in below investment grade investments and as a consequence of credit problems with such investment and the possibility that the Fund may participate in restructuring activities undertaken by a company (in which it has invested) of its debt obligations including those owed to the Fund, it is possible that the Fund may become involved in litigation. Litigation entails expense and the possibility of counterclaims against the Fund and ultimately judgments may be rendered against the Fund for which the Fund may not carry insurance.

10.22. Valuations of Net Asset Value Risk

The valuation of the Fund's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please see the section in the Prospectus headed **Valuation of Assets**.

10.23. FDI Risks

The prices of FDIs, including futures and swap prices, are highly volatile. There is a general risk that the value of a particular FDI may change in a way which may be detrimental to the Fund's interests and the use of FDI techniques may not always be an effective means of, and sometimes could be counter-productive to, the Fund's investment objective. Price movements of forward contracts, futures contracts and other FDI contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. As a result of using FDIs for EPM, there is a risk that, in a rising market, potential gains may be restricted.

The use of these techniques and instruments involves certain risks, including:

- a) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates;
- b) imperfect correlation between the price movements of the FDI and price movements of related instruments;
- c) the fact that skills needed to use these instruments are different from those needed to select the securities owned by the Fund;
- d) the possible absence of a liquid market for any particular instrument at any particular time which may result in possible impediments to effective portfolio management or the ability to meet redemptions;
- e) the Fund may invest in certain FDI which may involve the assumption of obligations as well as rights and assets; and
- f) assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

10.23.1. **OTC Transactions Risk**

Where the Fund acquires or values securities on over-the-counter markets, there is no guarantee that the Fund will be able to realise such securities at a premium due to the nature of the over-the-counter market and the tendency to have limited liquidity and comparatively high price volatility.

10.23.2. **Counterparty Risk**

The Fund may have credit exposure to counterparties by virtue of investment positions in forward exchange rate and other contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Fund through the use of futures and swaps. Due to the nature of futures, cash to meet margin monies may be held by a broker with whom the Fund has an open position. In the event of the insolvency, bankruptcy or default of the broker, there can be no guarantee that such monies will be returned to the Fund.

10.23.3. **Settlement Risk**

The counterparty to a Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

10.23.4. **Correlation Risk**

The Company may utilise forward contracts to seek to hedge against fluctuations in the relative values of the Company's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Company to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that the Company is not able to enter into a hedging transaction at a price sufficient to protect the Company from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

10.23.5. **Basis Risk**

FDI value may not track the underlying notional asset. This is only relevant if the instrument is traded prior to maturity.

10.24. **Contingent Convertible Securities**

Generally, convertible securities are subject to the risks associated with both fixed income securities and equities, namely credit risk, interest rate risk and market price risk. Contrary to traditional convertible securities which may be converted into equity by the holder, contingent convertible securities may be converted into equity or be forced to suffer a write down of principal upon the occurrence of a pre-determined event (the "trigger event"). As such, contingent convertible securities expose the holder to specific risks such as trigger risk, write down risk, coupon cancellation, capital structure inversion risk, and call extension risk, as described below.

The trigger event is ordinarily linked to the financial position of the issuer and therefore the conversion is likely to occur as a result of a deterioration of the relative capital strength of the underlying. As a result of the potential trigger event for a conversion of these securities, it is likely that the conversion to equity would occur at a share price, which is lower than when the bond was issued or purchased. In stressed market conditions, the liquidity profile of the issuer can deteriorate significantly and it may be difficult to find a ready buyer which means that a significant discount may be required in order to sell it.

In some cases, the issuer may cause a convertible security to be written down in value based on the specific terms of the individual security if a pre-specified trigger event occurs. There is no guarantee that the Fund will receive return of principal on contingent convertible securities.

Coupon payments may be discretionary and could thus be cancelled at any time, for any reason. As a result, investment in contingent convertible bonds can carry higher risk than investment in traditional debt instruments/convertibles and, in certain cases, equities; the volatility and risk of loss can be significant.

Contingent convertible securities are typically structurally subordinated to traditional convertible bonds in the issuer's capital structure. In certain scenarios, investors in contingent convertible securities may suffer a loss of capital ahead of equity holders or when equity holders do not.

Contingent convertible bonds can be issued as perpetual instruments (ie, bonds without a maturity date) and may only be callable at predetermined dates upon approval of the applicable regulatory authority. There is no guarantee that the Fund will receive a return of principal on contingent convertible securities.

The valuation of contingent convertible securities is influenced by many unpredictable factors such as:

- (i) the creditworthiness of the issuer and the fluctuations in the issuer's capital ratios;
- (ii) the supply and demand for contingent convertible securities;

- (iii) the general market conditions and available liquidity; and
- (iv) the economic, financial and political events that affect the issuer, the market it is operating in or the financial markets in general.

Contingent convertible securities may experience periods of lower liquidity caused by market events, lower new issues during a period or large sales and such events may raise the risk that these securities will not be able to be sold during those periods or may have to be sold at reduced prices. Those events may influence the value of the Sub-Fund, as the lower liquidity in these assets may be reflected in a corresponding reduction in the Net Asset Value of the Fund.

Contingent convertible bonds are a relatively new instrument and the trigger events are generally untested, therefore it is uncertain how the asset class will perform in stressed market conditions and risk to capital, and volatility could be significant.

10.25. Specific Instrument Risks

10.25.1. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the Fund's position with cash. They carry a high degree of risk. The gearing or leverage often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small market movement can lead to a proportionately much larger movement in the value of the Fund's investment, and this can work against the Fund as well as for the Fund. Futures transactions have a contingent liability, and investors should be aware of the implications of this, in particular the margining requirements.

10.25.2. Forwards

A forward is a contract between two parties agreeing that at a certain time in the future one party will deliver a pre-agreed quantity of some underlying asset (or its cash equivalent in the case of non-tradable underlyings) and the other party will pay a pre-agreed amount of money for it. This amount of money is called the forward price. Once the contract is signed, the two parties are legally bound by its conditions: the time of delivery, the quantity of the underlying and the forward price. Forward contracts are instruments traded OTC. Performance may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

10.25.3. Swaps

Where the Fund enters into swap arrangements and FDI techniques, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing FDI transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

10.25.4. Warrants

The Fund may hold warrants. A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities, and is exercisable against the original issuer of the securities. Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, favourable or unfavourable in the price of the warrant. The prices of warrants can therefore be volatile.

10.25.5. Convertible Securities

The Fund may invest in bonds which may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible bond entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible bonds ordinarily provide a stream of income, which generate higher yields than those of common stocks of the same or similar issuers but lower than the yield on non-convertible debt. The price of a convertible security often reflects such variations in the price of the underlying common stock in a way that non-convertible debt does not.

The risks associated with convertible bonds, are similar to the risks associated with normal bonds, i.e. there is interest rate risk (the risk that the interest rate associated with the bond is below the prevailing market rate), credit risk (the risk that the bond par value is not paid back in part or in full), liquidity risk (the bond may not trade frequently with a resulting large spread between the price at which bonds are sold or purchased).

11. **DIVIDEND POLICY**

The Directors may declare dividends for the Income Share classes on a quarterly basis at close of business on the last Business Day of July, October, January and April. Dividends shall be declared out of the accumulated revenue (consisting of all revenue accrued including interest and dividends) less any applicable expenses). The Directors currently intend to pay dividends equal to substantially all of the income arising to the Income Share classes. This will also ensure that the Income Share classes can qualify as reporting funds for UK tax purposes. Any such dividend in relation to the Income Classes will be paid out of income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within two months of the relevant declaration date.

The Company will operate grouping for equalisation with respect to Income Shares. Each class of each Fund will operate its own equalisation account. Shares purchased during a distribution period are called Group 2 Shares. Shares purchased during any previous distribution period are called Group 1 Shares. Group 2 Shares contain in their purchase price an amount called equalisation which represents a proportion of the net income of the Fund that has accrued up to the date of purchase. The amount of equalisation is averaged across all the Shareholders of Group 2 Shares and is refunded to them as part of their first distribution. It may be treated as a return of capital for tax purposes.

As set out in section 11.3 of the Prospectus, equalisation data will be provided in respect of Reporting Shares on the Shareholder reports referred in section 11.3 of the Prospectus. Group 2 Shareholders investing in Reporting Shares can use the equalisation data to reduce their reportable income for a period.

Each holder of Income Shares has the option to take dividends in cash or to reinvest in the Fund by the allotment of additional Shares at Net Asset Value per Share provided that no Preliminary Charge will be payable on any Shares so allotted of the Fund. The Fund's default position unless specifically advised on the application form will be to reinvest dividends into the Shares of the Fund. Those Shareholders wishing to have their distribution of income automatically paid in cash should elect for such method when completing the Application Form. Payment will be made by telegraphic transfer to an account in the name of the Shareholder within 2 months of the declaration date. Distributions not claimed within six years from their due date will lapse and will revert to assets of the Fund.

Accumulation Shares of any class may at the discretion of the Directors be issued on the basis that no dividends will be declared in respect of those Shares and that any income available for distribution will form part of the assets of the Fund and will be applied when calculating the subscription price and the repurchase price as part of the proportion of the Fund which is attributable to the holders of that class of Shares.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

12. **PROFILE OF A TYPICAL INVESTOR**

The Fund will target retail and institutional investors seeking pooled exposure to the investment grade global bond market and who are comfortable with a medium level of investment risk. It is expected that the Fund will be held as a part of a diversified portfolio which may include other assets such as bonds, equities, property and cash. Share prices will fluctuate and may fall in value. It is important to understand that the Fund should be viewed as a medium to long term investment. The Fund may not be appropriate for investors who plan to invest in the short term.

13. KEY INFORMATION FOR BUYING AND SELLING

Base Currency

The Base Currency of the Fund is Sterling GBP.

Shares available for subscription

Shares of the Fund are currently available for subscription in the following denominations:

1.	Sterling		Class A	Accumulation
2.	Sterling		Class A	Income
3.	US Dollar	(hedged)	Class A	Accumulation
4.	US Dollar	(hedged)	Class A	Income
5.	Euro	(hedged)	Class A	Accumulation
6.	Euro	(hedged)	Class A	Income
7.	Swiss Franc	(hedged)	Class A	Accumulation
8.	Swiss Franc	(hedged)	Class A	Income
9.	Japanese Yen	(hedged)	Class A	Accumulation
10.	Japanese Yen	(hedged)	Class A	Income
11.	Swedish Krona	(hedged)	Class A	Accumulation
12.	Swedish Krona	(hedged)	Class A	Income
13.	Norwegian Krone	(hedged)	Class A	Accumulation
14.	Norwegian Krone	(hedged)	Class A	Income
15.	Danish Krone	(hedged)	Class A	Accumulation
16.	Danish Krone	(hedged)	Class A	Income
17.	Icelandic Króna	(hedged)	Class A	Accumulation
18.	Icelandic Króna	(hedged)	Class A	Income
19.	Sterling		Class B	Accumulation
20.	Sterling		Class B	Income
21.	US Dollar	(hedged)	Class B	Accumulation
22.	US Dollar	(hedged)	Class B	Income
23.	Euro	(hedged)	Class B	Accumulation

24.	Euro	(hedged)	Class B	Income
25.	Swiss Franc	(hedged)	Class B	Accumulation
26.	Swiss Franc	(hedged)	Class B	Income
27.	Japanese Yen	(hedged)	Class B	Accumulation
28.	Japanese Yen	(hedged)	Class B	Income
29.	Swedish Krona	(hedged)	Class B	Accumulation
30.	Swedish Krona	(hedged)	Class B	Income
31.	Norwegian Krone	(hedged)	Class B	Accumulation
32.	Norwegian Krone	(hedged)	Class B	Income
33.	Danish Krone	(hedged)	Class B	Accumulation
34.	Danish Krone	(hedged)	Class B	Income
35.	Icelandic Króna	(hedged)	Class B	Accumulation
36.	Icelandic Króna	(hedged)	Class B	Income
37.	Sterling		Class S	Accumulation
38.	Sterling		Class S	Income
39.	US Dollar	(hedged)	Class S	Accumulation
40.	US Dollar	(hedged)	Class S	Income
41.	Euro	(hedged)	Class S	Accumulation
42.	Euro	(hedged)	Class S	Income
43.	Swedish Krona	(hedged)	Class S	Accumulation
44.	Swedish Krona	(hedged)	Class S	Income
45.	Swiss Franc	(hedged)	Class S	Accumulation
46.	Swiss Franc	(hedged)	Class S	Income
47.	Japanese Yen	(hedged)	Class S	Accumulation
48.	Japanese Yen	(hedged)	Class S	Income
49.	Norwegian Krone	(hedged)	Class S	Accumulation
50.	Norwegian Krone	(hedged)	Class S	Income
51.	Danish Krone	(hedged)	Class S	Accumulation
52.	Danish Krone	(hedged)	Class S	Income
53.	Icelandic Króna	(hedged)	Class S	Accumulation
54.	Icelandic Króna	(hedged)	Class S	Income
55.	Sterling		Class Z	Accumulation

56.	Sterling		Class Z	Income
57.	US Dollar	(hedged)	Class Z	Accumulation
58.	US Dollar	(hedged)	Class Z	Income
59.	Euro	(hedged)	Class Z	Accumulation
60.	Euro	(hedged)	Class Z	Income
61.	Swedish Krona	(hedged)	Class Z	Accumulation
62.	Swedish Krona	(hedged)	Class Z	Income
63.	Swiss Franc	(hedged)	Class Z	Accumulation
64.	Swiss Franc	(hedged)	Class Z	Income
65.	Japanese Yen	(hedged)	Class Z	Accumulation
66.	Japanese Yen	(hedged)	Class Z	Income
67.	Norwegian Krone	(hedged)	Class Z	Accumulation
68.	Norwegian Krone	(hedged)	Class Z	Income
69.	Danish Krone	(hedged)	Class Z	Accumulation
70.	Danish Krone	(hedged)	Class Z	Income
71.	Icelandic Króna	(hedged)	Class Z	Accumulation
72.	Icelandic Króna	(hedged)	Class Z	Income

The B share classes are for institutional investors but the Fund may at its discretion accept applications received from other investors.

The S share classes are for institutional investors and are not available to investors investing in the Fund via investment platforms but the Fund may at its discretion accept applications received from other investors.

Minimum Share Class Size

Sterling Classes	GBP 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
US Dollar Classes	USD 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swiss Franc Classes	CHF 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Japanese Yen Classes	JPY 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Swedish Krona Classes	SEK 50,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Norwegian Krone Classes	NOK 50,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Danish Krone Classes	DKK 50,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Icelandic Króna Classes	ISK 500,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion
Euro Classes	EUR 5,000,000 or such other amount as the Directors may determine from time to time at their absolute discretion

Minimum Investment Levels

Class A

Minimum initial investment amount

GBP 1,000 or equivalent in another acceptable currency

Minimum additional investment amount

GBP 1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

GBP 1,000 or equivalent in another acceptable currency

Minimum residual holding

GBP 1,000 or equivalent in another acceptable currency

Class B

Minimum initial investment amount

GBP 500,000 or equivalent in another acceptable currency

Minimum additional investment amount

GBP 1,000 or equivalent in another acceptable currency

Minimum withdrawal amount

GBP 1,000 or equivalent in another acceptable currency

Minimum residual holding

GBP 1,000 or equivalent in another acceptable currency

Class S

Minimum initial investment amount

GBP 100,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

GBP 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

GBP 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

GBP 50,000,000 or equivalent in another acceptable currency

Class Z

Minimum initial investment amount

GBP 250,000,000 or equivalent in another acceptable currency

Minimum additional investment amount

GBP 10,000,000 or equivalent in another acceptable currency

Minimum withdrawal amount

GBP 10,000,000 or equivalent in another acceptable currency

Minimum residual holding

GBP 250,000,000 or equivalent in another acceptable currency

The Directors may waive such minimum investment levels in their absolute discretion.

Initial Offer Period

The Initial Offer Period for each Share class which has not launched has commenced and they will continue to be available for subscription at the Initial Issue Price, as set out below, until 5.00 pm (Irish time) on 15 June 2021. The Initial Offer Period of each class of Shares may be extended or shortened as the Directors may determine and any change will be notified to the Central Bank in accordance with its requirements. After the Initial Offer Period of each class, Shares of such class will be available for subscription at the Net Asset Value per Share.

Initial Issue Price

The Initial Issue Price per Share is:

Sterling Classes	GBP 10
US Dollar Classes	USD 10
Swiss Franc Classes	CHF 10
Japanese Yen Classes	JPY 1,000
Swedish Krona	SEK 100
Norwegian Krone	NOK 100
Danish Krone Classes	DKK 100
Icelandic Króna	ISK 1,000
Euro Classes	EUR 10

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for Subscriptions and Redemptions is defined as 11.00 am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine provided it is prior to the relevant Valuation Point.

Settlement Date

Subscription monies must be received by and generally payment for Shares redeemed will be effected by the 3rd Business Day falling after the Dealing Day on which the redemption request is received. However, the Company may, at its absolute discretion, refuse to satisfy a redemption request or make any other payment to a Shareholder or at the direction of a Shareholder if such payment would result in a breach of the guidelines in operation from time to time in relation to the detection and prevention of money laundering. Redemption proceeds will be paid in the currency of the relevant Share class.

Preliminary Charge

The Company may levy an initial charge of up to 5% of the Net Asset Value per Share in connection with the subscription of Class A Shares of the Fund. This fee will be retained for the benefit of the Distributor. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries, advisers and introducing agents who refer and/or advise prospective investors out of the initial charge and/or (ii) waive the initial charge for certain prospective investors based on factors deemed appropriate by the Distributor. There is no preliminary charge payable on the Class B, S or Z Shares.

Exchange Charge

The Directors reserve the right at their sole discretion, to impose an exchange fee of up to 1.5% of the total repurchase price of the Shares in respect of an exchange of Shares held in one class for Shares in another class but such fee is charged only if exchanges are in excess of 5 in a calendar year.

Dilution Adjustment

Please refer to the section entitled **Dilution Adjustment** in the Prospectus.

Valuation Point

Shall mean 12:00 Noon (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors and approved by the Depositary.

14. FEES AND EXPENSES

Investment Manager Fees

The fee payable to the Investment Manager will be no more than 1% per annum of the Net Asset Value of the Fund. Such fee shall be accrued daily and payable monthly in arrears. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for reasonable out of pocket expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager may agree at its discretion to waive a portion of the Investment Management Fee with respect to certain Shareholders' investment in the Fund. Any such waiver or reduction will not entitle other Shareholders to a similar waiver.

Administration Fee

The fee payable to the Administrator for the services provided to the Company shall not exceed 1% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and shall be payable monthly in arrears.

Depositary Fee

The fee payable to the Depositary, for the custodial services provided to the Company, will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund subject to a minimum fee of £3000 per annum.

The Depositary will also be entitled to any out-of-pocket expenses incurred (including any transaction charges or sub-custodian fees at normal commercial rates). The Depositary fees will be accrued daily and shall be payable monthly in arrears.

Registrar Fee

The fee payable to the Administrator for registration services provided to the Company will not exceed 0.5% per annum (plus VAT, if any) of the net asset value of the Fund. Such fee shall be accrued daily and payable monthly in arrears.

Distribution Fee

In addition to the preliminary charge that may be paid to the Distributor as referred to above, the fee payable to the Distributor for its services in the distribution of Shares of the Fund shall not exceed 1% per annum of the Net Asset Value attributable to the Class A Shares. The Distributor may, at its sole discretion and in accordance with applicable laws and regulations, (i) pay commission to financial intermediaries including but not limited to sub-distributors, intermediaries and advisers who refer and/or advise prospective investors out of the Distributor's fee as set out above and/or (ii) waive the Distribution Fee for certain prospective investors based on factors deemed appropriate by the Distributor. Where taken, this fee shall be accrued daily and payable monthly in arrears.

This section should be read in conjunction with the section entitled **Fees and Expenses** in the Prospectus.

Establishment Costs

It is estimated that the cost of establishing the Fund will not exceed £20,000 and this cost will be amortised over the first five years of the Fund's operation. The Investment Manager may initially incur all or part of the cost of establishing the Fund, in which case it will be entitled to be reimbursed out of the assets of the Fund for such expenditure.

15. REPORTING FUNDS REGIME – SHARE CLASSES

The Directors have applied to HM Revenue and Customs for 'Reporting Fund' status on any of the Funds' Share classes which shall be directed towards the UK market.