AHAM CAPITAL
ASSET MANAGEMENT

Information Memorandum

AHAM **World Series - China Growth** Fund

(Formerly known as Affin Hwang World Series – China Growth Fund)

MANAGER
AHAM Asset Management Berhad
Registration No.: 199701014290 (429786-T)

TRUSTEE
HSBC (Malaysia) Trustees Berhad
Registration No.: 193701000084 (1281-T)

This Replacement Information Memorandum is dated 22 December 2023.
The AHAM World Series – China Growth Fund was constituted on 11 July 2011.
The constitution date of the Fund is also the launch date of the Fund.

A copy of this Information Memorandum has been lodged with the Securities Commission Malaysia. The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia. The lodgement of this Information Memorandum should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Information Memorandum. The Securities Commission Malaysia is not liable for any non-disclosure on the part of AHAM Asset Management Berhad responsible for the Fund and takes no responsibility for the contents in this Information Memorandum. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Information Memorandum, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

Sophisticated Investors should note that they may seek recourse under the Capital Markets and Services Act 2007 for breaches of securities laws including any statement in this Information Memorandum that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Information Memorandum or the conduct of any other person in relation to the Fund.

This Information Memorandum is to be issued and distributed in Malaysia only. Consequently, no representation has been and will be made as to its compliance with the laws of any foreign jurisdiction.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS INFORMATION MEMORANDUM AND OBTAIN PROFESSIONAL ADVICE BEFORE SUBSCRIBING TO THE UNITS OF THE FUND. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISE

! YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.

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CORPORATE DIRECTORY

The Manager/AHAM
AHAM Asset Management Berhad
Registered Office
27^{th} Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur
Tel No. : (603) 2142 3700
Fax No. : (603) 2140 3799
Business Address
Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur
Tel No. : (603) 2116 6000
Fax No. : (603) 2116 6100
Toll free line : 1-800-88-7080
E-mail : customercare@aham.com.my
Website : www.aham.com.my

The Trustee
HSBC (Malaysia) Trustee Berhad
Registered Address & Business Address
Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange Kuala Lumpur
Tel No. : (603) 2075 7800
Fax No. : (603) 8894 2611
E-mail: fs.client.services.myh@hsbc.com.my

ABBREVIATION

AUD	Australian Dollar.
BAMNA	BlackRock Asset Management North Asia Limited.
CCASS	Hong Kong Central Clearing and Settlement System.
CSRC	China Securities Regulatory Commission of the PRC.
ESG	Environmental, Social and Governance.
ETFs	Exchange Traded Funds.
EU	European Union.
FiMM	Federation of Investment Managers Malaysia.
HKEX	Hong Kong Exchanges and Clearing Limited.
HKSCC	Hong Kong Securities Clearing Company Limited.
MYR	Ringgit Malaysia.
OECD	Organisation for Economic Co-operation and Development.
OTC	Over-the-Counter.
PRC	People's Republic of China.
RMB	Renminbi Yuan.
SAFE	State Administration of Foreign Exchange of the PRC.
SC	Securities Commission Malaysia.
SEHK	Stock Exchange of Hong Kong.
SGD	Singapore Dollar.
SSE	Shanghai Stock Exchange.
SZSE	Shenzhen Stock Exchange.
UCITS	Undertaking for Collective Investment in Transferable Securities.
US	United States of America.
USD	United States Dollar.

GLOSSARY

2010 Law	Refers to the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, modified or supplemented from time to time.
Act	Means the Capital Markets and Services Act 2007 as may be amended from time to time.
Article 8 Fund	Refers to the category of the Target Fund under Sustainable Finance Disclosure Regulation which *"…promotes among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices....".*
Base Currency	Means the currency in which the Fund is denominated i.e. USD.
BlackRock EMEA Baseline Screens Policy	Means the limits and/or exclusions applied by the Investment Advisers on the Target Fund (where referenced in its investment objectives and policies) available at https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-ineurope-middleeast-and-africa.pdf).
BlackRock Group	Means the BlackRock group of companies, the ultimate holding company of which is BlackRock, Inc.
Bursa Malaysia	Means the stock exchange operated by Bursa Malaysia Securities Berhad including such other name as it may be amended from time to time.

Business Day	Means a day on which Bursa Malaysia and/or one or more of the foreign markets in which the Fund is invested in are open for business/trading. The Manager may declare certain Business Days as non-Business Days when deemed necessary, such as (i) in the event of market disruption; (ii) if the jurisdiction of the Target Fund declares that day as a non-business day; and/or (iii) if the Management Company declares that day as a non-dealing day for the Target Fund.
China A Shares	Means securities of companies that are incorporated in the PRC and denominated and traded in RMB on the SSE and SZSE.
ChinaClear	Means China Securities Depositary and Clearing Corporation Limited which is the PRC's central securities depository in respect of China A Shares.
Class(es)	Means any number of class(es) of Unit(s) representing similar interests in the assets of the Fund although a class of Units of the Fund may have different features from another class of Units of the Fund.
Company	Means BlackRock Global Funds.
Deed	Means the deed dated 3 June 2011, as modified by the supplemental deed dated 18 January 2012, the second supplemental deed dated 27 June 2014, the third supplemental deed dated 3 August 2016, the fourth supplemental deed dated 17 July 2017, the fifth supplemental feed dated 7 August 2017 and the sixth supplemental deed dated 6 December 2023 entered into between the Manager and the Trustee.
deposit(s)	Has the same meaning as the definition of "deposit" in the Financial Services Act 2013. For the avoidance of doubt, it shall exclude structured deposit.
Depositary	Refers to The Bank of New York Mellon SA/NV, Luxembourg Branch, who acts as custodian of the assets of the Company.
Development Financial Institution	Means a development financial institution under the Development Financial Institutions Act 2002.
EU Member State	Means the member state of the EU.
Financial Institution	Means (1) if the institution is in Malaysia – (i) Licensed Bank; (ii) Licensed Investment Bank; (iii) Development Financial Institution; or (iv) Licensed Islamic Bank; or (2) if the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.
Forward Pricing	Means the method of determining the price of a Unit which is the NAV per Unit at the next valuation point after an application for purchase or repurchase request is received by the Manager.
Fund	Means AHAM World Series – China Growth Fund *(formerly known as Affin Hwang World Series - China Growth Fund)*.
Guidelines	Means the *Guidelines on Unlisted Capital Market Products Under The Lodge And Launch Framework* issued by the SC as may be amended from time to time.
Hedged-class	Means a particular Class that aims to reduce the effect of exchange rate fluctuations between the Base Currency and the currency in which Unit Holders are exposed to having invested in that Class, also known as NAV hedging method. NAV hedging is undertaken regardless of whether the Base Currency is expected to increase or decline in value relative to the hedged currency.
HSBC Group	Refers to HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.
Information Memorandum	Means this offer document in respect of this Fund as may be replaced or amended from time to time.
Investment Adviser(s)	Means the investment adviser(s) appointed by the Management Company from time to time in respect of the management of the assets of the Target Fund.

Licensed Bank	Means a bank licensed under the Financial Services Act 2013.
Licensed Investment Bank	Means an investment bank licensed under the Financial Services Act 2013.
Licensed Islamic Bank	Means an Islamic bank licensed under the Islamic Financial Services Act 2013.
long term	Means a period of more than five (5) years.
Manager or AHAM	Means AHAM Asset Management Berhad.
Management Company	Refers to BlackRock (Luxembourg) S.A., a Luxembourg société anonyme authorised as a management company under the 2010 Law.
medium term	Means a period between three (3) to five (5) years.
NAV	Means the value of all the assets of the Fund less the value of all the liabilities of the Fund at a valuation point. Where the Fund has more than one Class, there shall be a NAV attributable to each Class.
NAV per Unit	Means the NAV of the Fund at a particular valuation point divided by the number of Units in Circulation at the same valuation point. Where the Fund has more than one Class, there shall be a NAV per Unit for each Class; the NAV per Unit of a Class at a particular valuation point shall be the NAV of the Fund attributable to that Class divided by the number of Units in Circulation of that Class at the same valuation point.
QFI	Means qualified foreign investors (including, if applicable, Qualified Foreign Institutional Investors ("QFII") and Renminbi Qualified Foreign Institutional Investors ("RQFII")) approved pursuant to the relevant PRC regulations (as amended from time to time).
QFI Access Funds	Refers the Company's funds (including the Target Fund) as stated in the Target Fund's Prospectus which may invest directly in the PRC by investing in China A Shares via the QFI status of BAMNA or an affiliate in the BlackRock Group who is a QFI Licence Holder.
QFI Custodian	Means HSBC Bank (China) Company Limited or such other person appointed as a sub-custodian of the Target Fund for China A- hares and/or China onshore bonds acquired through the QFI regime.
QFI Licence	Means the licence awarded by the CSRC to entities based in certain jurisdictions outside of the PRC, enabling such entities to invest in eligible PRC securities via the QFI regime.
QFI Licence Holder	Means the holder of a QFI Licence.
Repurchase Charge	Means a charge imposed pursuant to a repurchase request.
Repurchase Price	Means the price payable to the Unit Holder by the Manager for a Unit pursuant to a repurchase request and it shall be exclusive of any Repurchase Charge. *The Repurchase Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.*
Sales Charge	Means a charge imposed pursuant to a purchase request.
Selling Price	Means the price payable by a Unit Holder for the Manager to create a Unit in the Fund and it shall be exclusive of any Sales Charge. *The Selling Price is equivalent to the initial offer price during the initial offer period and NAV per Unit after the initial offer period.*
Sophisticated Investor	Refers to any person (a) who falls within any of the categories of investors set out in Part 1, Schedules 6 and 7 of the Act; (b) who acquires unlisted capital market products where the consideration is not less than two hundred and fifty thousand ringgit or equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise; or (c) any other person as may be determined by the SC from time to time under the Guidelines. Note: For more information, please refer to our website at www.aham.com.my for the current excerpts of Part 1, Schedules 6 and 7 of the Act and the list of other Sophisticated Investors as permitted by the SC under the Guidelines.
Special Resolution	Means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority of not less than three-fourths (3/4) of the Unit Holders

	present and voting at the meeting in person or by proxy; for the avoidance of doubt, "three-fourths (3/4) of the Unit Holders present and voting" means three-fourths (3/4) of the votes cast by the Unit Holders present and voting; for the purposes of terminating the Fund or a Class, "Special Resolution" means a resolution passed at a meeting of Unit Holders duly convened in accordance with the Deed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.
Stock Connect	Means each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and collectively the "Stock Connects".
Stock Connect Funds	Refers the Company's funds (including the Target Fund) as stated in the Target Fund's Prospectus which may invest in China A Shares via the Stock Connects.
Target Fund	Refers to BlackRock Global Funds – China Fund.
Target Fund's Prospectus	Means the offering document of the Target Fund dated 29 December 2022, as amended, modified or supplemented from time to time.
Trustee	Means HSBC (Malaysia) Trustee Berhad.
Unit or Units	Means an undivided share in the beneficial interest and/or right in the Fund and a measurement of the interest and/or right of a Unit Holder in the Fund and means a Unit of the Fund and if the Fund has more than one Class, it means a Unit issued for each Class.
Units in Circulation	Means Units created and fully paid for and which have not been cancelled. *It is also the total number of Units issued at a particular valuation point.*
Unit Holder	Means the person/ corporation for the time being who, in full compliance to the relevant laws is a Sophisticated Investor pursuant to the Guidelines including a jointholder.
US Person	Means a US citizen or US tax resident individual (including a green-card holder, an individual with substantial US presence and an individual who has US permanent or mailing address), a US corporation, US partnership, US trust or US estate for US federal income tax purposes.

Reference to first person pronouns such as "we", "us" or "our" in this Information Memorandum means the Manager/AHAM.

ABOUT AHAM WORLD SERIES - CHINA GROWTH FUND

Fund Category	:	Feeder (Wholesale)
Fund Type	:	Growth
Base Currency	:	USD
Financial Year End	:	31 May
Distribution Policy	:	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

INVESTMENT OBJECTIVE

The Fund seeks to achieve capital appreciation over medium to long term period through investments in China equities.

Any material change to the Fund's investment objective would require Unit Holders' approval.

PERFORMANCE BENCHMARK

MSCI China 10/40 Index

The risk profile of this Fund is different from the risk profile of the benchmark.

ASSET ALLOCATION

- A minimum of 90% of the Fund's NAV to be invested in the Target Fund; and
- A maximum of 10% of the Fund's NAV to be invested in money market instruments and/or deposits.

INVESTMENT STRATEGY

The Fund will be investing a minimum of 90% of the Fund's NAV in the Target Fund and a maximum of 10% of the Fund's NAV in money market instruments and/or deposits.

We may substitute the Target Fund with another fund that has a similar objective with the Fund, if, in our opinion, the Target Fund no longer meets the Fund's investment objective. However, this is subject to the Unit Holder's approval before such change is made.

Temporary Defensive Measure

We may take temporary defensive positions that may be inconsistent with the Fund's principal strategy and asset allocation by reducing its investments in the Target Fund and raise the liquidity levels of the Fund during adverse market conditions that may impact financial markets to protect the Unit Holders' interest. In raising the Fund's liquidity levels, we may also invest into collective investment schemes that are able to meet the Fund's investment objective. To manage the risk of the Fund, we may shift the Fund's focus and exposure to lower risk investments such as money market instruments or deposits.

Derivatives

Derivatives trades may be carried out for hedging purposes through financial instruments including, but not limited to, forward contracts, futures contracts and swaps. Futures and forward contracts are generally contracts between two parties to trade an asset at an agreed price on a pre-determined future date whereas swaps is an agreement to swap or exchange two financial instruments between two parties.

The intention of hedging is to preserve the value of the assets from any adverse price movements. While the hedging transactions will assist in mitigating the potential foreign exchange losses by the Fund, any potential foreign exchange gains from the hedging strategy will be capped as well.

The Fund adopts commitment approach to measure the Fund's global exposure to derivatives. The commitment approach is a methodology that aggregates the underlying market values or notional values of derivatives after taking into account the possible effects of netting and/or hedging arrangements. The Fund's global exposure from the derivatives position must not exceed 100% of NAV of the Fund at all times.

Cross Trades

AHAM may conduct cross trades between funds which it is currently managing provided that all criteria imposed by the regulators are met. Notwithstanding the aforesaid, cross trades between the personal account of an employee of AHAM and the Fund's account(s) and between AHAM's proprietary trading accounts and the Fund's account(s) are strictly prohibited. Compliance with the criteria would be monitored by the Compliance Unit of the Manager, and reported to the AHAM's compliance and risk management committee, to avoid conflicts of interests and manipulation that could have a negative impact on investors.

PERMITTED INVESTMENTS

The Fund will invest in the following investments:

- Collective investment scheme;
- Money market instruments;
- Deposits;
- Derivatives; and
- Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objective.

VALUATION POINT OF THE FUND

The Fund will be valued at 6.00 p.m. on every Business Day (or "trading day" or "T day"). However, if the Fund has exposure to investments outside of Malaysia, the Fund will be valued at 11.00 a.m. on the next Business Day (or "T + 1 day"). All foreign assets are translated into the Base Currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at 4.00 p.m. (United Kingdom time) which is equivalent to 11.00 p.m. or 12.00 midnight (Malaysian time) on the same day, or at such time as stipulated in the investment management standards issued by the FiMM.

VALUATION OF ASSETS

We will ensure that the valuation of the Fund is carried out in a fair manner in accordance to the relevant laws and Guidelines. We will obtain the daily price or value of the assets for the purpose of valuing the Fund in accordance to the Malaysian Financial Reporting Standard 9 issued by the Malaysian Accounting Standards Board. In the absence of daily price or value of the assets, we will use the latest available price or value of the assets respectively.

The valuation bases for the permitted investments of the Fund are as below:

- **Collective Investment Schemes**
  Valuation of investments in unlisted collective investment schemes shall be based on the last published repurchase price.

- **Deposits**
  Valuation of deposits placed with Financial Institutions will be done by reference to the principal value of the deposits and the interests accrued thereon for the relevant period.

- **Money Market Instruments**
  Valuation of MYR denominated money market instruments will be done using the price quoted by a bond pricing agency ("BPA") registered with the SC. For non-MYR denominated money market instruments, valuation will be done using the average of quotations provided by reputable Financial Institutions. Where the Manager is of the view that the price quoted by BPA differs from the fair value or where reliable market quotations are not available, the fair value will be determined in good faith by the Manager using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee. This may be determined by reference to the valuation of other money market instruments which are comparable in rating, yield, expected maturity date and/or other characteristics.

- **Derivatives**
  Valuation of derivatives will be based on the prices provided by the respective issuers. The issuers generate the market valuation through the use of their own proprietary valuation models, which incorporate all the relevant and available market data with respect to the derivatives (e.g. interest rates, movement of the underlying assets, volatility of the underlying assets, the correlation of the underlying assets and such other factors). For foreign exchange forward contracts ("FX Forwards"), interpolation formula is applied to compute the value of the FX Forwards based on the rates provided by Bloomberg or Refinitiv. If the rates are not available on Bloomberg or Refinitiv, the FX Forwards will be valued based on a fair value as determined in good faith by the Manager, using methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Any Other Investments**
  Fair value as determined in good faith by the Manager, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

ABOUT THE CLASSES

If you intend to invest in a Class other than MYR Class and MYR Hedged-class, you are required to have a foreign currency account with any Financial Institution as all transactions relating to the particular foreign currency will ONLY be made through telegraphic transfers.

<table>
<tr><th>Classes</th><th>USD Class</th><th>MYR Class</th><th>MYR Hedged-class</th><th>SGD Hedged-class</th><th>AUD Hedged-class</th></tr>
<tr><td rowspan="2">Initial Offer Price</td><td>N/A[+]</td><td>N/A[+]</td><td>N/A[+]</td><td>SGD 0.50[*]</td><td>AUD 0.50[*]</td></tr>
<tr><td colspan="5">[+]The price of Units will be based on the NAV per Unit.
[*]The price of Units offered for purchase during the initial offer period.</td></tr>
<tr><td>Initial Offer Period</td><td colspan="5">The initial offer period for SGD Hedged-class and AUD Hedged-class will be one (1) day commencing from the launch of a particular Class, and the launch will be disseminated through official communication channels and communiques to the Unit Holders.
The initial offer period for the existing USD Class, MYR Class, and MYR Hedged-class has ended.</td></tr>
<tr><td>Minimum Initial Investment[*]</td><td>USD 10,000</td><td>MYR 30,000</td><td>MYR 30,000</td><td>SGD 10,000</td><td>AUD 10,000</td></tr>
<tr><td>Minimum Additional Investment[*]</td><td>USD 5,000</td><td>MYR 10,000</td><td>MYR 10,000</td><td>SGD 5,000</td><td>AUD 5,000</td></tr>
<tr><td rowspan="2">Minimum Units Held[*]</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td colspan="5">If the balance of your investment (i.e. total number of Units) is less than the minimum holding of Units, you will be required to make an additional investment in order to meet the required minimum balance of investment. Otherwise, we may withdraw all your holding of Units in the Fund and pay the proceeds to you.</td></tr>
<tr><td>Minimum Units Per Switch[*]</td><td>20,000 Units</td><td>60,000 Units</td><td>60,000 Units</td><td>20,000 Units</td><td>20,000 Units</td></tr>
<tr><td>Minimum Redemption Units[*]</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td><td>10,000 Units</td></tr>
<tr><td>Unitholdings in Different Classes</td><td colspan="5">You should note that there are differences when purchasing Units of the USD Class and other Classes in the Fund. For illustration purposes, assuming you have USD 10,000 to invest:
<table>
<tr><th>Class(es)</th><th>USD Class</th><th>MYR Class</th><th>MYR Hedged-class</th><th>SGD Hedged-class</th><th>AUD Hedged-class</th></tr>
<tr><td>NAV per Unit</td><td>USD 0.50</td><td>MYR 0.50</td><td>MYR 0.50</td><td>SGD 0.50</td><td>AUD 0.50</td></tr>
<tr><td>Currency exchange rate</td><td>USD 1 = USD 1</td><td>USD 1 = MYR 4</td><td>USD 1 = MYR 4</td><td>USD 1 = SGD 2</td><td>USD 1 = AUD 2</td></tr>
<tr><td>Invested amount</td><td>USD 10,000 x USD 1
= USD 10,000</td><td>USD 10,000 x MYR 4
= MYR 40,000</td><td>USD 10,000 x MYR 4
= MYR 40,000</td><td>USD 10,000 x SGD 2
= SGD 20,000</td><td>USD 10,000 x AUD 2
= AUD 20,000</td></tr>
<tr><td>Units received</td><td>USD 10,000 ÷ USD 0.50
= 20,000 Units</td><td>MYR 40,000 ÷ MYR 0.50
= 80,000 Units</td><td>MYR 40,000 ÷ MYR 0.50
= 80,000 Units</td><td>SGD 20,000 ÷ SGD 0.50
= 40,000 Units</td><td>AUD 20,000 ÷ AUD 0.50
= 40,000 Units</td></tr>
</table>
Invested amount = USD 10,000 x currency exchange rate of the Class
Units received = Invested amount ÷ NAV per Unit of the Class</td></tr>
</table>

[*] At our discretion, we may reduce the transaction value and Units, including for transactions made via digital channels, subject to the terms and conditions disclosed in the respective channels.

Classes	USD Class	MYR Class	MYR Hedged-class	SGD Hedged-class	AUD Hedged-class
	By purchasing Units in the USD Class, you will receive less Units for every USD invested in the Fund (i.e. 20,000 Units) compared to purchasing Units in MYR Class (i.e. 80,000 Units), MYR Hedged-class (i.e. 80,000 Units), SGD Hedged-class (i.e. 40,000 Units) or AUD Hedged-class (i.e. 40,000 Units). Upon a voting by poll, the votes by every Unit Holder present in person or by proxy is proportionate to the value of Units held by him or her. Hence, holding more number of Units may not give you an advantage when voting at Unit Holders' meetings. You should note that in a Unit Holders' meeting to terminate or wind up the Fund, a Special Resolution will only be passed by a majority in number representing at least three-fourths (3/4) of the value of the Units held by the Unit Holders present and voting at the meeting in person or by proxy.				

The Fund may create new Classes without having to seek Unit Holders' prior approval. You will be notified of the issuance of the new Classes by way of communiqué and the prospective investors will be notified of the same by way of a supplemental/replacement information memorandum.

ABOUT THE FEES AND CHARGES

There are fees and charges involved and you are advised to consider them before investing in the Fund.

You should be aware that all fees, charges and expenses referred to or quoted in this Information Memorandum (including any supplemental information memorandum) and the Deed (including any supplemental deed) are referred to or quoted as being exclusive of any other applicable taxes. We (including the Trustee and other service providers) will charge any other applicable taxes on the fees, charges and expenses in accordance with any other relevant or applicable laws.

The following are the charges that may be directly incurred by you.

SALES CHARGE

Up to 5.50% of the initial offer price of a Class during the initial offer period, thereafter, on the NAV per Unit of a Class.

REPURCHASE CHARGE

Nil.

TRANSFER FEE

Nil.

SWITCHING FEE

The Manager does not impose any switching fee. However, if the amount of sales charge of the fund (or class) that the Unit Holder intends to switch into is higher than the sales charge imposed by the fund (or class) being switched from, then the difference in the sales charge between the two (2) funds (or classes) shall be borne by the Unit Holder.

The following are the fees and expenses that you may indirectly incur when you invest in the Fund

With the issuance of multiple Classes in this Fund, the indirect fees and/or charges for the Fund are apportioned based on the size of the Class relative to the whole Fund. This means that the multi-class ratio is calculated by taking the "*value of a Class before income & expenses"* for a particular day and dividing it with the "*value of the Fund before income & expenses"* for that same day. This apportionment is expressed as a ratio and calculated as a percentage.

As an illustration, assuming there is an indirect fee chargeable to the Fund of USD 100 and assuming further the size of the USD Class over the size of the Fund is 60% whereas the size of the MYR Hedged-class over the size of the Fund is 40%, the ratio of the apportionment based on the percentage will be 60:40, 60% being borne by the USD Class and 40% borne by the MYR Hedged-class.

ANNUAL MANAGEMENT FEE

The management fee is up to 1.80% per annum of the NAV of the Fund, and is calculated using the Base Currency (before deducting the management fee and trustee fee). The management fee is accrued daily and payable monthly to the Manager.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 120 million for that day, the accrued management fee for that day would be:

$$\frac{\text{USD 120 million x 1.80\%}}{\text{365 days}} = \text{USD 5,917.81 per day}$$

The management fee is only charged at the Fund level. The management fee chargeable by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of the management fee.

ANNUAL TRUSTEE FEE

The trustee fee is up to 0.05% per annum of the NAV of the Fund (excluding foreign sub-custodian fees and charges), and is calculated using the Base Currency (before deducting the management fee and trustee fee). The trustee fee is accrued daily and payable monthly to the Trustee. In addition to the annual trustee fee, the Trustee may be reimbursed by the Fund for any expenses properly incurred by it in the performance of its duties and responsibilities.

Please note that the example below is for illustration only:

Assuming that the NAV of the Fund is USD 120 million for that day, the accrued trustee fee for that day would be:

$$\frac{\text{USD 120 million x 0.05\%}}{\text{365 days}} = \text{USD 164.38 per day}$$

ADMINISTRATIVE FEE

Only the expenses (or part thereof) which are directly related and necessary to the operation and administration of the Fund or each Class may be charged to the Fund or each Class respectively. These would include (but are not limited to) the following:

- Commissions or fees paid to brokers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes;
- (where the custodial function is delegated by the Trustee) charges and fees paid to sub-custodians taking into custody any foreign assets of the Fund;
- Taxes and other duties charged on the Fund by the government and/or other authorities;
- Costs, fees and other expenses properly incurred by the auditor appointed for the Fund;
- Costs, fees and expenses incurred for any modification of the Deed save where such modification is for the benefit of the Manager and/or the Trustee;
- Costs, fees and expenses incurred for any meeting of the Unit Holders save where such meeting is convened for the benefit of the Manager and/or the Trustee;
- Any tax now or hereafter imposed by law or required to be paid in connection with any costs, fees and expenses incurred by the Fund;
- Costs, fees and expenses incurred in relation to any arbitration or other proceedings concerning the Fund or any asset of the Fund, including proceedings against the Trustee or the Manager by the other for the benefit of the Fund or commenced by either of them for the benefit of the Fund or a Class (save to the extent that legal costs incurred for the defence of either of them are not ordered by the court to be reimbursed by the Fund);
- Costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent; and
- Other fees and expenses related to the Fund allowed under the Deed.

MAXIMUM RATE OF FEES AND CHARGES ALLOWABLE BY THE DEED

We may impose higher fees and charges up to the following stated maximum rate, provided that we have taken the necessary procedures to increase the fees and charges.

Sales Charge	5.50% of the NAV per Unit of a Class
Repurchase Charge	1.00% of the NAV per Unit of a Class
Annual Management Fee	3.00% per annum of the NAV of the Fund calculated and accrued daily
Annual Trustee Fee	0.10% per annum of the NAV of the Fund calculated and accrued daily (excluding foreign custodian fees and charges)

REBATES AND SOFT COMMISSIONS

We or any of our delegates thereof will not retain any rebate or soft commission from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission should be directed to the account of the Fund.

The soft commissions can be retained by us or any of our delegates thereof provided that:-

- the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- we or our delegates will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

ABOUT THE TARGET FUND - BLACKROCK GLOBAL FUNDS - CHINA FUND

BASE CURRENCY	:	USD
INCEPTION DATE OF THE TARGET FUND		24 June 2008
COUNTRY OF ORIGIN	:	Luxembourg
REGULATORY AUTHORITY	:	Luxembourg Commission de Surveillance du Secteur Financier (“CSSF”) (Luxembourg Financial Sector Supervisory Authority)

BLACKROCK GLOBAL FUNDS (“THE COMPANY”)

The Target Fund is a sub-fund of the Company. The Company is a public limited company (société anonyme) established under the laws of the Grand Duchy of Luxembourg as an open-ended variable capital investment company (société d’investissement à capital variable). The Company has been established on 14 June 1962 and its registration number in the Registry of the Luxembourg Trade and Companies Register is B 6317. The Company has been authorised by the CSSF as an undertaking for collective investments in transferable securities pursuant to the provisions of Part I of the 2010 Law and, for some of the sub-funds pursuant to the provisions of the Regulation (EU) 2017/1131 of the European Parliament and Council of 14 June 2017 on money market funds and any delegated regulation published pursuant to it and is regulated pursuant to such law and regulations, respectively.

BLACKROCK (LUXEMBOURG) S.A. (“MANAGEMENT COMPANY”)

The Company is managed by BlackRock (Luxembourg) S.A., a wholly owned subsidiary within the BlackRock Group and it is regulated by the CSSF. The Management Company is a public limited company (société anonyme) established in 1988 under registration number B 27689. The Management Company has been authorised by the CSSF to manage the business and affairs of the Company pursuant to chapter 15 of the 2010 Law.

INVESTMENT ADVISERS AND SUB-ADVISERS

The Management Company has delegated its investment management functions to the Investment Advisers. The Investment Advisers provide advice and management in the areas of stock and sector selection and strategic allocation. Notwithstanding the appointment of the Investment Advisers, the Management Company accepts full responsibility to the Company for all investment transactions. References to an Investment Adviser in this Information Memorandum may refer to one or more of the below Investment Advisers.

BlackRock Investment Management (UK) Limited is a principal operating subsidiary of the BlackRock Group outside the US. It is regulated by the Financial Conduct Authority (“FCA”) but the Company will not be a customer of BlackRock Investment Management (UK) Limited for the purposes of the FCA rules and will accordingly not directly benefit from the protection of those rules.

BlackRock Investment Management (UK) Limited also acts as the Investment Adviser to the BlackRock India Equities (Mauritius) Limited, a wholly-owned subsidiary of the Company, incorporated as a private company limited by shares..

BlackRock Investment Management (UK) Limited has sub- delegated some of its functions to BlackRock Japan Co., Ltd., BlackRock Investment Management (Australia) Limited and BAMNA.

BlackRock (Singapore) Limited is regulated by the Monetary Authority of Singapore.

BlackRock Financial Management, Inc. and BlackRock Investment Management, LLC are regulated by the Securities and Exchange Commission. BlackRock Financial Management, Inc. has sub- delegated some of its functions to BlackRock Japan Co., Ltd., BlackRock Investment Management (Australia) Limited, BAMNA and BlackRock Investment Management (UK) Limited.

The investment sub-advisers are also licensed and/or regulated (as applicable). BlackRock Japan Co., Ltd is regulated by the Japanese Financial Services Agency. BlackRock Investment Management (Australia) Limited is licensed by the Australian Securities and Investments Commission as an Australian Financial Services Licence holder. BAMNA is regulated by the SFC.

The Investment Advisers and their sub-advisers are indirect operating subsidiaries of BlackRock, Inc., the ultimate holding company of the BlackRock Group. The Investment Advisers and their sub-advisers form part of the BlackRock Group.

INVESTMENT OBJECTIVE, POLICIES AND STRATEGY

The Target Fund seeks to maximise total return and invest in a manner consistent with the principles of ESG investing. The Target Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the PRC. The remaining 30% of its total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally.

The Target Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects.

The Target Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Target Fund's total assets will be invested in accordance with the ESG Policy described below.

ESG Policy

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Target Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens Policy, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology, (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/ publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Target Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Target Fund in accordance with the Methodology.

The Target Fund has been categorised as an Article 8 Fund under the EU Regulation 2019/2088 on Sustainable Finance Disclosure Regulation.

The Stock Connects

The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, SSE and ChinaClear and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, SZSE and ChinaClear. The aim of Stock Connect is to achieve mutual stock market access between the PRC and Hong Kong.

The Shanghai Hong-Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Stock Connect Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SSE by routing orders to SSE. Under the Southbound Hong Kong Trading Link under Shanghai -Hong Kong Stock Connect, investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shanghai-Hong Kong Stock Connect, the Stock Connect Funds, through their Hong Kong brokers may trade certain eligible securities listed on the SSE ("SSE Securities"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

- In addition, Hong Kong and overseas investors are able to trade eligible SSE-listed ETFs that satisfy the relevant criteria at a regular review and are accepted as eligible ETFs for Northbound trading under the Shanghai-Hong Kong Stock Connect. Regular reviews will be performed to determine the eligible ETFs for Northbound trading every six months.

It is expected that the list of eligible securities may be changed subject to review and approval by the relevant PRC regulators from time to time.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect are subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Stock Connect Funds, if applicable), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the Stock Connect Funds through their Hong Kong brokers may trade certain eligible securities listed on the SZSE ("SZSE Securities"). These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A Shares and H Shares. At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade securities that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

In addition, Hong Kong and overseas investors are able to trade eligible SZSE-listed ETFs that satisfy the relevant criteria at a regular review and are accepted as eligible ETFs for Northbound trading under the Shenzhen-Hong Kong Stock Connect. Regular reviews will be performed to determine the eligible ETFs for Northbound trading every six months.

It is expected that the list of eligible securities may be changed subject to review and approval by the relevant PRC regulators from time to time.

The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect is subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect is subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

HKSCC, a wholly-owned subsidiary of HKEX, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The SSE Securities and SZSE Securities traded through Stock Connect are issued in scripless form, and investors will not hold any physical shares.

Although HKSCC does not claim proprietary interests in the SSE Securities and SZSE Securities held in its omnibus stock accounts in ChinaClear, ChinaClear as the share registrar for SSE Securities and SZSE Securities will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE Securities and SZSE Securities.

In accordance with the UCITS requirements, the Depositary shall provide for the safekeeping of the Target Fund's assets in the PRC through its Global Custody Network. Such safekeeping is in accordance with the conditions set down by the CSSF which provides that there must be legal separation of non-cash assets held under custody and that the Depositary through its delegates must maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of assets under custody, the ownership of each asset and where documents of title to each asset are located.

Under the Stock Connects, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle SSE Securities and SZSE Securities.

RISK MANAGEMENT

The Management Company is required by regulation to employ a risk management process in the Target Fund, which enables it to monitor accurately and manage the global exposure from financial derivative instruments ("global exposure") which the Target Fund gains as a result of its strategy. The Management Company uses a methodology known as commitment approach in order to measure the Target Fund's global exposure and manage the potential loss due to market risk.

The commitment approach is a methodology that aggregates the underlying market or notional values of financial derivative instruments to determine the degree of global exposure of the Target Fund to financial derivative instruments.

Pursuant to the 2010 Law, the global exposure for the Target Fund under the commitment approach must not exceed 100% of the Target Fund's net asset value.

The Target Fund issues several share classes and may issue new share classes with different features and requirements in future. The Fund will have full discretion to decide on share class of the Target Fund to invest and may switch to different share class of the Target Fund. Such decision will be made in the best interest of investors. Investors should note that the investment objective, investment strategy and risk profile of the Fund remain the same regardless of the investment of the Fund in different share class of the Target Fund.

INVESTMENT AND BORROWING POWERS AND RESTRICTIONS

Investment and Borrowing Powers

1. The Company's articles of association governing the Company ("Articles") permit it to invest in transferable securities and other liquid financial assets, to the full extent permitted by Luxembourg law. The Articles have the effect that, subject to the law, it is at the Company's directors' discretion to determine any restrictions on investment or on borrowing or on the pledging of the Company's assets.

   The Articles permit the subscription, acquisition and holding of securities issued or to be issued by one or more other fund of the Company under the conditions set forth by Luxembourg laws and regulations.

Investment and Borrowing Restrictions

2. The following restrictions of Luxembourg law and (where relevant) of the Company's directors currently apply to the Company:

2.1 The investments of the Target Fund shall consist of:

2.1.1 Transferable securities and money market instruments admitted to official listings on regulated stock exchanges in EU Member States;

2.1.2 Transferable securities and money market instruments dealt in on other regulated markets in EU Member States, that are operating regularly, are recognised and are open to the public;

2.1.3 Transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Europe, Asia, Oceania, the American continents and Africa;

2.1.4 Transferable securities and money market instruments dealt in on other regulated markets that are operating regularly, are recognised and open to the public of any other country in Europe, Asia, Oceania, the American continents and Africa;

2.1.5 Recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in 2.1.1 and 2.1.3 or regulated markets that are operating regularly, are recognised and open to the public as specified in 2.1.2 and 2.1.4 and that such admission is secured within a year of issue,

2.1.6 Units of UCITS and/or other undertakings for collective investment ("UCIs") within the meaning of Article 1(2), points (a) and (b) of Directive 2009/65/EC, as amended, whether they are situated in an EU Member State or not, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of protection for shareholders in the other UCIs is equivalent to that provided for shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive

2009/65/EC, as amended;

- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs.

2.1.7 Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-EU Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

2.1.8 Financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market; and/or financial derivative instruments dealt in OTC derivatives, provided that:

- the underlying consists of instruments described in sub-paragraphs 2.1.1 to 2.1.7 above and 2.1.9 below, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

2.1.9 Money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the 2010 Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-EU Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more EU Member States belong; or
- issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs 2.1.1, 2.1.2 or 2.1.3 above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least €10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2.2 Furthermore, the Target Fund may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in sub-paragraph 2.1.1 to 2.1.9.

2.3 The Target Fund may acquire the units of other funds in the Company, UCITS and/or other UCIs referred to in paragraph 2.1.6. The Target Fund's aggregate investment in UCITS, other funds in the Company and other UCI's will not exceed 10% of its net assets in order that the Target Fund is deemed eligible investments for other UCITS funds.

The Target Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 2.1.6, provided that no more than 20% of the Target Fund's net assets are invested in the units of any single UCITS and/or other UCI. For the purpose of the application of this limit, each target UCITS or UCI sub-fund of an umbrella is to be considered as a separate issuer, provided that segregated liability in relation to third party claims between sub-funds is effective.

The maximum aggregate investment by the Target Fund in units of eligible UCIs other than UCITS may not exceed 30% of the Target Fund's net assets.

When the Target Fund has acquired shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph 2.6.

When the Target Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same Investment Adviser or by any other company with which the Investment Adviser is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on its investment in the units of such other UCITS and/or UCIs.

Where the Target Fund invests a substantial proportion of its net assets in other UCITS and other UCIs, the Investment Adviser will ensure that the total management fee (excluding any performance fee, if any) charged to the Target Fund (including management fees from other UCITS and UCIs in which it invests) shall not exceed 1.50% of the net asset value of the Target Fund.

2.4 When the Target Fund invests in shares of another fund in the Company (the "fund"):

- The fund may not itself invest in the Target Fund;
- the fund may not invest more than 10% of its net assets in units of the Target Fund (as set out in paragraph 2.3 above);
- any voting rights which may be attached to the shares of the fund will be suspended for the Target Fund for the duration of the investment;
- any management fees or subscription or redemption fees payable in relation to the fund may not be charged to the Target Fund; and
- the net asset value of the shares of the fund may not be considered for the purpose of the requirement that the capital of the Company should be above the legal minimum as specified in the 2010 Law, currently €1,250,000.

2.5 The Target Fund may hold no more than 20% ancillary liquid assets (such as cash held in current accounts with a bank accessible at any time "Deposits at sight", in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law, or for a period of time strictly necessary in case of unfavourable market conditions. This restriction may only be exceeded temporarily for a period of time strictly necessary if the Company's directors consider this to be in the best interest of the shareholders (during exceptionally unfavourable market conditions such as a severe financial market collapse).

2.6 The Target Fund may not invest in any one issuer in excess of the limits set out below:

2.6.1 Not more than 10% of the Target Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity.

2.6.2 Not more than 20% of the Target Fund's net assets may be invested in deposits made with the same entity.

2.6.3 By way of exception, the 10% limit stated in the first paragraph of this section may be increased to:

- a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its local authorities, by a non-EU Member State or by public international bodies to which one or more EU Member States belong;
- a maximum of 25% in the case of certain bonds when these 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. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When the Target Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one issuer, the total value of these investments may not exceed 80% of the value of the net assets of the Target Fund.

2.6.4 The total value of the transferable securities or money market instruments held by the Target Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments limits referred to in the two indents of paragraph 2.6.3 above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in sub-paragraphs 2.6.1 to 2.6.4 above, the Target Fund may not combine:

- investments in transferable securities or money market instruments issued by a single entity; and/or
- deposits made with a single entity; and/or
- exposures arising from OTC derivative transactions undertaken with a single entity, in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

The limits provided for in sub-paragraphs 2.6.1 to 2.6.4 above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with paragraphs 2.6.1 to 2.6.4 shall under no circumstances exceed in total 35% of the net assets of the Target Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/ EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in sub-paragraphs 2.6.1 to 2.6.4 above.

The Target Fund may not invest cumulatively more than 20% of its net assets in transferable securities or money market instruments of the same group subject to restrictions 2.6.1 and the three indents under 2.6.4 above.

Without prejudice to the limits laid down in paragraph 2.8 below, the limit of 10% laid down in sub-paragraph 2.6.1 above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of the Target Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- it is published in an appropriate manner;
- it is replicable;
- it is transparent, with the full calculation methodology and index performance published; and
- it is subject to independent valuation.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

By way of derogation, the Target Fund is authorised to invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, by another member state of the OECD or public international bodies of which one or more EU Member States are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of the Target Fund.

2.7 The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.

2.8 The Company may not:

2.8.1 acquire more than 10% of the shares with non-voting rights of one and the same issuer.

2.8.2 acquire more than 10% of the debt securities of one and the same issuer.

2.8.3 acquire more than 25% of the units of one and the same undertaking for collective investment.

2.8.4 acquire more than 10% of the money market instruments of any single issuer.

The limits stipulated in sub-paragraphs 2.8.2, 2.8.3 and 2.8.4 above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of securities in issue cannot be calculated.

2.9 The limits stipulated in paragraphs 2.7 and 2.8 above do not apply to:

2.9.1 Transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;

2.9.2 Transferable securities and money market instruments issued or guaranteed by a non-EU Member State;

2.9.3 Transferable securities and money market instruments issued by public international institutions of which one or more EU Member States are members;

2.9.4 Transferable securities held by the Target Fund in the capital of a company incorporated in a non-EU Member State investing 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 Target Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-EU Member State complies with the limits laid down in Articles 43, 46 and 48(1) and (2) of the 2010 Law. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 shall apply mutatis mutandis; and

2.9.5 Transferable securities held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at shareholders' request exclusively on its or their behalf.

2.10 The Company may always, in the interest of the shareholders, exercise the subscription rights attached to securities, which form part of its assets.

When the maximum percentages stated in paragraphs 2.2 through 2.8 above 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, sales transactions to remedy the situation, taking due account of the interests of its shareholders.

2.11 The Target Fund may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. However, the Company may acquire for the account of the Target Fund foreign currency by way of back-to-back loan. Any repayment of monies borrowed, together with accrued interest and any fees arising from the committed credit line (including for the avoidance of doubt any commitment fee that may be due to the lender), shall be paid out of the assets of the Target Fund.

2.12 The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in sub-paragraphs 2.1.6, 2.1.8 and 2.1.9 above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

2.13 The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 2.1.6, 2.1.8 and 2.1.9 above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.

2.14 The Company's assets may not include precious metals or certificates representing them, commodities, commodities contracts, or certificates representing commodities.

2.15 The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

2.16 The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the shares are marketed.

3. *Financial Techniques and Instruments.*

3.1 The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

3.2 In addition, the Company is authorised to employ techniques and instruments relating to transferable securities and to money market instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management or for hedging purposes.

3.3 When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the 2010 Law.

Under no circumstances shall these operations cause the Company to diverge from its investment policies and investment restrictions.

3.4 The Company will ensure that the global exposure of the underlying assets shall not exceed the total net value of the Target Fund. The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs 2.6.1 to 2.6.4 above.

- When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.
- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

3.5 Efficient Portfolio Management – Other Techniques and Instruments

In addition to the investments in financial derivatives instruments, the Company may employ other techniques and instruments relating to transferable securities and money market instruments subject to the conditions set out in the CSSF Circular 08/356, as amended from time to time, and ESMA Guidelines ESMA/2012/832EL, such as repurchase/reverse repurchase transactions ("repo transactions") and securities lending.

Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management, including financial derivatives instruments which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

3.5.1 They are economically appropriate in that they are realised in a cost-effective way;

3.5.2 They are entered into for one or more of the following specific aims:

(a) reduction of risk;

(b) reduction of cost;

(c) generation of additional capital or income for the Company with a level of risk which is consistent with the risk profile of the Company and the Target Fund and the risk diversification rules applicable to them;

3.5.3 Their risks are adequately captured by the risk management process of the Company; and

3.5.4 They cannot result in a change to the Target Fund's declared investment objective or add significant supplementary risks in comparison to the general risk policy as described in the Target Fund's Prospectus and relevant key investor information document.

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

Moreover those transactions may be carried out for 100% of the assets held by the Target Fund provided (i) that their volume is kept at an appropriate level or that the Company is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations; and (ii) that these transactions do not jeopardise the management of the Company's assets in accordance with the investment policy of the Target Fund. Risks shall be monitored in accordance with the risk management process of the Company.

As part of the efficient portfolio management techniques the Target Fund may underwrite or sub-underwrite certain offerings from time to time through the Investment Advisers. The Management Company will seek to ensure that the Target Fund will receive the commissions and fees payable under such contracts and all investments acquired pursuant to such contracts will form part of the Target Fund's assets. Under the Luxembourg regulation, there is no requirement to require a prior consent of the trustee/depositary.

3.6 Securities lending transactions and related potential conflicts of interest.

The Target Fund may conduct securities lending transactions in aggregate for up to certain percentage of its net asset value. Please refer to "Securities Financing Transaction" section below.

The Company may enter into securities lending transactions provided that it complies with the following rules:

3.6.1 The Company may lend securities either directly or through a standardised system organised by a recognised clearing institution or a lending program organised by a financial institution subject to prudential supervision rules which are recognised by the CSSF as equivalent to those laid down in EU law and specialised in this type of transactions;

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

3.6.3 Net exposures (i.e. the exposures of the Target Fund less the collateral received by the Target Fund) to a counterparty arising from securities lending transactions shall be taken into account in the 20% limit provided for in article 43(2) of the 2010 Law;

3.6.4 As part of its lending transactions, the Company must receive collateral, the market value of which, shall, at all times, be equal to at least the market value of the securities lent plus a premium;

3.6.5 Such collateral must be received prior to or simultaneously with the transfer of the securities lent. When the securities are lent through an intermediary referred to under 3.6.1 above, the transfer of the securities lent may be effected prior to receipt of the collateral, if the relevant intermediary ensures proper completion of the transaction. The intermediary may, instead of the borrower, provide to the UCITS collateral in lieu of the borrower; and

3.6.6 The Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.

Counterparties for securities lending transactions are selected based on a rigorous credit assessment and in-depth review at the individual legal entity level at the outset of the trading relationship. Credit assessments include an evaluation of the legal entity corporate and/or ownership structure, regulatory regime, track record, financial health and any external agency ratings, where applicable.

The Company shall disclose the global valuation of the securities lent in the annual and semi-annual reports. Please refer also to paragraph 11 in Appendix C of the Target Fund's Prospectus for information on additional requirements pursuant to the UCITS Directive in relation to the reuse of assets held in custody by the Depositary.

There are potential conflicts of interests in managing a securities lending program, including but not limited to: (i) BlackRock Advisors (UK) Limited ("BlackRock") as lending agent may have an incentive to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for BlackRock and its affiliates; and (ii) BlackRock as lending agent may have an incentive to allocate loans to clients that would provide more revenue to Blackrock. As described further below, BlackRock seeks to mitigate this conflict by providing its securities lending clients with equal lending opportunities over time in order to approximate pro-rata allocation.

As part of its securities lending program, BlackRock indemnifies certain clients and/or funds against a shortfall in collateral in the event of borrower default. BlackRock's Risk and Quantitative Analytics Group ("RQA") calculates, on a regular basis, BlackRock's potential dollar exposure to the risk of collateral shortfall upon counterparty default ("shortfall risk") under the securities lending program for both indemnified and non-indemnified clients. On a periodic basis, RQA also determines the maximum amount of potential indemnified shortfall risk arising from securities lending activities ("indemnification exposure limit") and the maximum amount of counterparty-specific credit exposure ("credit limits") BlackRock is willing to assume as well as the program's operational complexity. RQA oversees the risk model that calculates projected shortfall values using loan-level factors such as loan and collateral type and market value as well as specific borrower counterparty credit characteristics. When necessary, RQA may further adjust other securities lending program attributes by restricting eligible collateral or reducing counterparty credit limits. As a result, the management of the indemnification exposure limit may affect the amount of securities lending activity BlackRock may conduct at any given point in time and impact indemnified and non-indemnified clients by reducing the volume of lending opportunities for certain loans (including by asset type, collateral type and/or revenue profile).

BlackRock uses a predetermined systematic and fair process in order to approximate pro-rata allocation. In order to allocate a loan to a portfolio: (i) BlackRock as a whole must have sufficient lending capacity pursuant to the various program limits (i.e. indemnification exposure limit and counterparty credit limits); (ii) the lending portfolio must hold the asset at the time a loan opportunity arrives; and (iii) the lending portfolio must also have enough inventory, either on its own or when aggregated with other portfolios into one single market delivery, to satisfy the loan request. In doing so, BlackRock seeks to provide equal lending opportunities for all portfolios, independent of whether BlackRock indemnifies the portfolio. Equal opportunities for lending portfolios does not guarantee equal outcomes. Specifically, short and long-term outcomes for individual clients may vary due to asset mix, asset/liability spreads on different securities, and the overall limits imposed by the firm.

3.7 Repo transactions

The Company may enter into:

- repurchase transactions which consist of the purchase or sale of securities with provisions reserving the seller the right or the obligation to repurchase from the buyer securities sold at a price and term specified by the two parties in their contractual arrangement; and
- reverse repurchase agreement transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the securities sold and the Company the obligation to return the securities received under the transaction.

The Target Fund may conduct repurchase/reverse repurchase transactions in aggregate for up to such percentage of its latest available net asset value. All incremental incomes generated from such transactions will be accrued to the Target Fund.

3.7.1 The Company can act either as buyer or seller in repo transactions. Its involvement in such transactions is however subject to the following rules:

(a) the fulfilment of the conditions 3.6.2 and 3.6.3;

(b) during the life of a repo transaction with the Company acting as purchaser, the Company shall not sell the securities which are the object of the contract, before the counterparty has exercised its option or until the deadline for the repurchase has expired, unless the Company has other means of coverage;

(c) the securities acquired by the Company under a repo transaction must conform to the Target Fund's investment policy and investment restrictions and must be limited to:

(i) short-term bank certificates or money market instruments as defined in Directive 2007/16/EC of 19 March 2007;

(ii) bonds issued by non-governmental issuers offering an adequate liquidity; and

(iii) assets referred to under 3.8.2(b), 3.8.2(c) and 3.8.2(d) below.

The Company shall disclose the total amount of the open repo transactions on the date of reference of its annual and interim reports.

3.7.2 Where the Company enters into repurchase agreements, it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

3.7.3 Where the Company enters into reverse repurchase agreements, it must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

3.8 Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques

3.8.1 Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("Collateral"), such as a repo transaction or securities lending arrangement, must comply with the following criteria:

(a) liquidity: Collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Article 48 of the 2010 Law;

(b) valuation: Collateral should be capable of being valued marked to market on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place;

(c) issuer credit quality: Collateral should be of high quality;

(d) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

(e) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Target Fund's net asset value. When the Target Fund is exposed to different counterparties, the different baskets of Collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. The Target Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, as well as non-EU Member States and public international bodies set out in Appendix A, paragraph 2.6.4 of the Target Fund's Prospectus. The Target Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Target Fund's net asset value; and

(f) immediately available: Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Counterparties for repurchase / reverse repurchase transactions are selected based on a rigorous credit assessment and in-depth review at the individual legal entity level at the outset of the trading relationship. Credit assessments include an evaluation of the legal entity corporate and/or ownership structure, regulatory regime, track record, financial health and any external agency ratings, where applicable.

3.8.2 Subject to the above criteria, Collateral must comply with the following criteria:

(a) liquid assets such as cash, short term bank deposits, money market instruments as defined in Directive 2007/16/ EC of 19 March 2007, letters of credit and guarantees at first demand issued by a first class credit institution not affiliated to the counterparty;

(b) bonds issued or guaranteed by a member state of the OECD or by their local authorities or supranational institutions and bodies of a community, regional or world-wide scope;

(c) shares or units issued by money market-type UCIs calculating a daily net asset value and having a rating of AAA or its equivalent;

(d) shares or units issued by UCITS investing mainly in bonds/ shares mentioned under 3.8.2(e) and 3.8.2(f) hereunder;

(e) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or

(f) shares admitted to or dealt in on a regulated market of an EU Member State or on a stock exchange of a member state of the OECD, provided that these shares are included in a main index.

3.8.3 Where there is title transfer, the Collateral received should be held by the Depositary, or its agent. This is not applicable in the event that there is no title transfer in which case the Collateral will be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.

3.8.4 When the Collateral given in the form of cash exposes the Company to a credit risk vis-à-vis the trustee of this Collateral, such exposure shall be subject to the 20% limitation as laid down in paragraph 2.6 above.

3.8.5 During the duration of the agreement, non-cash Collateral cannot be sold, re-invested or pledged.

3.8.6 Cash received as Collateral may only be:

(a) placed on deposit with entities prescribed in Article 50(f) of Directive 2009/65/EC;

(b) invested in high quality government bonds;

(c) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company can recall at any time the full amount of the cash on an accrued basis; and

(d) invested in short term money market funds as defined in the Regulation (EU) 2017/1131 of the European Parliament and Council of 14 June 2017 on money market funds and any delegated regulation published pursuant to it.

Re-invested cash Collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral.

3.8.7 The Company has implemented a haircut policy in respect of each class of assets received as Collateral in order to reduce exposure to trading counterparties for OTC derivatives, securities lending and reverse repurchase transactions. These transactions are executed under standardised legal documentation that include terms related to credit support and eligible collateral, including haircuts to be applied. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

The applicable haircuts for each of the relevant types of assets held as Collateral are specified below as a valuation percentage. Larger haircuts than those noted below may be applied at the sole discretion of the Company; larger haircuts may apply to certain counterparties, and/or to certain transactions (e.g. wrong way risk).

The Company reserves the right to vary this policy at any time in which case the Target Fund's Prospectus will be updated accordingly.

OTC Derivative Transactions

Eligible Collateral	Minimum Haircut Applicable
Cash	0%
Government bonds having a remaining term to maturity of one year or less.	0.5%
Government bonds having a remaining term to maturity of greater than one year but less than or equal to five years.	2%
Government bonds having a remaining term to maturity of greater than five years.	4%
Non-government bonds having a remaining term to maturity of less than or equal to five years.	10%
Non-government bonds having a remaining term to maturity of greater than 5 years.	12%

Securities Lending Transactions

Eligible Collateral	Minimum Haircut Applicable
Cash	2%
Money market funds	2%
Government bonds	2.5%
Supranational/ agency bonds	2.5%
Equities (including American depositary receipts and ETFs)	5%

Reverse Repurchase Transactions

Eligible Collateral	Minimum Haircut Applicable
Government bonds	0%
Corporate bonds	6%

3.8.8 Risk and potential conflicts of interest associated with OTC derivatives and efficient portfolio management

(a) There are certain risks involved in OTC derivative transactions, efficient portfolio management activities and the management of Collateral in relation to such activities.

(b) The combined counterparty risk on any transaction involving OTC derivative instruments or efficient portfolio management techniques may not exceed 10% of the assets of the Target Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing on the EU. This limit is set at 5% in any other case.

(c) The Company’s delegates will continuously assess the credit or counterparty risk as well as the potential risk, which is for trading activities, the risk resulting from adverse movements in the level of volatility of market prices and will assess the hedging effectiveness on an ongoing basis. They will define specific internal limits applicable to these kinds of operations and monitor the counterparties accepted for these transactions.

SECURITIES FINANCING TRANSACTION

Securities financing transactions such as securities lending, repurchase transactions, total return swaps (“TRS”) and contracts for difference (“CFDs”) will be used by the Target Fund at the discretion of the Investment Adviser (subject to the investment objective and policy of the Target Fund) either to help meet the investment objective of the Target Fund and/or as part of efficient portfolio management.

The table below specifies the maximum and expected proportion of the net asset value of the Target Fund that can be subject to securities financing transactions for the purposes of the Securities Financing Transaction Regulation 2015 (2015/2365) and is set at the discretion of the Investment Adviser. Investors should note that a limitation of maximum securities lending levels by the Target Fund, at a time when demand exceeds those maximum levels, may reduce potential income to the Target Fund that is attributable to securities lending. The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions. The maximum figure is a limit.

	TRS and CFDs (in aggregate*) Maximum/Expected Proportion of the net asset value of the Target Fund (%)	Securities Lending** Maximum***/Expected Proportion of the net asset value of the Target Fund (%)	Repurchase Transactions Maximum/Expected Proportion of the net asset value of the Target Fund (%)
Target Fund	40/0	49/ up to 12	0/0

* Within the total ranges noted above, the Target Fund's exposure to CFDs and TRS will vary.

** The maximum proportion of the net asset value of the Target Fund that can be subject to securities lending is indicated in the table above. The demand to borrow securities is a significant driver for the amount that is actually lent from the Target Fund at a given time. Borrowing demand fluctuates over time and depends to a large extent on market factors that cannot be forecasted precisely. Due to fluctuations in borrowing demand in the market, future lending volumes could fall outside of the range indicated as the expected proportion of the net asset value of the Target Fund in the table above. For the avoidance of doubt, the maximum proportion of the net asset value of the Target Fund that can be subject to securities lending is a strict limit.

*** It is the intention of the Investment Adviser that maxima are strict limits. It should be noted that such maxima are based on past performances and such past performances can never guarantee future results. In this respect, these maxima may be temporally exceeded should the demand drastically and unpredictably shift to an upward trend in the conditions set forth in the section "Market Conditions" of the Appendix G of the Target Fund's Prospectus.

FEES AND CHARGES OF THE TARGET FUND

Initial Charge	Up to 5.00% of the net asset value per share of the Target Fund. ***Please note that the Fund will not be charged the initial charge when it invests in the Target Fund.***
Annual Service Charge	Up to 0.25% per annum of the net asset value of the Target Fund.
Redemption Fee	Not applicable
Performance Fee	Not applicable.
Management Fee	Up to 1.50% per annum of the net asset value of the Target Fund. ***Please note that management fee will only be charged once at the Fund level. The management fee charged by the Target Fund will be paid out of the annual management fee charged by us at the Fund level. There is no double charging of management fee.***
Distribution Fee	Up to 1.25% per annum of the net asset value of the Target Fund.

SUSPENSION OF CALCULATION OF NET ASSET VALUE OF THE TARGET FUND

Valuation (and consequently issues, redemptions and conversions) of any share class of the Target Fund may be suspended in certain circumstances including:

- the closure (otherwise than for ordinary holidays) of or suspension or restriction of trading on any stock exchange or market on which are quoted a substantial proportion of the investments held in the Target Fund;
- the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Company attributable to share classes of the Target Fund would be impracticable;
- any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such share classes of the Target Fund or the current price or values on any stock exchange or other market;
- any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such shares of the Target Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of shares cannot in the opinion of the directors of the Company be effected at normal rates of exchange;
- any period when the net asset value per share of any subsidiary of the Company may not be accurately determined;
- where notice has been given or a resolution passed for the closure or merger of the Target Fund;
- in respect of a suspension of the issuing of shares of the Target Fund only, any period when notice of winding up of the Company as a whole has been given;
- following a decision to merge the Target Fund or the Company, if justified with a view to protecting the interest of shareholders;
- in addition, in respect of the Target Fund that invests a substantial amount of assets outside the EU, the

Management Company may also take into account whether local relevant local exchanges are open and may elect to treat such closures (including ordinary holidays) as non-business days for the Target Fund.

The Company will also not be bound to accept instructions to subscribe for, and will be entitled to defer instructions to redeem or convert any shares of the Target Fund on any one dealing day if there are redemption or outgoing conversion orders that day for all share classes of the Target Fund with an aggregate value exceeding a particular level (currently fixed at 10%) of the approximate value of the Target Fund. In addition, the Company may defer redemptions and conversions in exceptional circumstances that may, in the opinion of the directors of the Company, adversely affect the interests of holders of any class or share classes of the Target Fund. In either case, the directors of the Company may declare that redemptions and conversions will be deferred until the Company has executed, as soon as possible, the necessary realisation of assets out of the Target Fund or until the exceptional circumstances cease to apply. Redemptions and conversions so deferred will be done on a pro rata basis and will be dealt with in priority to later requests.

This Information Memorandum describes the features of the Target Fund in accordance with the Target Fund's Prospectus and we recommend that this Information Memorandum should be read in conjunction with the Target Fund's Prospectus which is available at the business address of the Manager. We take all reasonable efforts to ensure the accuracy of the disclosure in this Information Memorandum in relation to the Target Fund, including obtaining the confirmation from the Management Company. However, in the event of any inconsistency or ambiguity in relation to the disclosure, including any word or phrase used in this Information Memorandum regarding the Target Fund as compared to the Target Fund's Prospectus, the Target Fund's Prospectus shall prevail.

UNDERSTANDING THE RISKS OF THE FUND AND THE TARGET FUND

Below are the risks associated with the investments of the Fund and the Target Fund.

It is important to note that events affecting the investments cannot always be foreseen. Therefore, it is not possible to protect investments against all risks. You are recommended to read the whole of this Information Memorandum to assess the risks associated to the Fund. If necessary, you should consult your professional adviser(s) for a better understanding of the risks.

	GENERAL RISKS OF THE FUND
Market risk	Market risk arises because of the factors that affect the entire market place. Factors such as economic growth, political stability and social environment are some examples of conditions that have an impact on businesses, whether positive or negative. Market risk cannot be eliminated but may be reduced through diversification. It stems from the fact that there are economy-wide perils, or instances of political or social instability which threaten all businesses. Hence, the Fund will be exposed to market uncertainties and fluctuations in the economic, political and social environment that will affect the market price of the investments either in a positive or negative way.
Fund management risk	This risk refers to the day-to-day management of the Fund by us which will impact the performance of the Fund. For example, investment decisions undertaken by us as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the Deed, relevant laws or guidelines due to factors such as human error, fraud, dishonesty or weaknesses in operational process and systems, may adversely affect the performance of the Fund.
Performance risk	This Fund is a feeder fund which invests in another collective investment scheme, namely the Target Fund. The performance of the Fund very much depends on the performance of the Target Fund. If the Target Fund does not perform in accordance with its investment objective, the performance of the Fund will also be impacted negatively. The performance of the Target Fund and consequently of this Fund may go down as well as up, depending on the circumstances prevailing at a particular given time. On that basis, there is never a guarantee that investing in the Fund will produce a positive investment returns in accordance with its objective.
Inflation risk	This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
Loan financing risk	This risk occurs when you take a loan/financing to finance your investment. The inherent risk of investing with borrowed / financed money includes you being unable to service the loan/financing repayments. In the event Units are used as collateral, you may be required to top-up your existing instalment if the prices of Units fall below a certain level due to market conditions. Failing which, the Units may be sold at a lower NAV per Unit as compared to the NAV per Unit at the point of purchase towards settling the loan/financing.
Operational risk	This risk refers to the possibility of a breakdown in the Manager's internal controls and policies. The breakdown may be a result of human error, system failure or fraud where employees of the Manager collude with one another. This risk may cause monetary loss and/or inconvenience to you. The Manager will review its internal policies and system capability to mitigate instances of this risk. Additionally, the Manager maintains a strict segregation of duties to mitigate instances of fraudulent practices amongst employees of the Manager.
Suspension of repurchase request risk	Having considered the best interests of Unit Holders, the repurchase requests by the Unit Holders may be subject to suspension due to exceptional circumstances, where the market value or fair value of a material portion of the Fund's assets cannot be

	determined or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The exceptional circumstances may include, amongst other, suspension of dealing by the Target Fund. In such case, Unit Holders will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time. Hence, their investments will continue to be subject to the risks inherent to the Fund.
Related party transaction risk	The Fund may also have dealings with parties related to AHAM. Nevertheless, it is our policy that all transactions with related parties are to be executed on terms which are best available to the Fund and which are not less favourable to the Fund than an arm's length transaction between independent parties.

	SPECIFIC RISKS OF THE FUND
Concentration risk	The Fund is a feeder fund which invests in a single collective investment scheme. Any adverse effect on the Target Fund will inevitably affect the Fund as well. The performance of the Fund is also dependent on the performance of the Target Fund. This risk may be mitigated as we are allowed to take temporary defensive positions in response to adverse market conditions. We are also able to substitute the Target Fund with another fund with similar objective of the Fund if, in our opinion, the Target Fund no longer meets the Fund's objective subject to Unit Holders' approval. For better understanding of the risks associated with the Target Fund, please refer to the "Risks of the Target Fund".
Liquidity risk	This is the risk that the units of the Target Fund that is held by the Fund cannot be readily sold and converted into cash. This can occur when there is a restriction on realisation of units of the Target Fund. The Management Company may suspend the realisation of units of the Target Fund, or delay the payment of realisation proceeds in respect of any realisation request received, during any periods in which the determination of the net asset value of the Target Fund is suspended. As a result, the Fund may not be able to receive the repurchase proceeds in timely manner which in turn may delay the payment of repurchase proceeds to the Unit Holders. In managing liquidity risk, we will maintain a sufficient liquidity level for the purposes of meeting repurchase requests. Please refer to the "*Suspension of Dealing in Units*" section of this Information memorandum for more details. In addition, the Target Fund may not be able to pay repurchase proceeds within the prescribed period due to unusual market conditions, unusually high volume of repurchase requests, or such other uncontrollable factors. To meet repurchase requests, the Target Fund may be forced to sell investments at an unfavourable price and/or condition.
Country risk	Investments of the Fund in the Target Fund which is domiciled in PRC may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of PRC. For example, the deteriorating economic condition of that country may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund to fall.
Currency risk	As the investments of the Fund may be denominated in currencies other than the Base Currency, any fluctuation in the exchange rate between the Base Currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated (other than in USD) depreciate against the Base Currency, this will have an adverse effect on the NAV of the Fund in the Base Currency and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

	SPECIFIC RISKS OF THE FUND
	Currency risk at the Fund level The impact of the exchange rate movement between the Base Currency and the currency of the underlying investments of the Fund (other than in USD) may result in a depreciation of the value of the investments as expressed in the Base Currency. ***Currency risk at the Class level*** The impact of the exchange rate movement between the Base Currency and the currency of the respective Classes may result in a depreciation of your holdings as expressed in the Base Currency. ***Currency risk at the Hedged-class level*** Currency hedging reduces the effect of exchange rate movements for the Hedged-class, but it does not entirely eliminate currency risk between the Hedged-class and the Base Currency (not a perfect hedge). Hence, the unhedged portion of the respective Hedged-class will be affected by the exchange rate movements and it may cause fluctuation of NAV of the respective Hedged-class. You should note however, that if the exchange rate moves favourably, the Hedged-class would not benefit from any upside in currency movement due to the hedging strategy. In addition, hedging is subject to a minimum investment size of entering into a forward contract and the cost of hedging which may affect returns of the respective Hedged-class.
Management Company risk	The Target Fund (which the Fund invests in) is managed by the Management Company and/or the Investment Advisers. It is important to note that the Manager have no control over the investment technique and knowledge, operational controls and management of the Management Company and/or the Investment Advisers. Thus, mismanagement of the Target Fund (i.e. breach of its prescribed investment restriction due to human error) may negatively affect the Fund (as an investor of the Target Fund). Should such a situation arise, the Manager may propose to invest in other alternative collective investment scheme that is consistent with the investment objective of the Fund provided always that the approval of the Unit Holders has been obtained.
Counterparty risk	Counterparty risk is the risk associated with the ongoing ability and willingness of the issuers to derivatives ("investment") to fulfil their respective financial commitments to the Fund in a timely manner. Bankruptcy, fraud or regulatory non-compliance arising out of and/or in connection with the issuers may impair the operations and/or the performance of the Fund. However, we will conduct stringent credit selection process of the issuers of the investments prior to commencement of investments and monitoring mechanisms established by us may potentially mitigate this risk. If, we are of the opinion there is material adverse change to an issuer, we may consider unwinding the issuer's investments to mitigate potential losses that may arise.

	RISKS OF THE TARGET FUND
General risks	The performance of the Target Fund will depend on the performance of the underlying investments. No guarantee or representation is made that the Target Fund or any investment will achieve its respective investment objectives. Past results are not necessarily indicative of future results. The value of the shares of the Target Fund may fall due to any of the risk factors below as well as rise and an investor may not recoup its investment. Income from the shares of the Target Fund may fluctuate in money terms. Changes in exchange rates may, among other factors, cause the value of shares of the Target Fund to increase or decrease. The levels and bases of, and reliefs from, taxation may change. There can be no assurance that the collective performance of the Target Fund's underlying investments will be profitable. Also, there is no guarantee of the repayment of principal. On establishment, the Target Fund will normally have no operating history upon which investors may base an evaluation of performance.

	RISKS OF THE TARGET FUND
Financial markets, counterparties and service providers	The Target Fund may be exposed to finance sector companies that act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequence adverse effect on the return of the Target Fund. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse.
Tax considerations	The Company may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover such tax and so any such change could have an adverse effect on the net asset value of the shares of the Target Fund. The tax information provided in the "Taxation" section of the Target Fund's Prospectus is based, to the best knowledge of the directors of the Company, upon tax law and practice as at the date of the Target Fund's Prospectus. Tax legislation, the tax status of the Company, the taxation of shareholders of the Target Fund and any tax reliefs, and the consequences of such tax status and tax reliefs, may change from time to time. Any change in the taxation legislation in any jurisdiction where the Target Fund is registered, marketed or invested could affect the tax status of the Target Fund, affect the value of the Target Fund's investments in the affected jurisdiction and affect the Target Fund's ability to achieve its investment objective and/or alter the post-tax returns to its shareholders. Where the Target Fund invests in derivatives, the preceding sentence may also extend to the jurisdiction of the governing law of the derivative contract and/or the derivative counterparty and/or to the market(s) comprising the underlying exposure(s) of the derivative. The availability and value of any tax reliefs available to shareholders of the Target Fund depend on the individual circumstances of shareholders of the Target Fund. The information in the "Taxation" section of the Target Fund's Prospectus is not exhaustive and does not constitute legal or tax advice. Investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Company. Where the Target Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example India and jurisdictions in the middle east, the Target Fund, the Management Company, the Investment Advisers and the Depositary shall not be liable to account to any shareholder of the Target Fund for any payment made or suffered by the Company in good faith to a fiscal authority for taxes or other charges of the Company or the Target Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered. Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the Target Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Target Fund. Such late paid taxes will normally be debited to the Target Fund at the point the decision to accrue the liability in the Target Fund's accounts is made. Shareholders should note that certain share classes of the Target Fund may pay dividends gross of expenses. This may result in shareholders of the Target Fund receiving a higher dividend that they would have otherwise received and therefore shareholders of the Target Fund may suffer a higher income tax liability as a result. In addition, in some circumstances, paying dividends gross of expenses may mean that the Target Fund pays dividends from capital property as opposed to income property.

	RISKS OF THE TARGET FUND
	This is also the case where dividends may include interest rate differentials arising from share class currency hedging. Such dividends may still be considered income distributions in the hands of shareholders of the Target Fund, depending on the local tax legislation in place, and therefore shareholders of the Target Fund may be subject to tax on the dividend at their marginal income tax rate. Shareholders should seek their own professional tax advice in this regard. The tax laws and regulations in the PRC may be expected to change and develop as the PRC's economy changes and develops. Consequently, there may be less authoritative guidance to assist in planning and less uniform application of the tax laws and regulations in comparison to more developed markets. In addition, any new tax laws and regulations and any new interpretations may be applied retroactively. The application and enforcement of PRC tax rules could have a significant adverse effect on the Company and its investors, particularly in relation to capital gains withholding tax imposed upon non-residents. The Company does not currently intend to make any accounting provisions for these tax uncertainties.
Share class contagion	It is the directors of the Company's intention that all gains/losses or expenses arising in respect of a particular share class of the Target Fund are borne separately by that share class. Given that there is no segregation of liabilities between share classes of the Target Fund, there is a risk that, under certain circumstances, transactions in relation to one Share Class could result in liabilities which might affect the net asset value of the other share classes of the Target Fund.
Currency risk – base currency	The Target Fund may invest in assets denominated in a currency other than the base currency of the Target Fund. Changes in exchange rates between the base currency of the Target Fund and the currency in which the assets are denominated and changes in exchange rate controls will cause the value of the asset expressed in the base currency of the Target Fund to fall or rise. The Target Fund may utilise techniques and instruments including derivatives for hedging purposes to control currency risk. However, it may not be possible or practical to completely mitigate currency risk in respect of the Target Fund's portfolio or specific assets within the portfolio. Furthermore, unless otherwise stated in the investment policies of the Target Fund, the Investment Adviser is not obliged to seek to reduce currency risk within the Target Fund.
Currency risk – share class currency	Certain share classes of the Target Fund may be denominated in a currency other than the base currency of the Target Fund. In addition, the Target Fund may invest in assets denominated in currencies other than the base currency of the Target Fund. Therefore changes in exchange rates and changes in foreign exchange rate controls may affect the value of an investment in the Target Fund.
Hedged share classes	While the Target Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of the Target Fund and the hedged share class. The hedging strategies may be entered into whether the base currency of the Target Fund is declining or increasing in value relative to the relevant currency of the hedged share class and so, where such hedging is undertaken it may substantially protect shareholders in the relevant class against a decrease in the value of the base currency relative to the hedged share class currency, but it may also preclude shareholders from benefiting from an increase in the value of the base currency of the Target Fund. Hedged share classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could further affect the volatility of the hedged share class. The Target Fund may also use hedging strategies which seek to provide exposure to certain currencies (i.e. where a currency is subject to currency trading restrictions). These hedging strategies involve converting the net asset value of the relevant share

	RISKS OF THE TARGET FUND
	class into the relevant currency using financial derivative instruments (including currency forwards). All gains/losses or expenses arising from hedging transactions are borne separately by the shareholders of the respective hedged share classes. Given that there is no segregation of liabilities between share classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to one share class could result in liabilities which might affect the net asset value of the other share classes of the Target Fund.
Global financial market crisis and governmental intervention	Since 2007, global financial markets have undergone pervasive and fundamental disruption and suffered significant instability which has led to governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of emergency regulatory measures. Government and regulatory interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Adviser's ability to implement the Target Fund's investment objective. Whether current undertakings by governing bodies of various jurisdictions or any future undertakings will help stabilise the financial markets is unknown. The Investment Adviser cannot predict how long the financial markets will continue to be affected by these events and cannot predict the effects of these – or similar events in the future – on the Target Fund, the European or global economy and the global securities markets. The Investment Adviser is monitoring the situation. Instability in the global financial markets or government intervention may increase the volatility of the Target Fund and hence the risk of loss to the value of your investment.
Impact of natural or man-made disasters and disease epidemics	Certain regions are at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organized public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored and operations of the portfolio company can be resumed. The Target Fund's investments could also be at risk in the event of such a disaster. The magnitude of future economic repercussions of natural disasters may also be unknown, may delay the Target Fund's ability to invest in certain companies, and may ultimately prevent any such investment entirely. Investments may also be negatively affected by man-made disasters. Publicity of man-made disasters may have a significant negative impact on overall consumer confidence, which in turn may materially and adversely affect the performance of the Target Fund's investments, whether or not such investments are involved in such man-made disaster. Outbreaks of infectious diseases may also have a negative impact on the performance of the Target Fund. For example, an outbreak of respiratory disease caused by a novel coronavirus was first detected in December 2019 and then spread globally. This coronavirus has resulted in borders closing, restrictions on movement of people, quarantines, cancellations of transportation and other services, disruptions to supply chains, businesses and customer activity, as well as general concern and uncertainty. It is possible that there may be similar outbreaks of other infectious diseases in the future. The impact of this coronavirus, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. In addition, the impact of infectious diseases in emerging developing or emerging market countries may be greater due

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	to less established health care systems. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. The impact of the outbreak may be short term or may last for an extended period of time. Such events could increase volatility and the risk of loss to the value of your investments.
Recent market events	Periods of market volatility may occur in response to various local and/or global political, social and economic events. These conditions have resulted in, and in many cases continue to result in, greater price volatility, less liquidity, widening credit spreads and a lack of price transparency, with many securities remaining illiquid and of uncertain value. Such market conditions may adversely affect the Target Fund, including by making valuation of some of the Target Fund's securities uncertain and/or result in sudden and significant valuation increases or declines in the Target Fund's holdings. If there is a significant decline in the value of the Target Fund's portfolio, this may impact the asset coverage levels for any outstanding leverage the Target Fund may have. Risks resulting from any future debt or other economic crisis could also have a detrimental impact on the global economic recovery, the financial condition of financial institutions and the Target Fund's business, financial condition and results of operation. Market and economic disruptions have affected, and may in the future affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. To the extent uncertainty regarding the US or global economy negatively impacts consumer confidence and consumer credit factors, the Target Fund's business, financial condition and results of operations could be significantly and adversely affected. Downgrades to the credit ratings of major banks could result in increased borrowing costs for such banks and negatively affect the broader economy. Moreover, Federal Reserve policy, including with respect to certain interest rates, may also adversely affect the value, volatility and liquidity of dividend- and interest-paying securities. Market volatility, rising interest rates and/or unfavourable economic conditions could impair the Target Fund's ability to achieve its investment objective(s).
Derivatives	**(a) General** The Target Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management and to hedge market, interest rate and currency risk. The use of derivatives may expose the Target Fund to a higher degree of risk. These risks may include credit risk with regard to counterparties with whom the Target Fund trade, the risk of settlement default, volatility risk, OTC transaction risk, lack of liquidity of the derivatives, imperfect tracking between the change in value of the derivative, and the change in value of the underlying asset that the Target Fund is seeking to track and greater transaction costs than investing in the underlying assets directly. Some derivatives are leveraged and therefore may magnify or otherwise increase investment losses to the Target Fund. In accordance with standard industry practice when purchasing derivatives, the Target Fund may be required to secure its obligations to its counterparty. For non-fully funded derivatives, this may involve the placing of initial and/or variation margin assets with the counterparty. For derivatives which require the Target Fund to place initial margin assets with a counterparty, such assets may not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the Target Fund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed the value of the Target Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of a derivative may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the derivative

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	only if a minimum transfer amount is triggered, the Target Fund may have an uncollateralised risk exposure to a counterparty under a derivative up to such minimum transfer amount. Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase the Target Fund's volatility. Whilst the Target Fund will not borrow money to leverage it may for example take synthetic short positions through derivatives to adjust its exposure, always within the restrictions of the Target Fund. The Target Fund may enter into long positions executed using derivatives (synthetic long positions) such as futures positions including currency forwards. Additional risks associated with investing in derivatives may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where the Target Fund's credit exposure to its counterparty under a derivative contract is not fully collateralised but the Target Fund will continue to observe the limits set out in section "Investment and Borrowing Powers and Restrictions" of the Target Fund's Prospectus. The use of derivatives may also expose the Target Fund to legal risk, which is the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable. Where derivative instruments are used in this manner the overall risk profile of the Target Fund may be increased. Accordingly, the Company will employ a risk management process which enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Target Fund. The Management Company uses the "Commitment Approach" to calculate the Target Fund's global exposure, ensuring the Target Fund complies with the investment restrictions set out in section "Investment and Borrowing Powers and Restrictions" of the Target Fund's Prospectus. **b) Specific** The Target Fund may use derivatives for investment purposes or for the purpose of efficient portfolio management in accordance with its respective investment objective and policies. In particular this may involve (on a non-exhaustive basis): - using swap contracts to adjust interest rate risk; - using currency derivatives to buy or sell currency risk; - writing covered call options; - using credit default swaps to buy or sell credit risk; - using volatility derivatives to adjust volatility risk; - buying and selling options; - using swap contracts to gain exposure to one or more indices; - using synthetic short positions to take advantage of any negative investment views; and - using synthetic long positions to gain market exposure. Investors should note the associated risks with the following types of derivatives instruments and strategies as described below:

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	Credit default swaps, interest rate swaps, currency swaps, TRS, swaptions and CFDs. The use of credit default swaps may carry a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) or buy protection on a bond they do not physically own where the investment view is that the stream of coupon payments required will be less than the payments received due to the decline in credit quality. Conversely, where the investment view is that the payments due to decline in credit quality will be less than the coupon payments, protection will be sold by means of entering into a credit default swap. Accordingly, one party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the agreement). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid. The market for credit default swaps may sometimes be more illiquid than bond markets. The Target Fund entering into credit default swaps must at all times be able to meet the redemption requests. Credit default swaps are valued on a regular basis according to verifiable and transparent valuation methods reviewed by the Company's auditor. Interest rate swaps involve an exchange with another party of respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. TRS involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. The Target Fund may enter into swaps as either the payer or receiver of payments under such swaps. Where the Target Fund enters into interest rate or TRS on a net basis, the two payment streams are netted out, with each party receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or TRS entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that the Target Fund is contractually obliged to make (or in the case of TRS, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or TRS defaults, in normal circumstances the Target Fund's risk of loss consists of the net amount of interest or total return payments that each party is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations. The Target Fund may also buy or sell interest rate swaption contracts. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a pre-set interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream. CFDs are similar to swaps and may also be used by the Target Fund. A CFD is an agreement between a buyer and a seller stipulating that the seller will pay the buyer the difference between the current value of a security and its value when the contract is made. If the difference turns out to be negative, the buyer pays the seller.

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	The use of credit default swaps, interest rate swaps, currency swaps, TRS, interest rate swaptions and CFDs is a specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Adviser is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Target Fund would be less favourable than it would have been if these investment techniques were not used. ***<u>Volatility derivatives</u>*** "Historic Volatility" of a security is a statistical measure of the speed and magnitude of changes in the price of that security over defined periods of time. "Implied Volatility" is the market's expectation of future realised volatility. Volatility derivatives are derivatives whose price depends on Historic Volatility or Implied Volatility or both. Volatility derivatives are based on an underlying security, and the Target Fund may use volatility derivatives to increase or reduce volatility risk, in order to express an investment view on the change in volatility, based on an assessment of expected developments in underlying securities markets. For example, if a significant change in the market background is expected, it is likely that the volatility of the price of a security will increase as prices adapt to the new circumstances. The Target Fund may only buy or sell volatility derivatives which are based on an index where: - the composition of the index is sufficiently diversified; - the index represents an adequate benchmark for the market to which it refers; and - it is published in an appropriate manner. The price of volatility derivatives may be highly volatile and may move in a different way to the other assets of the Target Fund, which could have a significant effect on the net asset value of the Target Fund's shares. ***<u>Currency overlay strategies</u>*** In addition to the use of techniques and instruments to control currency risk (see 'Currency Risk'), the Target Fund may invest in currencies or utilise techniques and instruments in relation to currencies other than the base currency of the Target Fund with the aim of generating positive returns. The Investment Adviser utilises specialist currency overlay strategies which involves the creation of long positions and synthetic pair trades in currencies to implement tactical views through the use of currency derivatives, including forward foreign exchange contracts, currency futures, options, swaps and other instruments providing exposure to changes in exchange rates. The movement in currency exchange rates can be volatile and where the Target Fund engages substantially in such strategies, there will be a significant impact on the overall performance of the Target Fund. The Target Fund has the flexibility to invest in any currency in the world including emerging market currencies which may be less liquid and currencies that may be affected by the actions of governments and central banks including intervention, capital controls, currency peg mechanisms or other measures. ***<u>Option strategies</u>*** An option is the right (but not the obligation) to buy or sell a particular asset or index at a stated price at some date in the future. In exchange for the rights conferred by the option, the option buyer has to pay the option seller a premium for carrying on the risk that comes with the obligation. The option premium depends on the strike price, volatility of the underlying asset, as well as the time remaining to expiration. Options may be listed or dealt in OTC. The Target Fund may enter into option transactions as either the buyer or seller of this right and may combine them to form a particular trading strategy as well as use options for reducing an existing risk.

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	If the Investment Adviser or its delegate is incorrect in its expectation of changes in the market prices or determination of the correlation between the particular assets or indices on which the options are written or purchased and the assets in the Target Fund's investment portfolio, the Target Fund may incur losses that it would not otherwise incur. ***<u>Transfer of collateral</u>*** In order to use derivatives, the Target Fund will enter into arrangements with counterparties which may require the payment of collateral or margin out of the Target Fund's assets to act as cover to any exposure by the counterparty to the Target Fund. If the title of any such collateral or margin is transferred to the counterparty, it becomes an asset of such counterparty and may be used by the counterparty as part of its business. Collateral so transferred will not be held in custody by the Depositary for safekeeping, but collateral positions will be overseen and reconciled by the Depositary. Where the collateral is pledged by the Target Fund to the benefit of the relevant counterparty, then such counterparty may not rehypothecate the assets pledged to it as collateral without the Target Fund's consent.
Securities lending	The Target Fund may engage in securities lending. The Target Fund engaging in securities lending will have a credit risk exposure to the counterparties to any securities lending contract. The Target Fund's investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Target Fund. The Company intends to ensure that all securities lending is fully collateralised but, to the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), the Target Fund will have a credit risk exposure to the counterparties to the securities lending contracts.
Risks relating to repurchase agreements	In the event of the failure of the counterparty with which collateral has been placed, the Target Fund may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.
Risks relating to reverse repurchase agreements	In the event of the failure of the counterparty with which cash has been placed, the Target Fund may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.
Counterparty risk	The Target Fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Target Fund. This would include the counterparties to any derivatives, repurchase/reverse repurchase agreement or securities lending agreement that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure. The Target Fund mitigates much of its credit risk to its derivative counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any derivative is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Target Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Target Fund maintains an active oversight of counterparty exposure and the collateral management process.
Counterparty risk to the Depositary	The assets of the Company are entrusted to the Depositary for safekeeping. In accordance with the UCITS Directive, in safekeeping the assets of the Company, the Depositary shall: (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial

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	instruments that can be physically delivered to the Depositary; and (b) for other assets, verify the ownership of such assets and maintain a record accordingly. The assets of the Company should be identified in the Depositary's books as belonging to the Company. Securities held by the Depositary should be segregated from other securities/assets of the Depositary in accordance with applicable law and regulation which mitigates but does not exclude the risk of non-restitution in the case of bankruptcy of the Depositary. The investors are therefore exposed to the risk of the Depositary not being able to fully meet its obligation to restitute all of the assets of the Company in the case of bankruptcy of the Depositary. In addition, the Target Fund's cash held with the Depositary may not be segregated from the Depositary's own cash/cash under custody for other clients of the Depositary, and the Target Fund may therefore rank as an unsecured creditor in relation thereto in the case of bankruptcy of the Depositary. The Depositary may not keep all the assets of the Company itself but may use a network of sub-custodians which are not always part of the same group of companies as the Depositary. Investors may be exposed to the risk of bankruptcy of the sub-custodians in circumstances where the Depositary may have no liability. The Target Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Target Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary may have no liability.
Fund liability risk	The Company is structured as an umbrella fund with segregated liability between its funds. As a matter of Luxembourg law, the assets of the one fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability. As at the date of the Target Fund's Prospectus, the Company's directors are not aware of any such existing or contingent liability.
Market leverage	The Target Fund will not use borrowing to purchase additional investments but may be expected, via derivative positions, to obtain market leverage (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value). The Investment Adviser will seek to make absolute returns from relative value decisions between markets ("this market will do better than that market"), as well as from directional views on the absolute return of markets ("this market is going to go up or down"). The extent of market leverage is likely to depend on the degree of correlation between positions. The higher the degree of correlation, the greater is the likelihood and probable extent of market leverage.
Repurchase and reverse repurchase agreements	Under a repurchase agreement the Target Fund sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed price and date. The difference between the sale price and the repurchase price establishes the cost of the transaction. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the agreement. In a reverse repurchase agreement the Target Fund purchases an investment from a counterparty which undertakes to repurchase the security at an agreed resale price on an agreed future date. The Target Fund therefore bears the risk that if the seller defaults the Target Fund might suffer a loss to the extent that proceeds from the sale of the underlying securities together with any other collateral held by the Target Fund in connection with the relevant agreement may be less than the repurchase price because of market movements. The Target Fund cannot sell the securities which are the subject of a reverse repurchase agreement until the term of the agreement has expired or the counterparty has exercised its right to repurchase the securities.
MiFID II	Laws and regulations introduced by EU Member States to implement the EU's second Markets in Financial Instruments Directive ("MiFID II") and the EU's markets in

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	Financial Instruments Regulation ("MiFIR"), which came into force on 3 January 2018 and will impose new regulatory obligations and costs on the Management Company and the Investment Adviser. The impact of MiFID II on the EU financial markets and on EU investment firms which offer financial services to clients is expected to be significant. The exact impact of MiFID II on the Target Fund, the Management Company and Investment Adviser remains unclear and will take time to quantify. In particular, MiFID II and MiFIR will require certain standardised OTC derivatives to be executed on regulated trading venues. It is unclear how the OTC derivatives markets will adapt to these new regulatory regimes and how this will impact on the Target Fund. In addition, MiFID II introduces wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. Under MiFID II, pre- and post-trade transparency regimes are extended from equities traded on a regulated market to also cover equity-like instruments (such as depositary receipts, ETFs and certificates that are traded on regulated trading venues) and non-equities such as bonds, structured finance products, emission allowances and derivatives. The increased transparency regime under MiFID II, together with the restrictions on the use of "dark pools" and other trading venues, may mean greater disclosure of information relating to price discovery becoming available and may have an adverse impact on trading costs.
Cybersecurity risk	The Target Fund or any of the service providers, including the Management Company and the Investment Advisers, may be subject to risks resulting from cybersecurity incidents and/or technological malfunctions. A cybersecurity incident is an event that may cause a loss of proprietary information, data corruption or a loss of operational capacity. Cybersecurity incidents can result from deliberate cyber attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through hacking or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data, releasing confidential information without authorisation or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites, which may make network services unavailable to intended users. The issuers of securities and counterparties to other financial instruments in which the Target Fund invests may also be subject to cybersecurity incidents. Cybersecurity incidents may cause the Target Fund to suffer financial losses, interfere with the Target Fund's ability to calculate its net asset value, impede trading, disrupt the ability of investors to subscribe for, exchange or redeem their units, violate privacy and other laws and incur regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Cyber-attacks may render records of assets and transactions of the Target Fund, unitholder ownership of units, and other data integral to the functioning of the Target Fund inaccessible, inaccurate or incomplete. In addition, substantial costs may be incurred in order to prevent any cybersecurity incidents in the future which may adversely impact the Target Fund. While the Management Company and the Investment Advisers have established business continuity plans and risk management strategies to seek to prevent cybersecurity incidents, there are inherent limitations in such plans and strategies, including the possibility that certain risks have not been identified given the evolving nature of the threat of cyber-attacks. Furthermore, none of the Target Fund, the Management Company or the Investment Advisers can control the business continuity plans or cybersecurity strategies put in place by other service providers to the Target Fund or issuers of securities and counterparties to other financial instruments in which the Target Fund invests. The Investment Advisers rely on its third party service providers for many of their day-to-day operations and will be subject to the risk that the protections and policies

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	implemented by those service providers will be ineffective to protect the Investment Advisers or the Target Fund from cyber-attack. BlackRock is committed to an effective information security programme (focused on confidentiality, integrity and availability protections) and considers this of paramount importance to maintaining client trust and an essential cornerstone of its operations. BlackRock's Information Security group is focused on providing effective protection for BlackRock's information and technology systems. BlackRock's Information Security group has active partnerships with business lines, and technology and development groups. All BlackRock personnel are responsible for maintaining information security. BlackRock's Information Security program applies best practices from the ISO 27001/27002:2013 controls framework and the NIST Cybersecurity Framework ("NIST CSF") to prioritise technology defences.
Tax risk	The Company (or its representative) may file claims on behalf of the Target Fund to recover withholding tax on dividend and interest income (if any) received from issuers in certain countries where such withholding tax reclaim is possible. Whether or when the Target Fund will receive a withholding tax refund in the future is within the control of the tax authorities in such countries. Where the Company expects to recover withholding tax for the Target Fund based on a continuous assessment of probability of recovery, the net asset value of the Target Fund generally includes accruals for such tax refunds. The Company continues to evaluate tax developments for potential impact to the probability of recovery for the Target Fund. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation or approach, accruals in the Target Fund's net asset value for such refunds may need to be written down partially or in full, which will adversely affect the Target Fund's net asset value. Investors in the Target Fund at the time an accrual is written down will bear the impact of any resulting reduction in the Target Fund's net asset value regardless of whether they were investors during the accrual period. Conversely, if the Target Fund receives a tax refund that has not been previously accrued, investors in the Target Fund at the time the claim is successful will benefit from any resulting increase in the Target Fund's net asset value. Investors who sold their shares prior to such time will not benefit from such net asset value increase.
Sustainability risk	Sustainability risk is an inclusive term to designate investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that relates to environmental, social or governance issues. Sustainability risk around environmental issues includes, but is not limited to, climate risk, both physical and transition risk. Physical risk arises from the physical effects of climate change, acute or chronic. For example, frequent and severe climate-related events can impact products and services and supply chains. Transition risk whether policy, technology, market or reputation risk arises from the adjustment to a low-carbon economy in order to mitigate climate change. Risks related to social issues can include but are not limited to labour rights and community relations. Governance related risks can include but are not limited to risks around board independence, ownership & control, or audit & tax management. These risks can impact an issuer's operational effectiveness and resilience as well as its public perception, and reputation affecting its profitability and in turn, its capital growth, and ultimately impacting the value of holdings in the Target Fund. These are only examples of sustainability risk factors and sustainability risk factors do not solely determine the risk profile of the investment. The relevance, severity, materiality and time horizon of sustainability risk factors and other risks can differ significantly by the Target Fund. Sustainability risk can manifest itself through different existing risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.). By way of example, the Target Fund may invest in the equity or debt of an issuer that could face potentially reduced revenues or increased expenditures from

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	physical climate risk (e.g. decreased production capacity due to supply chain perturbations, lower sales due to demand shocks or higher operating or capital costs) or transition risk (e.g. decreased demand for carbon-intensive products and services or increased production costs due to changing input prices). As a result, sustainability risk factors may have a material impact on an investment, may increase the volatility, affect liquidity and may result in a loss to the value of shares in the Target Fund. The impact of those risks may be higher for the Target Fund with particular sectoral or geographic concentrations e.g., the Target Fund with geographical concentration in locations susceptible to adverse weather conditions where the value of the investments in the Target Fund may be more susceptible to adverse physical climate events or the Target Fund with specific sectoral concentrations such as investing in industries or issuers with high carbon intensity or high switching costs associated with the transition to low carbon alternatives, may be more impacted by climate transition risks. All or a combination of these factors may have an unpredictable impact on the Target Fund's investments. Under normal market conditions such events could have a material impact on the value of shares of the Target Fund. Assessments of sustainability risk are specific to the asset class and to the Target Fund's objective. Different asset classes require different data and tools to apply heightened scrutiny, assess materiality, and make meaningful differentiation among issuers and assets. Risks are considered and risk managed concurrently, by prioritizing based on materiality and on the Target Fund's objective. The impacts of sustainability risk are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts becomes available and the regulatory environment regarding sustainable finance evolves. These emerging risks may have further impacts on the value of shares in the Target Fund.
ESG labels	The Target Fund may have been awarded an ESG label for their engagement with socially responsible investment. ESG labels are contractual frameworks and compliance with their governance and investment requirements may not always align with the regulatory obligations applicable to the Target Fund. Auditors verify periodically that the Target Fund complies with the label criteria. Auditors may decide not to renew a label awarded previously. Label criteria may evolve over time, sometimes significantly, and the Target Fund may not be in a position to maintain the label without changing its investment policy. As a result, the Target Fund may withdraw from the label. Investors are invited to refer to the website of the ESG label for the most up to date list of funds holding the label.
Other risks	The Target Fund may be exposed to risks that are outside of its control – for example legal risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress; the risk of terrorist actions; the risk that economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear but could have a material effect on general economic conditions and market liquidity. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse.
Smaller capitalisation companies	The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company stocks trade less frequently and in smaller volume, and may be subject to more

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	abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the net asset value of the Target Fund’s shares.
Equity risk	The values of equities fluctuate daily and the Target Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.
ESG investment policy risk	The Target Fund will use certain ESG criteria in its investment strategies, as determined by the data provided by its ESG providers and as set out in the Target Fund’s investment policies. The Target Fund may use one or more different ESG providers, and the way in which the Target Fund will apply ESG criteria may vary. The use of ESG criteria may affect the Target Fund’s investment performance and, as such, the Target Fund may perform differently compared to similar funds that do not use such criteria. ESG-based exclusionary criteria used in the Target Fund’s investment policy may result in foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to the Target Fund ESG characteristics when it might be disadvantageous to do so. In the event the ESG characteristics of a security held by the Target Fund change, resulting in the Investment Adviser having to sell the security, neither the Target Fund, the Company nor the Investment Advisers accept liability in relation to such change. No investment will be made in contravention of Luxembourg law. The UN Convention on Cluster Munitions became binding international law on 1 August 2010 and prohibits the use, production, acquisition or transfer of cluster munitions. The Investment Advisers on behalf of the Company accordingly arrange for the screening of companies globally for their corporate involvement in anti-personnel mines, cluster munitions and depleted uranium ammunition and armour. Where such corporate involvement has been verified, the directors of the Company’s policy is not to permit investment in securities issued by such companies by the Company and the Target Fund. Any website indicated in the investment policy of the Target Fund includes information on the index methodology published by the relevant ESG provider and explains which types of issuer or security are excluded, for example by reference to the sector from which they derive their revenue. Such sectors might include tobacco, weapons or thermal coal. The relevant exclusions might not correspond directly with investors own subjective ethical views. The Target Fund will vote proxies in a manner that is consistent with the relevant ESG exclusionary criteria, which may not always be consistent with maximising the short-term performance of the relevant issuer. In evaluating a security or issuer based on ESG criteria, the Investment Adviser is dependent upon information and data from third party ESG providers, which may be incomplete, inaccurate, inconsistent or unavailable. As a result, there is a risk that the Investment Adviser may incorrectly assess a security or issuer. There is also a risk that the Investment Adviser may not apply the relevant ESG criteria correctly or that the Target Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near- cash instruments, shares or units of collective investment schemes, and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers which may not be consistent with the relevant ESG criteria used by the Target Fund. Neither the Target Fund, the Company nor the Investment Advisers make any representation or

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	warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such ESG assessment. **<u>MSCI ESG Screening Criteria</u>** The Target Fund may apply ESG criteria as defined by MSCI, an ESG provider. The MSCI methodology positively screens and ranks potential constituents according to their ESG credentials relative to their industry peers. No exclusion is made by MSCI on the basis of how ethical a particular industry/sector is perceived to be. Investors should make a personal ethical assessment of MSCI's ESG rating and/or controversies score and how they will be utilised as part of the Target Fund's investment policy prior to investing in the Target Fund. Such ESG screening may affect, adversely or otherwise, the value and/or quality of the Target Fund's investments compared to a fund without such screening.
Emerging market	Emerging markets are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. Amongst these, those which exhibit the lowest levels of economic and/or capital market development may be referred to as frontier markets, and the below mentioned risks may be amplified for these markets. Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and inadequate financial systems also presents risks in certain countries, as do environmental problems which may be exacerbated by climate change. In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes on foreign investors. Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor. The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of the Target Fund's acquisition or disposal of securities. Practices in relation to the settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Company will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if the Target Fund is unable to acquire or dispose of a security. The Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Luxembourg law and regulation. In certain emerging markets, registrars are not subject to effective government supervision nor are they always independent from issuers. Investors should

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	therefore be aware that the Target Fund could suffer loss arising from these registration problems. As a result of some of these characteristics there could be additional impacts on the value of the Target Fund as a result of sustainability risks, in particular those caused by environmental changes related to climate change, social issues (including but not limited to relating to labour rights) and governance risk (including but not limited to risks around board independence, ownership & control, or audit & tax management). Additionally, disclosures or third-party data coverage associated with sustainability risks is generally less available or transparent in these markets.
Restriction on foreign investments	Some countries prohibit or impose substantial restrictions on investments by foreign entities such as the Target Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of the Target Fund. For example, the Target Fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Target Fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which the Target Fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where the Target Fund places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Target Fund of the ability to make its desired investment at the time. Substantial limitations may exist in certain countries with respect to the Target Fund's ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. The Target Fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Target Fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed- end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If the Target Fund acquires shares in closed-end investment companies, shareholders would bear both their proportionate share of expenses in the Target Fund (including management fees) and, indirectly, the expenses of such closed end investment companies. In addition, certain countries such as India and the PRC implement quota restrictions on foreign ownership of certain onshore investments. These investments may at times be acquired only at market prices representing premiums to their net asset values and such premiums may ultimately be borne by the Target Fund. The Target Fund may also seek, at its own cost, to create its own investment entities under the laws of certain countries.
Liquidity risk	Trading volumes in the underlying investments of the Target Fund may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Target Fund may become less liquid in response to market developments, adverse investor perceptions or regulatory and government intervention (including the possibility of widespread trading suspensions implemented by domestic regulators). In extreme market conditions, there may be no willing buyer for an investment and so that investment cannot be readily sold at the desired time or price, and consequently the Target Fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of the Target Fund's assets can have a negative

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	impact of the value of the Target Fund or prevent the Target Fund from being able to take advantage of other investment opportunities. The liquidity of fixed income securities issued by small and midcapitalisation companies and emerging country issuers is particularly likely to be reduced during adverse economic, market or political events or adverse market sentiment. The credit rating downgrade of fixed income securities and changes in prevailing interest rate environments may also affect their liquidity. Similarly, investment in equity securities issued by unlisted companies, small and mid-capitalisation companies and companies based in emerging countries are particularly subject to the risk that during certain market conditions, the liquidity of particular issuers or industries, or all securities within a particular investment category, will reduce or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse market sentiment. Liquidity risk also includes the risk that the Target Fund may be forced to defer redemptions, issue in specie redemptions or suspend dealing because of stressed market conditions, an unusually high volume of redemption requests, or other factors beyond the control of the Investment Adviser. To meet redemption requests, the Target Fund may be forced to sell investments at an unfavourable time and/or conditions, which may have a negative impact on the value of your investment.
Investments in the PRC	Investments in the PRC are currently subject to certain additional risks, particularly regarding the ability to deal in securities in the PRC. Dealing in certain PRC securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the Company may determine from time to time that making direct investments in certain securities may not be appropriate for a UCITS. As a result, the Company may choose to gain exposure to PRC securities indirectly and may be unable to gain full exposure to the PRC markets.
PRC economic risk	The PRC is one of the world's largest global emerging markets. The economy in the PRC, which has been in a state of transition from a planned economy to a more market orientated economy, differs from the economies of most developed countries and investing in the PRC may be subject to greater risk of loss than investments in developed markets. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, greater risk of market shut down, greater control of foreign exchange and more limitations on foreign investment policy than those typically found in a developed market. There may be substantial government intervention in the PRC economy, including restrictions on investment in companies or industries deemed sensitive to relevant national interests. The PRC government and regulators may also intervene in the financial markets, such as by the imposition of trading restrictions, which may affect the trading of PRC securities. The companies in which the Target Fund invests may be held to lower disclosure, corporate governance, accounting and reporting standards than companies in more developed markets. In addition, some of the securities held by the Target Fund may be subject to higher transaction and other costs, foreign ownership limits, the imposition of withholding or other taxes, or may have liquidity issues which make such securities more difficult to sell at reasonable prices. These factors may have an unpredictable impact on the Target Fund's investments and increase the volatility and hence the risk of a loss to the value of an investment in the Target Fund. As with any fund investing in an emerging market country, the Target Fund investing in the PRC may be subject to greater risk of loss than a fund investing in a developed market country. The PRC economy has experienced significant and rapid growth in the past 20 years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the PRC economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth of the PRC economy.

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	Furthermore, the PRC government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities markets in PRC and therefore on the performance of the Target Fund. These factors may increase the volatility of the Target Fund (depending on its degree of investment in the PRC) and hence the risk of loss to the value of your investment.
PRC political risks	Any political changes, social instability and adverse diplomatic developments which may take place in, or in relation to, the PRC could result in significant fluctuation in the price of China A Shares and/or China onshore bonds.
Legal system of the PRC	The PRC legal system is based on written statutes and their interpretation by the Supreme People's Court. Prior court decisions may be cited for reference but have no precedent value. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organisation and governance, commerce, taxation and trade. However, because of the limited volume of published cases and judicial interpretation and their non-binding nature, the interpretation and enforcement of these regulations involves significant uncertainties. Given the short history of the PRC system of commercial laws, the PRC regulatory and legal framework may not be as well developed as those of developed countries. Such regulations also empower the CSRC and SAFE to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application. In addition, as the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the Target Fund's onshore business operations or the ability of the Target Fund to acquire China A-Shares and/or China onshore bonds.
Accounting and reporting standards	PRC companies are required to comply with PRC accounting standards and practices which follow international accounting standards to a certain extent. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.
Renminbi currency and conversion risk	The RMB, the lawful currency of the PRC, is not currently a freely convertible currency and is subject to exchange control imposed by the PRC government. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the Target Fund may invest in the PRC, it will be subject to the risk of the PRC government's imposition of restrictions on the repatriation of funds or other assets out of the country, limiting the ability of the Target Fund to satisfy payments to investors. Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example USD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Target Fund. The exchange rate used for the Target Fund transactions in RMB is in relation to the offshore Renminbi ("CNH"), not the onshore Renminbi ("CNY"), save for those made via the QFII regime. The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange

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	control policies and repatriation restrictions applied by the PRC government from time-to-time as well as other external market forces. Any divergence between CNH and CNY may adversely impact investors.
Specific risks applicable to QFI investing	**QFI Risk** The application and interpretation of the regulations which regulate investments through QFI regime in the PRC are relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. It is not possible to predict the future development of the QFI system. Any restrictions on repatriation imposed in respect of the relevant QFI Access Fund's QFI investments may have an adverse effect on the QFI Access Fund's ability to meet redemption requests. Any change in the QFI system generally, including the possibility of the QFI losing its QFI status, may affect the relevant QFI Access Fund's ability to invest in eligible securities in the PRC directly through the relevant QFI. In addition, should the QFI status be suspended or revoked, the relevant QFI Access Fund's performance may be adversely affected as the relevant QFI Access Fund may be required to dispose of its QFI eligible securities holdings. The applicable laws, rules and regulations on QFI are subject to change and such change may have potential retrospective effects. **QFI Investment Restrictions Risk** Although the QFI does not anticipate that QFI investment restrictions will impact on the ability of the QFI Access Funds to achieve their investment objectives, investors should note that the relevant PRC laws and regulations may limit the ability of a QFI to acquire China A-Shares in certain PRC issuers from time to time. This may occur in a number of circumstances, such as (i) where an underlying foreign investor such as the QFI holds in aggregate 10% of the total share capital of a listed PRC issuer (regardless of the fact that the QFI may hold its interest on behalf of a number of different ultimate clients), and (ii) where the aggregated holdings in China A-Shares by all underlying foreign investors (including other QFIIs and QFIs and whether or not connected in any way to the QFI Access Funds) already equal 30% of the total share capital of a listed PRC issuer. In the event that these limits are exceeded the relevant QFIs will be required to dispose of the China A-Shares in order to comply with the relevant requirements and, in respect of (ii), each QFI will dispose of the relevant China A-Shares on a "last in first out" basis. Such disposal will affect the capacity of the relevant QFI Access Fund in making investments in China A-Shares through the QFI. **Suspensions, Limits and other Disruption Affecting Trading of China A Shares** Liquidity for China A-Shares will be impacted by any temporary or permanent suspensions of particular stocks imposed from time to time by the Shanghai and/or Shenzhen stock exchanges or pursuant to any regulatory or governmental intervention with respect to particular investments or the markets generally. Any such suspension or corporate action may make it impossible for the relevant QFI Access Fund to acquire or liquidate positions in the relevant stocks as part of the general management and periodic adjustment of the QFI Access Fund's investments through the QFI or to meet redemption requests. Such circumstances may also make it difficult for the net asset value of the QFI Access Fund to be determined and may expose the QFI Access Fund to losses. In order to mitigate the effects of extreme volatility in the market price of China A-Shares, the Shanghai and Shenzhen stock exchanges currently limit the amount of fluctuation permitted in the prices of China A-Shares during a single trading day. The daily limit is currently set at 10% and represents the maximum amount that the price of a security (during the current trading session) may vary either up or down from the previous day's settlement price. The daily limit governs only price movements and does not restrict trading within the relevant limit. However, the limit does not limit potential losses because the limit may work to prevent a liquidation of any relevant securities at the fair or probable realisation value for such securities which

means that the relevant QFI Access Fund may be unable to dispose of unfavourable positions. There can be no assurance that a liquid market on an exchange would exist for any particular China A-Share or for any particular time.

Counterparty Risk to The QFI Custodian And Other Depositaries for PRC Assets

Any assets acquired through the QFI regime will be maintained by the QFI Custodian pursuant to the PRC regulations, in electronic form via the QFI securities account(s) and any cash will be held in RMB cash account(s) (as defined under the section "QFI Investments") with the QFI Custodian. QFI securities account(s) and RMB cash account(s) for the relevant QFI Access Fund in the PRC are maintained in accordance with market practice. Whilst the assets held in such accounts are segregated and held separately from the assets of the QFI and belong solely to the relevant QFI Access Fund, it is possible that the judicial and regulatory authorities in the PRC may interpret this position differently in the future. The relevant QFI Access Fund may also incur losses due to the acts or omissions of the QFI Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities.

Cash held by the QFI Custodian in the RMB cash account(s) will not be segregated in practice but will be a debt owing from the QFI Custodian to the relevant QFI Access Fund as a depositor.

Such cash will be co-mingled with cash belonging to other clients of the QFI Custodian. In the event of insolvency of the QFI Custodian, the relevant QFI Access Fund will not have any proprietary rights to the cash deposited in the cash account opened with the QFI Custodian, and the QFI Access Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the QFI Custodian. The QFI Access Fund may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant QFI Access Fund will lose some or all of its cash.

Counterparty Risk to PRC Broker(s)

The QFI selects brokers in the PRC ("PRC Broker(s)") to execute transactions for the relevant QFI Access Fund in markets in the PRC. There is a possibility that the QFI may only appoint one PRC Broker for each of the SZSE and the SSE, which may be the same broker. While up to three PRC Brokers can be appointed for each of the Shenzhen and Shanghai stock exchanges, as a matter of practice, it is likely that that only one PRC Broker will be appointed in respect of each stock exchange in the PRC as a result of the requirement in the PRC that securities are sold through the same PRC Broker through which they were originally purchased.

If, for any reason, the QFI is unable to use the relevant broker in the PRC, the operation of the relevant QFI Access Fund may be adversely affected. The QFI Access Fund may also incur losses due to the acts or omissions of any of the PRC Broker(s) in the execution or settlement of any transaction or in the transfer of any funds or securities.

If a single PRC Broker is appointed, the relevant QFI Access Fund may not pay the lowest commission available in the market.

However, the QFI shall, in the selection of PRC Brokers, have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards.

There is a risk that the relevant QFI Access Fund may suffer losses from the default, insolvency or disqualification of a PRC Broker. In such event, the relevant QFI Access Fund may be adversely affected in the execution of transactions through such PRC Broker. As a result, the net asset value of the relevant QFI Access Fund may also be adversely affected. To mitigate the Company's exposure to the PRC Broker(s), the QFI employs specific procedures to ensure that each PRC Broker selected is a reputable institution and that the credit risk is acceptable to the Company.

	RISKS OF THE TARGET FUND
	Remittance and Repatriation of Renminbi Repatriations of RMB by QFIs are currently not subject to any lock-up periods or prior regulatory approval; although authenticity and compliance reviews will be conducted and monthly reports on remittances and repatriations will be submitted to SAFE by the QFI Custodian. The repatriation process may be subject to certain requirements set out in the relevant regulations (e.g. submission of certain documents when repatriating the realised cumulative profits). Completion of the repatriation process may be subject to delay. There is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Further, such changes to the PRC rules and regulations may be applied retroactively. Any restrictions on repatriation imposed in respect of the relevant QFI Access Fund's cash may have an adverse effect on the QFI Access Fund's ability to meet redemption requests. Furthermore, as the QFI Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the QFI Custodian in case of non-compliance with the QFI rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming shareholder as soon as practicable and after the completion of the repatriation of funds concerned. The actual time required for the completion of the relevant repatriation will be beyond the QFI's control.
Risk applicable to investing via the Stock Connects	**Quota Limitations** The Stock Connects are subject to quota limitations, further details of which are set out in the section "Investment Objectives, Policies and Strategy" of the Target Fund above. In particular, once the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Stock Connect Fund's ability to invest in the eligible securities through the Stock Connect on a timely basis, and the relevant Stock Connect Fund may not be able to effectively pursue its investment strategy. **Legal/Beneficial Ownership** The SSE Securities and SZSE Securities in respect of the Stock Connect Funds are held by the Depositary/ sub-custodian in accounts in the CCASS maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the SSE Securities and SZSE Securities, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connects. The precise nature and rights of the Stock Connect Funds as the beneficial owners of the SSE Securities and SZSE Securities through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore the exact nature and methods of enforcement of the rights and interests of the Stock Connect Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the SSE Securities and SZSE Securities will be regarded as held for the beneficial ownership of the Stock Connect Funds or as part of the general assets of HKSCC available for general distribution to its creditors. **Clearing and Settlement Risk** HKSCC and ChinaClear have established the clearing links and each has become a participant of the other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

	RISKS OF THE TARGET FUND
	As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Stock Connect Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear. **Suspension Risk** Each of the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension is effected, the relevant Stock Connect Fund's ability to access the PRC market will be adversely affected. **Differences in Trading Day** The Stock Connects only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but the Stock Connect Funds cannot carry out any China A-Shares trading via the Stock Connects. The Stock Connect Funds may be subject to a risk of price fluctuations in China A-Shares during the time when the Stock Connects is not trading as a result. **Restrictions on Selling Imposed by Front-end Monitoring** PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If a Stock Connect Fund intends to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. Because of this requirement, a Stock Connect Fund may not be able to dispose of its holdings of China A-Shares in a timely manner. Alternatively, if a Stock Connect Fund maintains its SSE Securities and/or SZSE Securities with a custodian which is a custodian participant or general clearing participant participating in the CCASS, the Stock Connect Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in SSE Securities and/or SZSE Securities (as the case may be) under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connects system to verify the holdings of an investor such as the Stock Connect Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Stock Connect Fund's sell order, the relevant Stock Connect Fund will only need to transfer SSE Securities and/or SZSE Securities from its SPSA to its broker's account after execution and not before placing the sell order and the relevant Stock Connect Fund will not be subject to the risk of being unable to dispose of its holdings of SSE Securities and/or SZSE Securities in a timely manner due to failure to transfer SSE Securities and/or SZSE Securities to its brokers in a timely manner. To the extent a Stock Connect Fund is unable to utilize the SPSA model, it would have to deliver SSE Securities and/or SZSE Securities to its brokers before the market opens on the trading day. Accordingly, if there are insufficient SSE Securities and/or

	RISKS OF THE TARGET FUND
	SZSE Securities in the Stock Connect Fund's account before the market opens on the trading day, the sell order will be rejected, which may adversely impact its performance. **Settlement Mode under the SPSA model** Under the normal Delivery Versus Payment (DVP) settlement mode, stock and cash settlement will take place on T+0 between clearing participants (i.e. brokers and custodian or a custodian participant) with a maximum window of four hours between stocks and cash movement. This applies to settlement in CNH only and on the condition that the brokers support same-day Chinese renminbi cash finality. Under the Real time Delivery Versus Payment (RDVP) settlement mode introduced in November, 2017, stock and cash movement will take place real time but the use of RDVP is not mandatory. The clearing participants must agree to settle the transaction RDVP and indicate RDVP on the settlement instruction in a specific field. If either of the clearing participants are unable to settle the trades RDVP, there is a risk that the trades could either fail or revert to normal DVP based on amendment from both parties. If the trades are to revert to normal DVP, an amended instruction from the Stock Connect Fund must be provided before the published cut-off and matched with the broker's amended instruction before the market cut off; in the absence of such amended instructions, there is a risk the trades could fail and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its benchmark index. **Operational Risk** The Stock Connects are premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The relevant Stock Connect Fund's ability to access the PRC market (and hence to pursue its investment strategy) may be adversely affected. **Regulatory Risk** The Stock Connect is a novel concept. The current regulations are untested and there is no certainty as to how they will be applied. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connects will not be abolished. New regulations may be issued from time to time by the regulators / stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. Stock Connect Funds may be adversely affected as a result of such changes. Chinese companies, such as those in the financial services or technology sectors, and potentially other sectors in the future, are also subject to the risk that Chinese authorities can intervene in their operations and structure, which may negatively affect the value of the Target Fund's investments. **Recalling of Eligible Stocks** When a security is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Stock Connect Funds, for example, if the Investment Adviser wishes to purchase a stock which is recalled from the scope of eligible stocks.

DEALING INFORMATION

You are advised not to make payment in cash to any individual agent when purchasing Units of the Fund.

If you are intending to invest in a Class other than MYR Class and MYR Hedged-class, you are required to have a foreign currency account with any Financial Institutions as all transactions relating to the particular foreign currency will ONLY be made via telegraphic transfers.

WHO IS ELIGIBLE TO INVEST?

- You must be at least eighteen (18) years old and a Sophisticated Investor in order to invest in this Fund. Please refer to the "Glossary" chapter of this Information Memorandum for the definition of "Sophisticated Investor".
- Please note that if you are a US Person, you are not eligible to subscribe to the Units of the Fund. If we become aware that you are a US Person who holds Units of the Fund, we will issue a notice requiring you to:-
    - redeem your Units of the Fund; or
    - transfer your Units to a non-US Person,

  within thirty (30) days from the date of the said notice.

HOW TO PURCHASE UNITS?

- You may submit the purchase request by completing an application form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- You are required to provide us with the following completed forms and documents. However, we reserve the right to request for additional documentations before we process the purchase application.

Individual or Jointholder	Corporation
• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Client acknowledgement form; • A copy of identity card or passport or any other document of identification; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form.	• Account opening form; • Suitability assessment form; • Personal data protection notice form; • Certified true copy of memorandum and articles of association*; • Certified true copy of certificate of incorporation*; • Certified true copy of form 24 and form 49*; • Certified true copy of form 8, 9, 13, 20 and 44 (where applicable)*; • Latest audited financial statement; • Board resolution relating to the investment; • A list of the authorised signatories; • Specimen signatures of the respective signatories; and • Foreign Account Tax Compliance Act ("FATCA") and Common Reporting Standard ("CRS") Self-certification Form. ** or any other equivalent documentation issued by the authorities.*

HOW TO MAKE PAYMENT FOR PURCHASE APPLICATION?

- You may transfer the purchase payment into our bank account via telegraphic transfer or online transfer, and include your name in the transaction description for our reference. Payment must be made in the currency of the Class which you intend to invest into. You may obtain our bank account details from our online download center at www.aham.com.my.
- Bank charges or other bank fees, if any, will be borne by you.

WHAT IS THE PROCESS OF THE PURCHASE APPLICATION?

- If we receive your purchase application at or before 3.30 p.m. on a Business Day (or "T day"), the Units will be created in the following manner:

MYR Class, MYR Hedged-class and USD Class	Based on the NAV per Unit of a Class for that Business Day.
SGD Hedged-class and AUD Hedged-class	Based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.

  Any purchase request received or deemed to have been received by us after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day"), unless a prior arrangement is made to our satisfaction.

- Sale of Units will be honoured upon receipt of a complete set of documents together with the proof of payments.

HOW TO REPURCHASE UNITS?

- It is important to note that, you must meet the minimum holding of Units for a particular Class after a repurchase transaction.

  If you insist on making a repurchase request knowing that after the transaction you will hold less than the minimum holding of Units for a particular Class, we may withdraw all your holding of Units for that particular Class and pay the proceeds to you.

  We may, with the consent of the Trustee, reserve the right to defer your repurchase request if such transaction would adversely affect the Fund or the interest of the Unit Holders.

- You may submit the repurchase request by completing a transaction form and returning it to us between 8.45 a.m. to 3.30 p.m. on a Business Day.
- Payment of the repurchase proceeds will be made via bank transfer where proceeds will be transferred to your bank account. Where Units are held jointly, payment will be made to the person whose name appears first in the register of Unit Holders.
- Bank charges and other bank fees, if any, will be borne by us.

WHAT IS THE PROCESS OF REPURCHASE APPLICATION?

- For a repurchase request received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"), the Units will be repurchased in the following manner:

MYR Class, MYR Hedged-class and USD Class	Based on the NAV per Unit of a Class for that Business Day.
SGD Hedged-class and AUD Hedged-class	Based on the initial offer price of a Class during the initial offer period and thereafter, NAV per Unit of a Class for that Business Day.

  Any repurchase request received after 3.30 p.m. will be transacted on the next Business Day (or "T + 1 day").

- Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT IS THE REPURCHASE PROCEEDS PAYOUT PERIOD?

- You will be paid within ten (10) Business Days from the day the repurchase request is received by us, provided that all documentations are completed and verifiable("**Payment Period**"). Please note that such Payment Period may be extended in the event of a temporarily suspension of dealing in Units or the calculation of the net asset value of the Target Fund and/or its share class is deferred or the payment period of the Target Fund is extended.

WHAT IS THE PRICING OF UNITS?

- During the initial offer period, the Selling Price and Repurchase Price for all Classes are equivalent to the initial offer price of the Class. After the initial offer period, Forward Pricing will be used to determine the Selling Price and the Repurchase Price of the respective Class, i.e. the NAV per Unit of each Class as at the next valuation point after we receive the purchase request or repurchase request.
- Any applicable Sales Charge and Repurchase Charge are payable separately from the Selling Price and Repurchase Price.

WHERE TO PURCHASE AND REPURCHASE UNITS?

- Units can be purchased and repurchased at any of the location listed in the "Directory of Sales Offices" section in this Information Memorandum or with our authorised distributors.
- You may obtain a copy of this Information Memorandum, product highlights sheet and application forms from the abovementioned location. Alternatively, you may also visit our website at www.aham.com.my.

WHAT IS COOLING-OFF RIGHT?

- You have the right to apply for and receive a refund for every Unit that you have paid for within six (6) Business Days from the date we received your purchase application.
- You will be refunded for every Unit held based on the prices mentioned below and the Sales Charge of the particular Class imposed on the day those Units were purchased.
  - (i) If the price of a Unit on the day the Units were first purchased ("original price") is higher than the price of a Unit at the point of exercise of the cooling-off right ("market price"), you will be refunded based on the market price at the point of cooling-off; or
  - (ii) If the market price is higher than the original price, you will be refunded based on the original price at the point of cooling -off.
- You will be refunded within ten (10) Business Days from our receipt of the cooling-off application.

  Please note that the cooling-off right is applicable to you if you are an individual investor and are investing in any of our funds for the first time. However, if you are a staff of AHAM or a person registered with a body approved by the SC to deal in unit trust funds, you are not entitled to this right.

WHAT IS THE PROCESS OF COOLING-OFF APPLICATION?

- We will process your cooling-off request if your request is received or deemed to have been received by us at or before 3.30 p.m. on a Business Day (or "T day"). Any cooling-off request received after 3.30 p.m. will be transacted on the next Business Day (or "T+1 day").

  Processing is subject to receipt of a complete transaction form and such other documents as may be required by us.

WHAT ARE THE SWITCHING OPTIONS?

You are able to switch:

- between Classes of the Fund; or
- into any of our funds (or its classes), provided that the fund (or its class) is denominated in the same currency as the Class that you intend to switch out of, and it is subject to the terms and conditions applicable for the respective funds.

  However, you must meet the minimum holding of Units requirements of the Class that you switched out from and the minimum investment amount of the fund (or its class) that you intend to switch into.

  You are also to note that we reserve the right to reject any switching requests that are regarded as disruptive to efficient portfolio management, or requests that we deem to be contrary to the best interests of the Fund and/or the existing Unit Holders of a particular Class.

The process of the switching application is as below:

- **Switching between Classes of the Fund**

  You must complete a switching transaction form and submit it to us together with relevant supporting documents, if any. If we receive your switching request at or before the cut-off time of 3.30 p.m. on a Business Day, we will process it using the NAV per Unit of a Class for that Business Day (or "T Day"). If we receive your switching request after 3.30 p.m., we will process it using the NAV per Unit of a Class calculated at the end of the next Business Day (or "T + 1 Day").

- **Switching from the Classes of this Fund into other funds (or its class) managed by AHAM**

  You must complete a switching transaction form and submit it to us at or before the cut-off time of 3.30 p.m. on a Business Day (or "T Day") together with relevant supporting documents, if any. If we receive your switching request after 3.30 p.m., we will process your request on the next Business Day (or "T-+1 Day").

  You should note that the pricing day of a fund (or its class) may not be of the same day as we receive your switching application. Please see below the pricing policy of switching for all our funds:

Switching Out Fund	Switching In Fund	Pricing Day	
		Switching Out Fund	Switching In Fund
Money market fund	Non-money market fund	T Day	T Day
Non-money market fund	Non-money market fund		
Money market fund	Money market fund	T Day	T + 1 Day
Non-money market fund	Money market fund	T Day	At the next valuation point, subject to clearance of payment and money received by the intended fund

CAN I TRANSFER MY UNITS TO ANOTHER PERSON?

- You are allowed to transfer your Units, whether fully or partially, to another person by completing the transfer transaction form and returning it to us on a Business Day. The transfer must be made in terms of Units and not in terms of USD, MYR, SGD and AUD. There is no minimum amount of Units required to effect a transfer except that the transferor and transferee must hold the minimum holding of Units to remain as a Unit Holder of a Class.
- It is important to note that we are at liberty to disregard or refuse to process the transfer application if the processing of such instruction will be in contravention of any law or regulatory requirements, whether or not having the force of law and/or would expose us to any liability.
- Please note that the person who is in receipt of the Units must be a Sophisticated Investor as well.

HOW DO I RECEIVE THE INCOME DISTRIBUTION?

- Income distribution, if any, will be paid out in the currencies in which the Classes are denominated. You may elect the mode of distribution in cash payment or additional Units by way of reinvestment by ticking the appropriate column in the application form. You may also inform us at any time before the income distribution date of your wish of receiving cash payment or additional Units via reinvestment. All distribution will be automatically reinvested into additional Units in the Fund if you do not elect the mode of distribution in the application form.

  Any distribution payable which is less than or equal to the amount of USD/MYR/SGD/AUD 300.00 would be automatically reinvested.

  Cash Payment Process
  Income distribution by way of cash payment will be paid via telegraphic transfer. Income will be transferred to your bank account within seven (7) Business Days after the distribution date.

  Reinvestment Process
  We will create the Units based on the NAV per Unit of the Class at the income payment date which is within two (2) Business Days after the distribution date. There will not be any cost for reinvestments of those additional Units, i.e. no Sales Charge will be imposed on such reinvestment.

SUSPENSION OF DEALING IN UNITS

The Manager may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the dealing in Units due to exceptional circumstances or such other circumstances as may be determined by the Manager, where there is good and sufficient reason to do so. The Manager will cease the suspension as soon as practicable after the exceptional circumstances have ceased, and in any event, within twenty-one (21) days from the commencement of suspension.

The period of suspension may be extended if the Manager satisfies the Trustee that it is in the best interest of the Unit Holders for the dealing in Units to remain suspended, subject to a weekly review by the Trustee.

The Trustee may suspend the dealing in Units, if the Trustee, on its own accord, considers that exceptional circumstances have been triggered. In such a case, the Trustee shall immediately call for a Unit Holders' meeting to decide on the next course of action.

RELATED PARTIES TO THE FUND

ABOUT THE MANAGER - AHAM

AHAM was incorporated in Malaysia on 2 May 1997 and began its operations under the name Hwang–DBS Capital Berhad in 2001. AHAM has more than 20 years' experience in the fund management industry. In 2022, AHAM's ultimate major shareholder is CVC Capital Partners Asia Fund V, a private equity fund managed by CVC Capital Partners ("CVC"), which has approximately 68.35% controlling interest in AHAM. CVC is a global private equity and investment advisory firm with approximately USD125 billion of assets under its management. AHAM is also 20% owned by Nikko Asset Management Co. Ltd., a Tokyo-based asset management company, and 7% owned by Lembaga Tabung Angkatan Tentera.

Our Role as the Manager

We are responsible for the investment management and marketing of the Fund; servicing Unit Holders' needs; keeping proper administrative records of Unit Holders and the Fund; ensuring compliance with stringent internal procedures and guidelines of relevant authorities.

Our Investment Team

Our investment team comprises a group of portfolio managers who possess the necessary expertise and experience to undertake the fund management of our unit trust funds. The investment team will meet at least once a week or more should the need arise. The designated fund manager of the Fund is Mr. David Ng and you may obtain his profile from our website at www.aham.com.my.

ABOUT THE TRUSTEE – HSBC (MALAYSIA) TRUSTEE BERHAD

The Trustee is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13th Floor, Bangunan HSBC, South Tower, No 2, Leboh Ampang, 50100 Kuala Lumpur.

Duties and Responsibilities of the Trustee

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the Act and the Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that AHAM performs its duties and obligations in accordance with the provisions of the Deed, the Act and the Guidelines. In respect of monies paid by an investor for the application of units, the Trustee's responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of repurchase request, the Trustee's responsibility is discharged once it has paid the repurchase amount to AHAM.

Trustee's Delegate

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of any third party depository including central securities depositories or clearing and/or settlement systems in any circumstances .

Particulars of the Trustee's Delegate
For foreign asset:
The Hongkong and Shanghai Banking Corporation Limited
6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Hong Kong.
Telephone No: (852)2288 6111

For local asset:
The Hongkong and Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Co. No. 258854-D)
No 2 Leboh Ampang, 50100 Kuala Lumpur
Telephone No: (603)2075 3000 Fax No: (603)2179 6488

Anti-Money Laundering and Anti-Terrorism Financing Provisions
The Trustee has in place policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, willful default or fraud of the Trustee.

Statement of Disclaimer
The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

Consent to Disclosure
The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders for purposes of performing its duties and obligations in accordance to the Deed, the Act, Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

Related-Party Transactions/Conflict of Interest
As Trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-

1) Where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, transferable securities, etc);
2) Where the Fund is being distributed by the related party of the Trustee as Institutional Unit Trust Adviser (IUTA);
3) Where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
4) Where the Fund obtains financing as permitted under the Guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with conflict of interest, if any. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of unit holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

RELEVANT INFORMATION

SALIENT TERM OF THE DEED

Your Rights and Liabilities

You have the right, among others, to the followings:-

(a) To receive the distribution of income (if any), to participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out under the Deed;

(b) To call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a Special Resolution; and

(c) To receive quarterly and annual reports.

However, you would not have the right to require the transfer to you of any of the assets of the Fund. Neither would you have the right to interfere with or question the exercise by the Trustee or the Manager on his behalf, of the rights of the Trustee as the registered owner of such assets.

You are not liable to the followings:-

(a) For any amount in excess of the purchase price paid for the Units as determined pursuant to the Deed at the time the Units were purchased and any charges payable in relation thereto;

(b) For any obligation to indemnify the Trustee and/or the Manager in the event that the liabilities incurred by the Trustee and/or the Manager in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund and any right of indemnity of the Trustee and/or the Manager shall be limited to recourse to the Fund.

Provisions Regarding Unit Holders' Meetings

Quorum Required for Convening a Unit Holders' Meeting

(a) The quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be five (5) Unit Holders (irrespective of the Class), whether present in person or by proxy; however, if the Fund or a Class, as the case may be, has five (5) or less Unit Holders (irrespective of the Class), the quorum required for a meeting of the Unit Holders of the Fund or a Class, as the case may be, shall be two (2) Unit Holders (irrespective of the Class), whether present in person or by proxy.

(b) If the meeting has been convened for the purpose of voting on a Special Resolution, the Unit Holders present in person or by proxy must hold in aggregate at least twenty-five per centum (25%) of the Units in Circulation (irrespective of the Class) of the Fund or a particular Class, as the case may be, at the time of the meeting.

(c) If the Fund or a Class, as the case may be, has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, shall constitute the quorum required for the meeting of the Unit Holders of the Fund or a Class, as the case may be.

Unit Holders' Meeting convened by the Unit Holders

Unless otherwise required or allowed by the relevant laws, the Manager shall, within twenty-one (21) days of receiving a direction from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or of a particular Class, as the case may be, summon a meeting of the Unit Holders of the Fund or of that Class by:

(a) sending by post at least seven (7) days before the date of the proposed meeting a notice of the proposed meeting to all the Unit Holders of the Fund or Unit Holders of a particular Class, as the case may be, at the Unit Holders' last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and

(b) publishing at least fourteen (14) days before the date of the proposed meeting an advertisement giving notice of the proposed meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

The Unit Holders may direct the Manager to summon a meeting for any purpose including, without limitation, for the purpose of:-

(a) requiring the retirement or removal of the Manager;

(b) requiring the retirement or removal of the Trustee;

(c) considering the most recent financial statements of the Fund; or

(d) giving to the Trustee such directions as the meeting thinks proper; or

provided always that the Manager shall not be obliged to summon such a meeting unless a direction has been received from not less than fifty (50) or one-tenth (1/10), whichever is less, of all the Unit Holders of the Fund or the Unit Holders of a particular Class.

Unit Holders' Meeting convened by the Manager or Trustee

The Manager may for any purpose whatsoever summon a meeting of the Unit Holders by sending by post at least fourteen (14) days before the date of the proposed meeting, or such other time as may be prescribed by the relevant laws, a notice of the proposed meeting to all the Unit Holders. All such notices and advertisement to the Unit Holders shall specify the place, time and terms of the resolutions to be proposed.

Unless otherwise required or allowed by the relevant laws, a meeting of the Unit Holders summoned by the Trustee pursuant to Clause 17.2.1 and 17.2.2 of the Deed shall be summoned by:

(a) sending by post at least twenty-one (21) days before the date of the proposed meeting a notice of the proposed meeting to each of the Unit Holders at the Unit Holder's last known address or, in the case of jointholders, to the jointholder whose name stands first in the records of the Manager at the jointholder's last known address; and

(b) publishing at least twenty-one (21) days before the date of the proposed meeting an advertisement giving notice of the meeting in a national language newspaper published daily and another newspaper approved by the relevant authorities.

Termination of the Fund

The Fund may be terminated or wound up subject to a Special Resolution being passed at a Unit Holders' meeting to terminate or wind up the Fund.

The Manager may determine the trust and wind up the Fund without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and the termination of the Fund is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Fund is left with no Unit Holder, the Manager shall also be entitled to terminate the Fund.

Termination of a Class

The Manager may terminate a particular Class via the passing of a Special Resolution by the Unit Holders of such Class at a meeting of such Unit Holders, and subject to and in accordance with the relevant laws. The Manager may only terminate a particular Class if the termination of that Class does not prejudice the interests of Unit Holders of any other Class. For the avoidance of doubt, the termination of a Class shall not affect the continuity of any other Class of the Fund.

The Manager may terminate a particular Class without having to obtain the prior approval of the Unit Holders upon the occurrence of any of the following events:

(a) if any new law shall be passed which renders it illegal; or

(b) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Class and the termination of the Class is in the best interests of the Unit Holders.

Notwithstanding the aforesaid, if the Class is left with no Unit Holder, the Manager shall also be entitled to terminate the Class.

Procedures to be taken to increase the Fees and Charges from the current amount stipulated in the Information Memorandum

We may not charge a Sales Charge and/or Repurchase Charge (if any) at a rate higher than that disclosed in this Information Memorandum unless:-

(a) we have notified the Trustee in writing of the effective date for the higher charge; and

(b) a supplemental/replacement information memorandum in respect of the Fund setting out the higher charge is issued thereafter.

We or the Trustee may not charge an annual management fee and/or an annual trustee fee at a rate higher than that disclosed in this Information Memorandum unless:

(a) both the Trustee and the Manager have come to an agreement on the higher rate;

(b) we have notified the Unit Holders of the higher rate and the date on which such higher rate is to become effective; and

(c) a supplemental/replacement information memorandum stating the higher rate is issued thereafter.

INCORRECT PRICING

We will take immediate action to rectify any incorrect valuation and/or pricing of the Fund and/or the Units and to notify the Trustee and the SC of the same unless the Trustee considers the incorrect valuation and/or pricing of the Fund and/or the Units is of minimal significance.

The Trustee will not consider an incorrect valuation and/or pricing of the Fund and/or the Units to be of minimal significance if the error involves a discrepancy of 0.5% or more of the NAV per Unit attributable to a Class unless the total impact on your account of each Class is less than MYR 10.00 or in the case of foreign currency Class, less than 10.00 denominated in the foreign currency denomination of the Class. An incorrect valuation and/or pricing not considered to be of minimal significance by the Trustee will result in reimbursement of moneys in the following manner:

	Reimbursement by:	Receiving parties:
Over valuation and/or pricing in relation to the purchase and creation of Units	Fund	Unit Holder
Over valuation and/or pricing in relation to the repurchase of Units	AHAM	Fund
Under valuation and/or pricing in relation to the purchase and creation of Units	AHAM	Fund
Under valuation and/or pricing in relation to the repurchase of Units	Fund	Unit Holder or former Unit Holder

FINANCING AND SECURITIES LENDING

The Fund is not permitted to borrow cash or other assets (including the borrowing of securities within the meaning of the SC's Securities Borrowing and Lending Guidelines [SBL Guidelines]) in connection with its activities.

Except for securities lending as provided under the SBL Guidelines, none of the cash or investments of the Fund may be lent. Further, the Fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person.

UNCLAIMED MONIES

Any monies payable to you which remain unclaimed after twelve (12) months from the date of payment will be dealt as follows:-

(a) we may reinvest the unclaimed distribution proceeds provided that you still have an account with us; or

(b) we will pay to the Registrar of Unclaimed Monies in accordance with the requirements of the Unclaimed Moneys Act 1965.

INVESTORS INFORMATION

How can I keep track of my investments?

You may obtain the daily Fund price from our website at www.aham.com.my. As the Fund has exposure to investments in foreign jurisdiction, the daily prices are based on information available two (2) Business Days prior to publication.

We will provide you with an annual report and a quarterly report within two (2) months after the end of the financial period the report covers. In addition, we will also send you a monthly statement confirming the current Unit holdings and transactions relating to your Units in the Fund.

Who should I contact if I need additional information of the Fund?

You can seek assistance from our customer service personnel at our toll free number 1-800-88-7080 between 8.45 a.m. to 5.30 p.m. on a Business Day. Alternatively, you can e-mail us at customercare@aham.com.my.

ANTI-MONEY LAUNDERING POLICIES AND PROCEDURES

Pursuant to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLATFPUAA") and the SC's Guidelines on Prevention of Money Laundering and Terrorism Financing for Reporting Institutions in the Capital Market, it is our responsibility to prevent AHAM from being used for money laundering and terrorism financing activities. To this end, we have established an Anti-Money Laundering/Counter-Financing of Terrorism Framework (AML/CFT Framework) and put in place anti-money laundering process and procedures to combat such activities. This includes a robust due diligence process and procedures for client on-boarding (such as know-your-client procedures and customer due diligence) as well as ongoing monitoring of clients' transactions to detect any suspicious transactions.

To meet our regulatory obligations to verify the identity of our clients and to verify the source of funds, we may request for additional information from you. Information requested may include, but not limited to, supporting documents, documentary evidence to support information given and could extend to documents regarding identity of beneficial owners (if applicable). We reserve the right to reject an application to invest in the Fund should clients fail to provide the information required. Furthermore, where a particular transaction is deemed suspicious, we have an obligation under the AMLATFPUAA to notify the relevant authority of the transaction.

DIRECTORY OF SALES OFFICES

AHAM ASSET MANAGEMENT BERHAD:

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Ground Floor, Menara Boustead
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Fax : 03 – 2116 6100
Toll Free No : 1-800-88-7080
Email: customercare@aham.com.my
Website: www.aham.com.my

PENANG
No. 123, Jalan Macalister,
10450 Georgetown,
Penang
Toll Free No: 1800-888-377

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1, Persiaran Greentown 6
Greentown Business Centre
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Fax: 05 – 255 9696

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Fax : 07 – 223 8998

MELAKA
Ground Floor
No. 584 Jalan Merdeka
Taman Melaka Raya
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Fax: 06 -281 2937

SABAH
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29, Jalan Tunku Abdul Rahman
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SARAWAK
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