**VISA 2021/167249-4416-0-PC**
L'apposition du visa ne peut en aucun cas servir d'argument de publicité
Luxembourg, le 2021-12-31
Commission de Surveillance du Secteur Financier

# EAST CAPITAL

**Société d'investissement à capital variable incorporated in Luxembourg**

**PROSPECTUS**

**December 2021**

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No person is authorised to give any information other than that contained in the Prospectus and in documents referred to herein. The original English text of this Prospectus is the legal and binding version.

## NOTE TO THE READERS

The main part of the Prospectus describes the nature of East Capital (the "**Fund**"), presents its general terms and conditions and sets out its management and investment parameters which apply to the Fund as well as to the different sub-funds (the "**Sub-Funds**") that compose the Fund.

The investment policy of each Sub-Fund, as well as its specific features, is described in the Appendix I attached to this Prospectus.

The Appendices are an integral part of this Prospectus and will be updated upon the creation of each new Sub-Fund or upon changes concerning the Sub-Funds.

Any subscription for shares is made on the basis of most current Prospectus, Key Investor Information Document (KIID) and annual or semi-annual report of the Fund.

For further information, please refer to the Table of Contents of this Prospectus.

Attention of investors is drawn to the fact that local paying agents and correspondent banks established in certain jurisdictions such as Italy may charge to investors a fee in relation to the execution of subscriptions, redemptions and/or conversions, as detailed in the local offering documentation. Prospective subscribers for Shares should make themselves aware of the legal requirements with respect to such application and of any applicable taxes in the countries of their respective citizenship, residence or domicile.

**United States**

The Shares have not been and will not be registered under the Securities Act of 1933 of the United States, as amended (the "**1933 Act**") or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "US Person" (within the meaning of the 1933 Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof. The Fund will not be registered under the United States Investment Company Act of 1940 (as amended) (the "**1940 Act**") since Shares will only be sold to US Persons who are "qualified purchasers", as defined in the 1940 Act.

The Shares have not been filed with or approved or disapproved by any regulatory authority of the United States or any state thereof, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful. There will be no public offering of the Shares in the United States.

Investors should note that under the Foreign Account Tax Compliance Act ("**FATCA**") details of US investors holding assets outside the US may be reported by financial institutions to the Internal Revenue Service (IRS), as a safeguard against US tax evasion. As a result, and to discourage non-United States financial institutions from staying outside this regime, financial institutions that do not enter and comply with the regime will be subject to a 30% withholding tax penalty with respect to certain United States sourced income (including dividends) and gross proceeds from the sale or other disposal of property that can produce United States sourced income. In order to protect the Shareholders from the effect of any

withholding penalty, it is the intention of the Fund to be compliant with the requirements of the FATCA regime as this applies to entities such as the Fund. For further details, please refer to section "FATCA".

**PROCESSING OF PERSONAL DATA**

The Fund and the Management Company (the "**Controllers**") jointly process information relating to several categories of identified or identifiable natural persons (including, in particular but not limited to, prospective or existing investors, their beneficial owners and other natural persons related to prospective or existing investors) who are hereby referred to as the "Data Subjects". This information has been, is and/or will be provided to, obtained by, or collected by or on behalf of, the Controllers directly from the Data Subjects or from other sources (including prospective or existing investors, intermediaries such as distributors, wealth managers and financial advisers, as well as public sources) and is hereby referred to as the "**Data**".

Detailed and up-to-date information regarding the processing of Data by the Controllers is contained in a privacy notice (the "**Privacy Notice**"). Investors and any persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Fund are invited to obtain and take the time to carefully consider and read the Privacy Notice.

Any question, enquiry or solicitation regarding the Privacy Notice and the processing of Data by the Controller in general may be addressed to luxembourg@eastcapital.com or by calling +352 20 882 191.

**Obtaining and accessing the Privacy Notice**

The Privacy Notice is available and can be accessed or obtained online www.eastcapital.com/privacy, by calling +352 20 882 191, or upon request addressed to luxembourg@eastcapital.com. The Privacy Notice is available in both paper and e-format.

The Privacy Notice notably sets out and describes in more detail:

- the legal basis for processing the Data; and where applicable the categories of Data processed, from which source the Data originate, and the existence of automated decision-making, including profiling (if any);

- that Data will be disclosed to several categories of recipients; that certain of these recipients (the "**Processors**") are processing the Data on behalf of the Controllers; that the Processors include most of the service providers of the Controllers; and that the Processors will act as processors on behalf of the Controllers and may also process Data as controllers for their own purposes;

- that Data will be processed by the Controllers and the Processors for several purposes (the "**Purposes**") and that these Purposes include (i) the general holding, maintenance, management and administration of prospective and existing investment and interest in the Fund, (ii) enabling the Controllers and the Processors to perform their services for the Fund, and (iii) enabling the Controllers and the Processors to comply with legal, regulatory and/or tax (including FATCA/CRS) obligations;

- that Data may, and where appropriate will, be transferred outside of the European Economic Area, including to countries whose legislation does not ensure an adequate level of protection as regards the processing of personal data;

- that any communication (including telephone conversations) (i) may be recorded by the Controllers and the Processors and (ii) will be retained for a period of 10 years from the date of the recording;

- that Data will not be retained for longer than necessary with regard to the Purposes, in accordance with applicable laws and regulations, subject always to applicable legal minimum retention periods;

- that failure to provide certain Data may result in the inability to deal with, invest or maintain an investment or interest in, the Fund;

- that Data Subjects have certain rights in relation to the Data relating to them, including the right to request access to such Data, or have such Data rectified or deleted, the right to ask for the processing of such Data to be restricted or to object thereto, the right to portability, the right to lodge a complaint with the relevant data protection supervisory authority, or the right to withdraw any consent after it was given.

All persons contacting, or otherwise dealing directly or indirectly with, any of the Controllers or their service providers in relation to the Fund, will likely be requested to formally acknowledge, agree, accept, represent, warrant and/or undertake (where applicable) that they have obtained and/or have been able to access the Privacy Notice; that the Privacy Notice may be amended at the sole discretion of the Controllers; that they may be notified of any change to or update of the Privacy Notice by any means that the Controllers deem appropriate, including by public announcement; that they have authority to provide, or to cause or allow the provision, to the Controllers any Data relating to third-party natural persons that they provide, or cause or allow the provision, to the Controllers; that, if necessary and appropriate, they are required to obtain the (explicit) consent of the relevant third-party natural persons to such processing; that these third-party natural persons have been informed of the processing by the Controller of the Data as described herein and their related rights; that these third-party natural persons have been informed of, and provided with, easy access to the Privacy Notice; that when notified of a change or update of the Privacy Notice they will continue this change or update to these third-party natural persons; that they and each of these third-party natural persons shall abide by any limitation of liability provision contained in the Privacy Notice; and that they shall indemnify and hold the Controllers harmless from and against adverse consequences arising from any breach of the foregoing.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing.

When used in this Prospectus, a "business day" shall mean a day on which banks are open in Luxembourg and Sweden unless otherwise defined in Appendix I in relation to a specific sub-fund. 24 December is not a business day.

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

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## MANAGEMENT AND ADMINISTRATION

| | |
|---|---|
| **Registered Office:** | 11, rue Sainte-Zithe, L-2763 Luxembourg |
| **Board of Directors of the Fund** | |
| **Chairperson:** | Mrs. Karine Hirn<br>Chief Sustainability Officer<br>East Capital Asia Limited, Hong Kong |
| **Directors:** | Mr. Peter Elam Håkansson<br>Chairman and Chief Investment Officer<br>East Capital Financial Services AB, Stockholm |
| | Mr. Jérôme Wigny<br>Partner<br>Elvinger Hoss Prussen, *société anonyme*, Luxembourg |
| | Mrs. Louise Hedberg<br>Independent advisor and consultant<br>Stockholm |
| | Mr. Johan Wigh<br>Partner<br>Törngren Magnell KB, Stockholm |
| **Management Company:** | East Capital Asset Management S.A.<br>11, rue Sainte-Zithe<br>L-2763 Luxembourg |
| **Depositary and Paying Agent in Luxembourg:** | Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch<br>4, rue Peternelchen<br>L-2370 Howald<br>Luxembourg |
| **Central Administration Agent:** | European Fund Administration<br>2, rue d'Alsace<br>P.O. Box 1725<br>L-1017 Luxembourg<br>Grand-Duchy of Luxembourg |
| **Administration Agent, Registrar and Transfer Agent:** | European Fund Administration S.A.<br>2, rue d'Alsace<br>P.O. Box 1725<br>L-1017 Luxembourg |

| | |
|---|---|
| **Investment Manager:** | East Capital Financial Services AB<br>East Capital (Sweden)<br>Kungsgatan 33<br>SE-111 93 Stockholm<br>Sweden |
| **Intragroup Investment Advisor** | East Capital (Moscow) LLC<br>125009, Romanov lane, 4 bldg. 2<br>Moscow, Russia. |
| **Auditor of the Fund:** | KPMG Luxembourg S.à r.l.<br>39, Avenue J. F. Kennedy<br>L-1855 Luxembourg |
| **Legal Advisers in Luxembourg:** | Elvinger Hoss Prussen, *société anonyme*<br>2, Place Winston Churchill<br>L-1340 Luxembourg |

## LEGAL STATUS

East Capital (the "**Fund**") is an open-end investment fund with multiple Sub-Funds ("*société d'investissement à capital variable* (SICAV) *à compartiments multiples*") governed by Luxembourg law, established in accordance with the provisions of Part I of the Law of 17 December 2010 relating to undertakings for collective investment, as amended (the "**2010 Law**").

The Fund was incorporated for an indefinite period on 13 November 2006, with an initial capital of EUR 300,000. Its articles of incorporation (the "**Articles of Incorporation**") have been published in the official gazette "*Mémorial C, Recueil des Sociétés et Associations du Grand Duché de Luxembourg*" (the "**Mémorial**") on 27 November 2006 and have been amended for the last time with effect on 1 December 2016. As of 1 June 2016, the *Mémorial* has been replaced by the *Recueil Electronique des Sociétés et Associations* (the "**RESA**"). The Fund is registered with the "*Registre de Commerce et des Sociétés"* of Luxembourg under number B 121 268.

The Fund's capital shall at all times be equal to the value of its total net assets. The minimum capital required by law is EUR 1,250,000.

## INVESTMENT OBJECTIVES AND FUND STRUCTURE

The exclusive objective of the Fund is to place the funds available to it in transferable securities, money market instruments and other permitted assets of any kind, including shares or units of other collective investment undertakings, with the purpose of spreading investment risks and affording its Shareholders the results of the management of its portfolios.

In accordance with article 181 of the 2010 Law, the assets of each Sub-Fund are segregated from those of other Sub-Funds. As such, each Sub-Fund will bear its own liabilities and none of the Fund, any of the service providers appointed to the Fund or the Management Company, the Directors, any receiver, examiner, liquidator nor any other person will have access to the assets of a Sub-Fund in satisfaction of a liability of any other Sub-Fund.

The board of directors of the Fund (the "**Board of Directors**" or "**Directors**") is entitled to create new Sub-Funds. A list of those Sub-Funds in existence at present, together with a description of their investment policy and main features, is attached as Appendix I to this Prospectus. Appendix II sets out the applicable Management Fees, Performance Fees and the Operating, Administrative and Servicing Expenses. The Appendices form an integral part of this Prospectus and will be updated whenever new Sub-Funds or Share Classes are created or changes done to the Sub-Funds/Share Classes.

## ORGANISATION OF MANAGEMENT AND ADMINISTRATION

### The Management Company

Pursuant to a Management Company Agreement, East Capital Asset Management S.A. (the "**Management Company**") has been appointed to act as management company of the Fund. The Management Company will be responsible on a day-to-day basis under the supervision of the Board of Directors of the Fund, for providing administration, marketing and investment management services in respect of all the Sub-Funds with the possibility to delegate part or all of such functions to third parties.

The Management Company has delegated the investment management function with respect to all Sub-Funds to the East Capital (Sweden), a division of East Capital Financial Services AB (as described hereafter).

The Management Company has delegated the central administration and registrar and transfer agent functions to the Central Administration Agent (as defined hereafter).

The Board of Directors of the Fund is responsible for the determination of the overall investment policy objectives of the SICAV and its Sub-Funds, the management of which shall be carried out by the Management Company. The Management Company may appoint one or more Investment Advisors which provide investment advisory services and management support services to the management company.

The Management Company believes that long-term returns benefit from considering relevant and material risks and opportunities related to ESG factors (Environmental, Social and Governance factors) in the investment process. As a long-term investor, active ownership is also an important component of our investment process.

The Management Company and the Investment Manager apply exclusionary screening which implies that it will not invest in companies which generate a significant part of their revenue from sources which do not match our ESG criteria; and conducts norm-based screening on all portfolios, which identifies portfolio holdings which are alleged to conduct business in a manner contrary to well-established and generally agreed international norms on ESG issues.

The Management Company is a signatory to the Principles for Responsible Investment (PRI) since 2012. The PRI are a set of guidelines for responsible investment which were originally developed in collaboration with the United Nations and which unites investors who have decided to consider ESG factors in their investment process.

For further information on sustainability-related disclosures, please refer to Appendix IV.

The Management Company will directly assume the marketing and distribution function.

The Management Company was incorporated in the form of a *société anonyme* under the laws of the Grand Duchy of Luxembourg on 29 January 2008 for an unlimited duration under the name of East Capital Advisory S.A. As of 15 March 2013, the Management Company changed its name into East Capital Asset Management S.A. and is approved by the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier* (CSSF), as a UCITS management company subject to the chapter 15 of the 2010 Law and as alternative investment fund manager within the meaning of article 1(46) of the law of 12 July 2013 on alternative investment fund managers. The Management Company has also opened a branch in Stockholm, Sweden. The share capital of the Management Company is held by East Capital Holding AB. The Management Company has a subscribed and paid-up capital of EUR 1,000,000 (as at the date of this Prospectus).

The Management Company shall ensure compliance of the Fund with the investment restrictions and oversee the implementation of the Fund's strategies and investment policy. The Management Company will be responsible for ensuring that adequate risk measurement processes are in place to ensure a sufficient control environment in accordance with Luxembourg laws and regulations.

The Management Company will monitor, on a continued basis, the activities of third parties to which it has delegated functions and will receive periodic reports from the delegates and service providers to enable it to perform its monitoring and supervision duties in accordance with Luxembourg laws and regulations.

The Management Company has established remuneration policies for those categories of staff, including senior management, risk takers, control functions, and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company or the Fund, that:

- are consistent with and promote a sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of the Fund or its Sub-Funds or with its Articles of Incorporation;

- are in line with the business strategy, objective values and interests of the Management Company and which do not interfere with the obligation of the Management Company to act in the best interests of the Fund;

- include an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund in order to ensure that the assessment process is based on the longer-term performance of the Fund and its investment risks; and

- appropriately balance fixed and variable components of total remuneration.

The remuneration policy which is established on the level of East Capital Asset Management S.A. is under the control of the board of directors of the Management Company who shall on a regular basis review (at least annually) the policy and is responsible for overseeing and implementing any necessary revisions required to the policy. The Compliance Officer controls on a regular basis whether remunerations paid by the Management Company comply with the remuneration policy and the results of such review shall be reported to the board of directors of the Management Company.

The up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee (if any), are available at http://www.eastcapital.com/Corporate/Regulatory-information/Legal-information/. A paper copy is available free of charge upon request at the Management Company's registered office.

**Depositary**

Pursuant to a depositary and paying agent services agreement dated 21 September 2016 (the "**Depositary Agreement**"), Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch, registered with the Luxembourg trade and companies register under n° B39819 and having its place of business at 4 rue Peternelchen, L-2370 Howald, Grand-Duchy of Luxembourg, has been appointed as depositary of the Fund (the "**Depositary**"). The Depositary will also provide paying agent services to the Fund.

The Depositary is a branch of Skandinaviska Enskilda Banken AB (publ), a credit institution incorporated under and pursuant to the laws of Sweden, subject to the prudential supervision of the Swedish Financial Supervisory Authority, Finansinspektionen. The Depositary is further supervised by the *Commission de Surveillance du Secteur Financier*, in its role as host member state authority.

The Depositary has been appointed for the safe-keeping of the assets of the Fund which comprises the custody of financial instruments, the record keeping and verification of ownership of other assets of the Fund as well as the effective and proper monitoring of the Fund's cash flows in accordance with the provisions of the 2010 Law and the Depositary Agreement.

In addition, the Depositary shall also ensure that (i) the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law and the Articles of Incorporation; (ii) the value of the Shares is calculated in accordance with Luxembourg law and the Articles of Incorporation; (iii) the instructions of the Management Company are carried out, unless they conflict with applicable Luxembourg law and/or the Articles of Incorporation; (iv) in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and (v) the Fund's incomes are applied in accordance with Luxembourg law and the Articles of Incorporation.

In carrying out its functions the Depositary acts honestly, fairly, professionaly and independently and solely in the interest of the investors of the Fund. The Depositary is on an ongoing basis analyzing, based on applicable laws and regulations potential conflicts of interests that may arise while carrying out its functions. When performing its activities, the Depositary obtains information relating to funds which could theoretically be misused (and thus raise potential conflict of interests issues) in relation to e.g. the interests of other clients of the SEB Group, whether engaging in trading in the same securities or seeking other services, particulary in the area of offering services competing with the interests of other counterparties used by the funds/fund managers, and the interests of the Depositary's employees in personal account dealings. Potential conflicts of interests in the SEB Group can be further exemplified as not market equivalent pricing of the depositories' services and the undue influence in the management and board of directors of the funds/fund managers by the Depositary, and vice versa.

Consequently, to mitigate the potential conflicts of interest, it has been ensured that the activities of a depositary function are physically, hierarchically and systematically separated from other functions of the Depositary in order to establish information firewalls. Moreover, the depositary function has a mandate and a veto to approve or decline fund clients independent of other functions and has its own committees for escalation of matters connected to its role as a depositary, where other functions with potentially conflicting interests are not represented.

For further details on management, monitoring and disclosure of potential conflicts of interest please refer to Instruction for Handling of Conflicts of Interest in Skandinaviska Enskilda Banken AB (publ), Luxembourg Branch which can be found on the following webpage: https://sebgroup.lu/conflictofinterest

In compliance with the provisions of the Depositary Agreement and the 2010 Law, as amended from time to time, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties in relation to financial instruments that can be held in custody, duly entrusted to the Depositary for custody purposes, and/or all or part of its duties regarding the record keeping and verification of ownership of other assets of the Fund to one or more delegate(s), as they are appointed by the Depositary from time to time.

In order to avoid any potential conflicts of interest, irrespective of whether a given delegate is part of the SEB Group or not, the Depositary exercise the same level of due skill, care and diligence both in relation to the selection and appointment as well as in the on-going monitoring of the relevant delegate. Furthermore, the conditions of any appointment of a delegate that is member of the SEB Group will be negotiated at arm's length in order to ensure the interests of the investors. Should a conflict of interest occur and in case such conflict of interest cannot be neutralized, such conflict of interest as well as the decisions taken will be

disclosed to the investors and the Prospectus revised accordingly. An up-to-date list of these delegates can be found on the following webpage: https://sebgroup.lu/globalcustodynetwork

Where the law of a third country requires that financial instruments are held in custody by a local entity and no local entity satisfies the delegation requirements of article 34bis, paragraph 3, lit. b) i) of the 2010 Law, the Depositary may delegate its functions to such local entity to the extent required by the law of that third country for as long as there are no local entities satisfying the aforementioned requirements.

In order to ensure that its tasks are only delegated to delegates providing an adequate standard of protection, the Depositary has to exercise all due skill, care and diligence as required by the 2010 Law in the selection and the appointment of any delegate to whom it intends to delegate parts of its tasks and has to continue to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any delegate to which it has delegated parts of its tasks as well as of any arrangements of the delegate in respect of the matters delegated to it. In particular, any delegation is only possible when the delegate at all times during the performance of the tasks delegated to it segregates the assets of the Fund from the Depositary's own assets and from assets belonging to the delegate in accordance with the 2010 Law. The Depositary's liability shall not be affected by any such delegation unless otherwise stipulated in the 2010 Law and/or the Depositary Agreement.

An up-to-date information regarding the Depositary, its duties and the conflicts of interest that may arise, any safekeeping functions delegated by the Depositary, the list of delegates and any conflicts of interests that may arise from such delegation, is available to the investors upon request at the registered office of the Management Company.

The Depositary is liable to the Fund or its investors for the loss of a financial instrument held in custody by the Depositary and/or a delegate. In case of loss of such financial instrument, the Depositary has to return a financial instrument of an identical type or the corresponding amount to the Fund without undue delay. In accordance with the provisions of the 2010 Law, the Depositary will not be liable for the loss of a financial instrument, if such loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall be liable to the Fund and to the investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with applicable law, in particular the 2010 Law and/or the Depositary Agreement.

The Fund and the Depositary may terminate the Depositary Agreement at any time by giving ninety (90) days' notice in writing. In case of a voluntary withdrawal of the Depositary or of its removal by the Fund, the Depositary must be replaced at the latest within two (2) months after the expiry of the aforementioned termination notice by a successor depositary to whom the Fund assets are to be delivered and who will take over the functions and responsibilities of the Depositary. If the Management Company/Fund does not name such successor depositary in time the Depositary may notify the CSSF of the situation. The Management Company/Fund will take the necessary steps, if any, to initiate the liquidation of the Fund, if no successor depositary bank has been appointed within two (2) months after the expiry of the aforementioned termination notice of ninety (90) days.

**Central Administration Agent, Registrar and Transfer Agent**

Under the terms of a Master Central Administration Agreement, European Fund Administration S.A. has been appointed as central administration agent (the "**Central Administration Agent**") which is responsible

for calculating the net asset value, processing the issue, redemption, transfer and cancellation of Shares, as well as for the keeping of the Shareholders' register. The registered address of the Central Administration Agent is at 33, rue de Gasperich, L-5826 Hesperange, Grand Duchy of Luxembourg.

European Fund Administration S.A. is empowered to sub-delegate, under its full responsibility, all or part of its duties as Central Administration Agent, with the prior consent of the Management Company and the Fund.

The Central Administration Agent has sub-delegated, at its own expense and under its own responsibility, the duties relating to the administration of the Fund as well as the transfer and registrar agent function to European Fund Administration S.A. (hereinafter the "**Administration Agent**" or the "**Registrar and Transfer Agent**"), a *société anonyme* established in Luxembourg. In this capacity, the Administration Agent will carry out all administrative duties related to the administration of the Fund, including the calculation of the Net Asset Value of the Shares and the provision of accounting services to the Fund. As Registrar and Transfer Agent, it will process all subscriptions, redemptions and transfers of Shares and will register these transactions in the register of the Fund.

**Investment Manager / Investment Advisor**

The Management Company may delegate all or part of its management duties to one or more investment managers (each an "**Investment Manager**").

The Management Company has appointed East Capital (Sweden), a division of East Capital Financial Services AB, as Investment Manager of the Fund.

The Investment Manager, with company registration No. 556988 2086, is a Swedish investment firm duly organized and authorised under the laws of the Kingdom of Sweden and under the supervision of Finansinspektionen (the Swedish Financial Supervisory Authority) and is part of the East Capital group.

The Investment Manager was appointed pursuant to an Investment Management Agreement with the Management Company (the "**Investment Management Agreement**") to provide day-to-day management of the Fund's investments, subject to the overall supervision and responsibility of the Management Company. The Investment Manager is required to adhere strictly to the guidelines laid down by the Management Company. In particular, the Investment Manager is required to ensure that the assets of the Fund and each Sub-Fund are invested in a manner consistent with the Fund's and the Sub-Funds' investment restrictions and that cash belonging to the Fund and each Sub-Fund is invested in accordance with the guidelines laid down by the Directors and the Management Company.

According to the Investment Management Agreement, the Investment Manager may, with the prior approval of the Management Company, delegate to a third party all or a part of its management duties. Any new delegation shall be reflected in an updated Prospectus.
The Management Company or the Investment Manager may also appoint one or more investment advisors (each an "**Investment Advisor**") to advise it on the management of one or more Sub-Fund(s), including but not limited to the entities mentioned under section "Management and Administration".

**External Auditors**

KPMG Luxembourg S.à r.l., 39, Avenue J. F. Kennedy, L-1855 Luxembourg.

## LIQUIDITY RISK MANAGEMENT PROCESS

The Management Company has established, implemented and consistently applies a liquidity management procedure and has put in place prudent and rigorous liquidity management procedures which enable it to monitor the liquidity risks of the sub-funds and to ensure compliance with the internal liquidity thresholds so that the sub-funds can normally meet at all times their obligation to redeem their Shares at the request of Shareholders.

Qualitative and quantitative measures are used to monitor portfolios and securities to seek to ensure investment portfolios are appropriately liquid and that sub-funds are able to honour Shareholders' redemption requests. In addition, Shareholders' concentrations are regularly reviewed to assess their potential impact on liquidity of the sub-funds.

Sub-funds are reviewed individually with respect to liquidity risks.

The Management Company's liquidity management procedure takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and shareholder base.

The liquidity risks are further described in sub-section "Liquidity Risk" of Section "Appendix III: Risk Factors" of this Prospectus.

The Board of Directors, or the Management Company, where deemed necessary and appropriate to protect Shareholders, may also make use, among others, of certain tools to manage liquidity risk as described in the following sections of the Prospectus:

- Section "Suspension of the Calculation of Net Asset Value, Issue / Redemption and Conversion Prices": the Fund may temporarily suspend the calculation of the net asset value and the right of any Shareholder to request redemption of any share in any sub-fund or Share Class of the Fund and the issue of Shares in any sub-fund or Share Class of the Fund.

- Section "Redemptions": the Board of Directors may decide to satisfy payment of the redemption price to any Shareholder who agrees, in whole or in part, by an in-kind allocation of securities in compliance with the conditions set forth by Luxembourg law. If the Fund receives requests on one valuation day for net redemptions (and switches into another Sub-Fund) of more than 10% of the net asset value of the relevant Sub-Fund, the Board of Directors, in its sole discretion, may elect to limit each redemption (and switch) request pro rata such that the aggregate amount redeemed in that valuation day will not exceed 10% of the net asset Value of the relevant Sub-Fund.

- Sub-section "Swing Pricing" in Section "Pricing Adjustment", the net asset value per Share of a Sub-Fund may be adjusted on a valuation date in certain circumstances.

- Sub-section "Dilution Levy" in Section "Pricing Adjustment", the value of assets of a Sub-Fund may be adjusted on a valuation date in certain circumstances.

Shareholders that wish to assess the underlying assets’ liquidity risk for themselves should note that the sub-funds complete portfolio holdings are indicated in the latest annual report or the latest semi-annual report where this is more recent, as further described under Section "Periodical Reports and Publications".

## RIGHTS OF THE SHAREHOLDERS

The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general meetings of Shareholders if the investor is registered himself and in his own name in the Shareholders' register of the Fund. In cases

where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

**Shares**

The Shares in each Sub-Fund are issued in registered form, with no par value and fully paid-up. The issuance of fractions of Shares to a maximum of three decimal places is permitted. No certificates will be issued. All owners of the Shares will have their names entered into the Shareholders' register which will be maintained by the Registrar and Transfer Agent. Shares repurchased by the Fund shall be cancelled. The register of Shareholders is also made available at the registered office of the Fund.

All Shares are freely transferable and have an equal entitlement to any profits, proceeds of liquidation and dividends relating to the Sub-Fund to which they pertain.

Each whole Share gives the right to one vote. Fractional Shares do not, however, possess voting rights. Shareholders are also entitled to the general Shareholder rights as described in the Luxembourg law dated 10 August 1915 on commercial companies, as amended, with the exception of pre-emption or preferential rights to subscribe to new Shares.

Shareholders will only receive confirmation that their names have been recorded in the Shareholders' register.

Shares may also be held and transferred through accounts maintained with clearing systems.

**Classes of Shares**

The Board of Directors may decide to issue within each Sub-Fund separate classes of shares (hereinafter referred to as "**Share Class**" or "**Class of Shares**" or "**Class(es)**" as appropriate) whose assets will be commonly invested but where a specific fee structure, minimum initial subscription and holding amount, currency, currency hedging, dividend policy or other future may be applied.

The rules relating to the calculation of a net asset value per Sub-Fund apply, *mutatis mutandis*, to the calculation of a net asset value per Class.

The subscription price for Shares in each Class is invested in the assets of the relevant Sub-Fund. In principle, all assets and liabilities related to a specific Class of Shares are allocated to that Class. To the extent that costs and expenses are not directly chargeable to a specific Class, they shall be shared out proportionally among the various Sub-Funds according to their net asset values or, if circumstances warrant it, allocated on an equal footing to each Sub-Fund.

The following Share Classes may be offered in the Sub-Funds:

- **Class A and Class B Shares** are available to all investors.

- **Class C and Class D Shares** are only available for institutional investors within the meaning of the 2010 Law.

- **Class F Shares** are only available to Swedish insurance companies which qualify as institutions and which are approved by the Management Company.

- **Class G Shares** are only available to investors who are approved by the Fund and/or by the Management Company.

- **Class P Shares** are only available for institutional investors within the meaning of the 2010 Law.

- **Class R Shares** are only available to or through (i) distributors or financial intermediaries (selected or approved by the Management Company) which under relevant legal and/or regulatory requirements, are prohibited from accepting and retaining inducements from third parties or, which under contractual arrangements they have entered into, are not entitled to accept and retain inducements from third parties and (ii) institutional investors within the meaning of the 2010 Law other than the financial intermediaries referred to under (i) who are approved by the Fund and/or by the Management Company and which invest on their own account.

- **Class S Shares** are only available to institutional investors within the meaning of the 2010 Law such as pension funds, sovereign wealth funds or official institutions which under relevant legal and/or regulatory requirements are prohibited from accepting and retaining inducements from third parties and who are approved by the Fund and/or by the Management Company.

- **Class X Shares** are designed to accommodate an alternative charging structure. No Management Fee will have to be charged to Class X Shares. All other fees and charges allocated to Class X Shares will be charged as further detailed in this Prospectus.

- **Class Z Shares** are only available for institutional investors within the meaning of the 2010 Law who are approved by the Fund and/or by the Management Company. Z Shares will only be available until the total Net Asset Value of all available Share Classes within the relevant Sub-Fund reaches or is greater than EUR 100,000,000 (or currency equivalent), or any other amount as specifically determined by the Management Company. Once the total Net Asset Value of the Share Classes available in the relevant Sub-Fund, ordinarily, reaches or is greater than EUR 100,000,000 (or currency equivalent) or any other amount as specifically determined by the Fund and/or Management Company, the Z Share Class will be closed for subscriptions.

The Board of Directors may decide to create additional Classes based on the above-mentioned Share Class types and which may contain the additional denominations from "1" to "10". These Share Classes may only be available to one or more investors whose investment is covered by a suitable agreement and/or who are approved by the Fund and/or by the Management Company or may be subscribed only by distributors who are domiciled in certain countries or carry out their business in those countries and who act on behalf of their own clients (who may be any type of investor) provided that they fulfil the general eligibility criteria for the relevant Share Class.

The hedged Share Classes (H1/H2) will have the same characteristics as the underlying Share Class.

Each Share Class may be offered in EUR, USD, GBP, SEK, NOK, RMB[1] and in any other freely convertible currency as determined by the Board of Directors from time to time.

The Board of Directors may, at any time, decide to create additional Classes. The full list of available Classes may be obtained from www.eastcapital.com.

**Hedged Share Classes**

The Board of Directors may decide to issue currency hedged Share Classes which aim to hedge the currency exposure of Share Classes denominated in currencies different to the reference currency of the relevant Sub-Fund in order to attempt to mitigate the effect of fluctuations in the exchange rate between the currency of such Class and the reference currency of the Sub-Fund. Where hedging of this kind is undertaken, such Class will be designated as such by a reference to "H1".

The Board of Directors may also decide to issue portfolio hedged Share Classes which aim to hedge the currency exposure of Shares of the Share Classes against the currency or currencies in which the underlying assets of the relevant Sub-Fund are denominated in order to reduce the currency exposure between the reference currency of such Class and the currency exposure of the underlying assets of the relevant Sub-Fund. Where hedging of this kind is undertaken, such Class will be designated as such by a reference to "H2".

The Management Company may implement the foreign exchange hedge for hedged Share Classes in accordance with applicable laws and regulations and regulatory guidance by using financial derivative instruments including futures, forward currency exchange contracts, options and other similar derivative transactions deemed appropriate in its discretion.

Any fees relating to the hedging strategy (including any fees of the Administration Agent relating to the execution of the hedging policy) will be borne by the relevant hedged Share Class. Any gains or losses from the currency hedging shall accrue to the relevant hedged Share Class.

The full list of available Classes may be obtained from www.eastcapital.com.

Over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Management Company, however, over-hedged positions will not be permitted to exceed 105% of the net asset value of the hedged Share Classes and under-hedged positions will not, under normal circumstances, usually fall below 95% of the net asset value of the hedge Share Classes.

**Minimum Subscription and Minimum holding**

The Fund may impose a minimum subscription and minimum holding requirement for each Shareholder in the different Share Classes as set out in the table below. The Fund may also impose subsequent minimum subscription requirements.

[1] "RMB" or "Renminbi" is the official currency of the PRC. Please note that RMB shall be understood as offshore Renminbi (i.e. CNH), as opposed to the onshore Renminbi (i.e. CNY)

| **Share Classes** | **Minimum initial subscription and minimum holding amount*** | **Subsequent minimum subscriptions*** |
|---|---|---|
| A and B | N/A | N/A |
| C and D | 500,000 | 500,000 |
| F | N/A | N/A |
| G | N/A | N/A |
| P | 500,000 | 500,000 |
| R | N/A | N/A |
| S | 20,000,000 | 20,000,000 |
| X | 2,000,000 | 2,000,000 |
| Z | N/A | N/A |

* **in EUR or its equivalent in the reference currency of the relevant Share Class**

It may decide to waive at its discretion any minimum subscription, minimum holding and subsequent minimum subscription requirements.

The Board of Directors may refuse to give effect to any transfer of Shares in the register as a consequence of which an investor would not meet the minimum holding requirements.

If, as a result of a redemption request, the value of any holding decreases below the minimum set out above, then such request may be treated as a request for redemption of the entire holding.

**General Meetings of Shareholders**

The Annual General Meeting shall be held on the second Wednesday of May or, if this day is not a business day, on the next business day thereafter at the Fund's registered office or at any other location in Luxembourg which will be specified in the convening notice to the meeting. If permitted by and under the conditions set forth in Luxembourg laws and regulations, the Annual General Meeting may be held at a date, time or place other than those set forth in the preceding paragraph, that date, time or place to be decided by the Board of Directors.

Shareholders will be convened in accordance with Luxembourg law. The convening notices shall include details of the time and place of the general meeting of Shareholders, the agenda, conditions for admission and requirements concerning the quorum and majority voting rules as laid down by Luxembourg law.

In addition, the notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the shares issued and outstanding at midnight on the fifth day preceding the general meeting (the "**Record Date**"), whereas the right of a shareholder to attend a general meeting of Shareholders and to exercise the voting rights attaching to his/its/her shares shall be determined by reference to the shares held by this Shareholder as at the Record Date.

In accordance with the Fund's articles of incorporation (the "**Articles of Incorporation**") and Luxembourg law, all decisions taken by the Shareholders pertaining to the Fund shall be taken at the general meeting of all Shareholders. Any decisions affecting Shareholders in one or several Sub-Funds or Classes may be taken by just those Shareholders in the relevant Sub-Funds or Classes to the extent that this is allowed by law.

## SUBSCRIPTIONS

Subscriptions for Shares in each Sub-Fund shall be accepted at the issue price, as defined hereunder in the paragraph "Issue Price", at the office of the Registrar and Transfer Agent as well as at any other authorised intermediaries.

The Board of Directors may from time to time accept subscriptions for Shares against contribution in kind of securities or other assets which could be acquired by the relevant Sub-Fund pursuant to its investment policy and restrictions. Any such contribution in kind will be valued in accordance with the rules set out under "Calculations of the net asset value" and will, to the extent required by applicable laws and regulations or by the Board of Directors, be subject to an auditor's report drawn up in accordance with the requirements of Luxembourg law.

Applications for subscription must be received by the Registrar and Transfer Agent prior to the times specified in Appendix I for each Sub-Fund individually ("**cut-off time**"). At the time of placement of the order by an investor, the net asset value per share of the relevant Sub-Fund or Share Class will be unknown ("**forward pricing**").

At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Registrar and Transfer Agent. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries and will always be prior to the relevant cut-off time in Luxembourg.

For any subscription received by the Registrar and Transfer Agent after the relevant cut-off time, the net asset value applicable will be the net asset value as calculated on the following valuation day.

The amount for the issue price shall be paid or transferred, in the reference currency of the relevant Sub-Fund or Share Class, into the account of the Depositary to the order of East Capital with reference to the Sub-Fund(s) or Share Class(s) concerned on the relevant valuation day. Proof of payment (SWIFT receipt) should be joined to the application form.

In the case of applications from approved financial intermediaries or other investors authorised by the Board of Directors, no proof of payment needs to be joined to the application form. The issue of Shares to such approved financial intermediaries or other investors authorised by the Board of Directors is conditional upon the receipt of settlement in cleared funds not normally exceeding three business days from the relevant valuation day. In such cases, Shares will be provisionally allotted pending receipt of settlement in cleared funds.

If timely settlement is not made, the subscription may lapse and be cancelled at the cost of the Shareholders or its agent or financial intermediary including the cancellation of provisionally allotted Shares. Failure to make good settlement by the settlement date may result in the Management Company and/or the Fund bringing an action against the defaulting Shareholder or its agent or financial intermediary.

**Anti-Money Laundering Procedures**

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012 and CSSF Circulars 13/556, 15/609 and 17/650 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar and transfer agent of a Luxembourg undertaking for collective investment must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Registrar and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription will not be accepted and in case of redemptions the redemption price may be withheld. Neither the undertaking for collective investment nor the Registrar and Transfer Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under relevant laws and regulations.

**The absence of documents required for identification purposes may lead to the suspension of a request for subscription and/or redemption.**

Ineligible Applicants

The Fund requires each prospective applicant for Shares to represent and warrant to the Fund that, among other things, he is able to acquire and hold Shares without violating applicable laws and regulations and that he fulfils any eligibility requirements in relation to such Shares as detailed in this Prospectus.

The Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Board of Directors, might result in the Fund incurring any liability to taxation or suffering any other disadvantage which the Fund or its Shareholders might not otherwise incur or suffer, or would result in the Fund being required to register under any applicable US securities laws.

Subject as mentioned above, Shares are freely transferable. The Fund may refuse to register a transfer which would result in (i) a breach of the applicable sale and transfer restrictions (including not fulfilling the relevant eligibility requirements of a Class of Shares), or (ii) either the transferor or the transferee remaining or being registered (as the case may be) as the holder of Shares in a Sub-Fund valued at less than the applicable minimum holding requirement.

The Fund will require from each registered Shareholder acting on behalf of other investors that any assignment of rights to Shares be made in compliance with applicable securities laws in the jurisdictions where such assignment is made and that in unregulated jurisdictions such assignment be made in compliance with the applicable sale and transfer restrictions and minimum holding requirement.

## ISSUE PRICE

The issue price for Shares in each Sub-Fund is based on the net asset value of each Share in that Sub-Fund, calculated on the relevant valuation day increased by any applicable charges.

A subscription fee of up to 5% of the net assets value of the Class A Shares (except for Class A SEK) and B Shares being subscribed may be charged for the benefit of distributors and other financial intermediaries. No subscription fee will be charged to the other Share Classes and Class A SEK Shares unless otherwise specified for a relevant Share Class.

This issue price may also be increased to cover any duties, taxes and stamp duties which may have to be paid.

## REDEMPTIONS

Shareholders are entitled at any time to redeem all or part of their Shares at the redemption price as defined in paragraph "Redemption Price" below, by addressing an irrevocable application for redemption to the Registrar and Transfer Agent, or other authorized intermediaries.

Applications for redemption must be received by the Registrar and Transfer Agent prior to the times specified in Appendix I for each Sub-Fund individually ("**cut-off time**"). At the time of placement of the order by an investor, the net asset value per share of the relevant Sub-Fund or Share Class will be unknown ("**forward pricing**").

At the level of the sales agencies or intermediaries, whether in Luxembourg or abroad, earlier cut-off times for receipt of orders may be applied to ensure timely forwarding of the orders to the Registrar and Transfer Agent. These earlier cut-off times can be obtained from the respective sales agencies or intermediaries and will always be prior to the relevant cut-off time in Luxembourg.

For any redemption received by the Registrar and Transfer Agent after the relevant cut-off time, the net asset value applicable will be the net asset value as calculated on the following valuation day.

The Board of Directors may from time to time permit redemptions in kind. To the extent required by applicable laws and regulations or the Board of Directors, the value of the redemption in kind will be certified by a report drawn up by the approved statutory auditor of the Fund and in accordance with the requirements of Luxembourg law. In case of a redemption in kind, Shareholders having accepted a redemption in kind will have to bear costs incurred by the redemption in kind (mainly costs resulting from drawing-up of the independent auditor's report) unless the Fund considers that the redemption in kind is in its own interest or made to protect its own interests.

If redemption requests for more than 10% of the net asset value of a Sub-Fund are received, then the Board of Directors shall have the right to limit redemptions so they do not exceed this threshold amount of 10%. Redemptions shall be limited with respect to all Shareholders seeking to redeem Shares as of a same valuation day so that each such Shareholder shall have the same percentage of its redemption request honoured; the balance of such redemption requests shall be processed by the Fund on the next day on which redemption requests are accepted, subject to the same limitation.

The proceeds from the Shares presented for redemption shall be paid by transfer in the reference currency of the Sub-Fund or Share Class concerned generally on the third business day following the relevant valuation day, or any other such business day following the relevant valuation day, but in no case later than 5 business days following the relevant valuation day (see paragraph "Redemption Price" below).

**Compulsory Redemptions**

The Directors have the right to require the compulsory redemption of all Shares held by or for the benefit of a Shareholder if the Directors determine that the Shares are held by or for the benefit of any Shareholder who is or becomes an Ineligible Applicant as described under "Subscriptions". The Fund may also require compulsory redemption of all Shares held by a Shareholder in a Sub-Fund if the net asset value of the Shares held in such Sub-Fund by the Shareholder is less than the applicable minimum holding requirement.

Shareholders are required to notify the Fund immediately if at any time they become US Persons or hold Shares for the account or benefit of US Persons within the meaning of the 1933 Act.

When the Directors become aware that a Shareholder (A) is a US Person or is holding Shares for the account or benefit of a US Person; (B) is holding Shares in breach of any laws or regulations or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Fund or its Shareholders; or (C) has failed to provide any information or declaration required by the Directors within ten days of being requested to do so, the Directors may either (i) direct such Shareholders to redeem or to transfer the relevant Shares to a person who is qualified or entitled to own or hold such Shares or (ii) redeem the relevant Shares.

If it appears at any time that a holder of Shares of a Class restricted to institutional investors (within the meaning of the 2010 Law) is not an institutional investor or that a holder of Shares does not fulfil the eligibility requirements for the relevant Class of Shares, the Fund will either redeem the relevant Shares in accordance with the above provisions or convert such Shares into Shares of a Class which is not restricted to institutional investors or into a Class of Shares for which the holder of Shares fulfils the eligibility requirements (provided there exists such a Class with similar characteristics) and notify the relevant Shareholder of such conversion.

Any person who becomes aware that he is holding Shares in contravention of any of the above provisions and who fails to transfer or redeem his Shares pursuant to the above provisions shall indemnify and hold harmless each of the Directors, the Fund, the Management Company, the Depositary, the Central Administration Agent, the Investment Advisors, the Investment Managers and the Shareholders of the Fund (each an "**Indemnified Party**") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

## REDEMPTION PRICE

The redemption price is based on the net asset value per Share calculate as of the applicable valuation day, reduced by any applicable charges.

Unless otherwise specified for a relevant Share Class, no redemption charge will be charged.

The repurchase price may also be reduced to cover any duties, taxes and stamp duties which might have to be paid.

The redemption price could be higher or lower than the subscription price paid, depending on the variation of the net asset value during that interval.

## CONVERSION

Any Shareholder may request the conversion of all or part of his Shares in one Sub-Fund into Shares of another Sub-Fund or into Shares of a different Class in the same Sub-Fund, subject to the restrictions defined in Appendix I, on the basis of the respective net asset values as calculated on the valuation day of the Share Classes concerned. As conversions are dealt with as redemptions followed by a new subscription, the Board of Directors may charge redemption and subscription fees in accordance with the sections "Issue Price" and "Redemption Price" above.

Applications for conversion must be received by the Registrar and Transfer Agent prior to the times specified in the Appendix for each Sub-Fund individually ("**cut-off time**").

## MARKET TIMING & LATE TRADING

Investors are informed that the Board of Directors is entitled to take adequate measures in order to prevent practices known as "Market-Timing" in relation to investments in the Fund. The Board of Directors will also ensure that the relevant cut-off time for requests for subscription, redemption and conversion are strictly complied with and will therefore take adequate measures to prevent practices known as "Late Trading".

The Board of Directors and the Management Company reserve the right to instruct the Registrar and Transfer Agent to reject requests for subscription and conversion in the event that it has knowledge or suspicions of the existence of Market Timing practices. In addition, the Board of Directors is authorised to take any further measures deemed appropriate to prevent Market Timing to take place.

## CALCULATION OF THE NET ASSET VALUE

The net asset value as well as issue, redemption and conversion prices for Shares are calculated on a valuation day by the Administration, Registrar and Transfer Agent for each Share Class in the reference currency of the Share Class with respect to the relevant Sub-Fund/Share Class, by application of the prevailing rate of exchange on such valuation day, at intervals which may vary for each Sub-Fund and are specified in Appendix I.

The net asset value of a Share in each Share Class will be calculated at such frequency for each Sub-Fund as disclosed in Appendix I by dividing the net assets attributable to that Share Class by the total number of Shares outstanding of that Share Class. The net assets of a Share Class correspond to the difference between the total assets and the total liabilities of the Share Class.

The Fund's total net assets will be expressed in Euros and correspond to the difference between the total assets and the total liabilities of the Fund. In order to calculate this value, the net assets of each Sub-Fund will, unless they are already expressed in Euros, be converted into Euros, and added together.

The assets of the Fund shall be valued as follows:

a) The value of any cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Fund may consider appropriate in such case to reflect the true value thereof.

b) Securities admitted to official listing on an official stock exchange or traded on any other organised market will be valued at the last available reliable price on such stock exchange or market, unless such a price is not deemed to be representative of their fair market value.

c) Securities not listed on stock exchanges or not traded on any regulated market and securities with an official listing for which the last available price is not representative of a fair market value will be valued, prudently and in good faith, on the basis of their estimated sale prices.

d) The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in accordance with market practice.

e) For each Sub-Fund, investments, receivables/payables, cash positions and other assets expressed in currencies other than the reference currency of the Sub-Fund/Share Class shall be converted into the relevant reference currency by using the last available relevant mid-spot exchange rate.

f) The units/shares of undertakings for collective investment will be valued on the basis of the last known net asset value. In case where an indicative net asset value is available and deemed reliable, such indicative net asset value may be used when deemed to better reflect the value of the undertakings for collective investment.

The Board of Directors is entitled to adopt any other appropriate principles for valuing the Fund's assets such as applying a fair value pricing methodology in the event that extraordinary circumstances make it impracticable or inappropriate to determine the values according to the criteria specified above.

In cases when applications for subscription or redemption are sizeable, the Board of Directors may assess the value of the Shares on the basis of rates during the trading session on the stock exchanges or markets during which it was able to buy or sell the necessary securities for the Fund. In such cases, a single method of calculation will be applied to all applications for subscription or redemption received at the same time.

## PRICING ADJUSTMENT

A Sub-Fund may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, redemptions and/or switches in and out of the Sub-Fund. This is known as "dilution". In order to counter this and to protect Shareholders' interests, the Fund may apply "swing pricing" as part of its daily valuation policy. This will mean that in certain circumstances the Fund may make adjustments in the calculations of the net asset values per Share, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

The Fund may alternatively decide to charge a dilution levy on individual subscriptions or redemptions, as described below.

**Swing Pricing**

Swing pricing aims to protect existing Shareholders from the performance dilution effects they may suffer as a result of transactions by other investors in a Sub-Fund. If on any valuation day the aggregate transactions in Shares of a Sub-Fund result in a net increase or decrease of Shares which exceeds a threshold set by the Board of Directors from time to time for that Sub-Fund (relating to the cost of market dealing for that Sub-Fund), the net asset value of the Sub-Fund will be adjusted by an amount (not exceeding 1% of that net asset value) which reflects both the estimated fiscal charges and dealing costs that may be incurred by the Sub-Fund and the estimated bid/offer spread of the assets in which the Sub-Fund invests. The adjustment will be an addition when the net movement results in an increase of all Shares of the Fund and a deduction when it results in a decrease.

The Management Company has implemented a swing pricing mechanism policy, which has been approved by the Board of Directors as well as specific operational procedures governing the day-to-day application of the swing pricing mechanism. The applicable swing factor will be determined by a Swing Pricing Governance Committee (the "**Committee**") on the basis of the above described components. The Committee typically meets on a quarterly basis to ensure the appropriate level of protection. In exceptional market conditions, the Committee will meet and review more frequently.

The Sub-Funds apply partial swing pricing meaning that the net asset value is swung only when the predetermined net capital activity threshold is exceeded. It is implemented systematically by the Administration Agent. The swing threshold is set by the Committee at a level to ensure that investor flows that represent a significant amount of dilution in the Sub-Fund are captured. Small net-inflows or out-flows may not require any trading activity and would not justify swinging the net asset value. The swing threshold is a pre-determined level currently set as a percentage of the Sub-Funds' net asset value.

If net-inflows into a Sub-Fund exceed this threshold level, the net asset value per share will be swung upwards by a predetermined amount (the swing factor). The price swing means that subscribing investors contribute to the cost of their transactions by paying more to enter a Sub-Fund. If the net-outflows from a Sub-Fund exceed the swing threshold, the net asset value per share will be swung downwards by the swing factor and exiting Shareholders will take a reduced amount out of the Sub-Fund.

Swing pricing is applied on the capital activity at the level of a Sub-Fund and does not address the specific circumstances of each individual investor transaction. The decision to swing is based on the overall net-flows into a Sub-Fund, not per share class. The swing pricing adjustments aims to protect the overall performance of Sub-Funds, to the benefit of existing investors.

Unless otherwise specified in Appendix I, swing pricing is applied for all the Sub-Funds in the Fund.

**Dilution Levy**

The value of the assets of a Sub-Fund may be reduced as a result of the costs incurred in the dealings in the Sub-Fund's investments and any difference between the buying and selling price of such investments. In order to mitigate against such "dilution" and consequent potential adverse effect on remaining Shareholders, the Fund has the power to charge a "dilution levy" of up to 1% of the applicable net asset value when Shares

are subscribed for or redeemed, such "dilution levy" to accrue to the affected Sub-Fund. Any dilution levy must be fair to all Shareholders and potential Shareholders and the Fund will operate this measure in a fair and consistent manner to reduce dilution and only for that purpose and will not be applied if the swing pricing mechanism is used.

## SUSPENSION OF THE CALCULATION OF NET ASSET VALUE, ISSUE / REDEMPTION AND CONVERSION PRICES

The Fund may temporarily suspend the issue and redemption of Shares relating to any Sub-Fund as well as the right to convert Shares of one Sub-Fund into Shares of another Sub-Fund as well as the calculation of the net asset value or the issue, redemption and conversion prices of Shares in one or more Sub-Funds in the following circumstances:

- during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of the investments of the relevant Sub-Fund for the time being is quoted, is closed (other than for ordinary holidays), or during which dealings are substantially, restricted or suspended; or

- during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Fund is not reasonably or normally practicable without being detrimental to the Sub-Fund's shareholders; or

- during any breakdown in the means of communication normally employed to determine the price or value of any of the relevant Sub-Fund's investments or the current prices or values on any market or stock exchange or when, for whatever reason, the value of an asset in the Sub-Fund cannot be calculated as rapidly and as accurately as required; or

- if, as a result of exchange controls or other restrictions on the movement of capital, transactions for the Sub-Fund are rendered impracticable or if purchases or sales of the Sub-Fund's assets cannot be made at normal rates of exchange; or

- in the case of the suspension of the calculation of the net asset value of one or several of the investment funds in which the Sub-Fund has invested a substantial portion of its assets; or

- if the Fund or any Sub-Fund is being or may be wound up, or following the date on which notice is given of the general meeting of shareholders at which a resolution to wind up the Fund or the Sub-Fund is to be proposed; or

- during any period when in the opinion of the Directors there exist circumstances outside of the control of the Fund where it would be impracticable or unfair towards the shareholders to continue dealing in shares of any Sub-Fund of the Fund; or

- in the case of a merger of the Fund or a Sub-Fund, if the Board of Directors deems this to be necessary and in the best interest of shareholders; or

- during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Sub-Fund by the Fund is not reasonably or normally practicable without being detrimental to the Shareholders' interest.

In such cases of suspension, Shareholders who have submitted applications to subscribe to, redeem or convert Shares in Sub-Funds affected by the suspensions shall be notified in the event that the suspension period is extended.

The Fund may, at any time and at its discretion, temporarily discontinue, cease permanently or limit the issue of Shares in one or more Sub-Funds to persons or corporate bodies resident or domiciled in some countries or territories. The Fund may also prohibit them from acquiring Shares if such a measure is necessary to protect the Shareholders or the Fund as a whole.

In addition, the Fund is entitled to:

a) reject, at its discretion, any application to subscribe to Shares;

b) repurchase, at any time, Shares which have been acquired in violation of a measure of exclusion taken by virtue of the Fund.

## INCOME DISTRIBUTION

All Share Classes may be issued either as accumulation shares or distributing shares.

### Accumulation Shares

Unless a Share Class is identified as a "Distributing Class" or "dist" or a dividend policy is otherwise specified in Appendix I, all Share Classes of all Sub-Funds have an accumulation policy and, consequently, no dividends will be paid.

### Distributing Shares

The Board of Directors reserves the right, within the limits of applicable law, to introduce a distribution policy which may vary according to each Sub-Fund and Share Class that is designated as "Distributing Class" or "dist".

Income attributable to Shareholders in Share Classes which are designated as Distributing Shares will generally be distributed annually unless otherwise specified in Appendix I for such Share Classes. Such dividends will ordinarily be automatically paid to Shareholders by wire transfer, at the risk of and cost to the relevant Shareholder. In the case of joint Shareholders, payment will be made to the first named Shareholder. Payment of dividends will be made in the reference currency of the Sub-Fund. Shareholders may also elect to receive dividends in the currency of denomination of the Share Class they hold at their risk and cost.

All dividends on Shares to the value of less than EUR 100 (or its equivalent in the reference currency of the relevant Share Class), will, however, be automatically reinvested for the account of the Shareholder (at no initial charge). Dividends which are not automatically reinvested and which are not collected within five (5) years will lapse and accrue for the benefit of the relevant Sub-Fund in accordance with Luxembourg law.

If specifically requested in writing, dividends on Shares will be reinvested into Shares in the same Class (at no initial charge) for the account of the Shareholders concerned.

## FUND EXPENSES

### Management Fee

For investment management and distribution services, the Management Company is entitled to fees (the "**Management Fees**"), accrued daily and payable twice monthly at a total annual rate which may vary for each Sub-Fund. The maximum Management Fees applicable to each Sub-Fund/Share Class are disclosed in Appendix II.

The Investment Manager and any Investment Advisor(s) shall be remunerated by the Management Company out of the Management Fees that it receives from the Fund. In addition, the Management Company may rebate all or part of the Management Fees to recognised financial intermediaries active in the placement of shares.

### Performance Fee

The Management Company, or the Investment Manager as the case may be, may also be entitled to a performance fee as described below.

#### 1. Calculation of Performance Fee by application of a "Claw-Back Mechanism"

In respect of certain Sub-Funds and certain Share Classes, the Management Company is entitled to receive from the net assets of each Sub-Fund or Share Class a performance based incentive fee (the "**Performance Fee**"). The rate at which the Performance Fee shall be applied (the "**Performance Fee Rate**") for each Sub-Fund is set out in Appendix II. The "Calculation Period" for each Sub-Fund corresponds to the business year of the Fund (i.e. 1 January until 31 December) unless otherwise specified for a specific Sub-Fund. The first Calculation Period for each Sub-Fund will commence on the valuation day (as defined with respect to each Sub-Fund) immediately following the close of the initial offering period of the Sub-Fund/Share Class concerned. The Performance Fee will be calculated and accrued on each valuation day as an expense of the relevant Share Class and will be payable to the Management Company in arrears at the end of each Calculation Period. The "Claw-Back Mechanism" refers to the methodology of performance fee calculation as further prescribed under Section 1.3 below. It does not infer that any Performance Fees paid to the Management Company can be clawed back in future Calculation Periods of negative performance, if any.

#### 1.1. Daily Share Class Return

On each valuation day, the "**Adjusted Net Asset Value**" is calculated in respect of each Share Class of any Sub-Fund for which a Performance Fee applies. The Adjusted Net Asset Value is the Net Asset Value (which includes all fees and expenses to be borne by the relevant Share Class), adjusted for any dividend distributions and any subscriptions and redemptions dealt with on that valuation day, and any Performance Fee accrued throughout that valuation day. The Adjusted Net Asset Value is based on the unswung Net Asset Value.

The "**Daily Share Class Return**" is calculated on each valuation day, as the difference between the net asset value (adjusted by adding back any accrued Performance Fee) on such valuation day and the Adjusted Net Asset Value on the previous valuation day, expressed as a percentage of the previous valuation day's Adjusted Net Asset Value for that Share Class.

### 1.2. Daily Benchmark Return

The "**Daily Benchmark Return**" is determined on each valuation day by taking the percentage difference between the Performance Fee Benchmark on such valuation day and the Performance Fee Benchmark on the previous valuation day. The Performance Fee Benchmark is determined on the basis of quotations available from independent sources, rounded upwards, to the nearest four decimal places and computed in accordance with prevailing market practices.

### 1.3. Claw-Back Mechanism

Following a Calculation Period in which no Performance Fee has been charged, no Performance Fee will accrue until such time as the cumulative Daily Share Class Return (since the last valuation day of the Calculation Period in which a Performance Fee was charged) exceeds the cumulative Daily Benchmark Return (since the last valuation day of the Calculation Period in which a Performance Fee was charged).

If no Performance Fee has been charged since the launch of the Share Class, no Performance Fee will accrue until such time as the cumulative Daily Share Class Return since the launch of that Share Class exceeds the cumulative Daily Benchmark Return since the launch of that Share Class.

### 1.4. Excess Return

On any valuation day, the "**Excess Return**" is given by the difference between the Daily Share Class Return and the Daily Benchmark Return. If however on any valuation day the difference between the Daily Share Class Return and the Daily Benchmark Return exceeds the difference between the cumulative Daily Share Class Return (since the last valuation day of the last accounting year in which a Performance Fee was charged) and the cumulative Daily Benchmark Return (since the last valuation day of the last accounting year in which a Performance Fee was charged), then the Excess Return for that valuation day is given by the difference between the cumulative Daily Share Class Return and the cumulative Daily Benchmark Return.

Additionally, if on any valuation day the difference between the cumulative Daily Share Class Return and the cumulative Daily Benchmark Return is zero or negative then the Excess Return for that valuation day will also be zero.

### 1.5. Performance Fee Accruals

The "**Daily Performance Fee Accrual**" is calculated each valuation day, and is equal to the Performance Fee Rate multiplied by the Excess Return multiplied by the previous Valuation Day's Adjusted Net Asset Value for that Share Class.

Subject to the provisions of the Claw-Back Mechanism described in 1.3 above, if on any valuation day the Daily Share Class Return exceeds the Daily Benchmark Return, the Performance Fee accrual is increased by the amount of the Daily Performance Fee Accrual. If, however, on any valuation day the Daily Share Class Return does not exceed the Daily Benchmark Return, the Performance Fee accrual is correspondingly reduced by the amount of that valuation day's Daily Performance Fee Accrual. The Performance Fee accrual will never be reduced below zero.

No Performance Fee will be accrued until such time as the cumulative Daily Share Class Return (since the last Calculation Period in which a Performance Fee was charged) exceeds the cumulative Daily Benchmark Return (since the last Calculation Period in which a Performance Fee was charged).

Additionally, if at any time during a given accounting year the Performance Fee accrual has been reduced to zero, no new Performance Fee is accrued until such time as the cumulative Daily Share Class Return (since the last Calculation Period in which a Performance Fee was charged) exceeds the cumulative Daily Benchmark Return (since the last Calculation Period in which a Performance Fee was charged).

The Performance Fee accrued on any valuation day is reflected in the Net Asset Value per Share on the basis of which subscriptions and redemptions may be accepted.

### 1.6. Performance Fee Redemptions

If a redemption is made from the relevant Share Class as of a valuation day other than the end of a Calculation Period, the Performance Fee (if accrued as of the date of such redemption) shall be crystallized in respect of the Shares being redeemed and paid to the management company. On any valuation day, the "Performance Fee Redemption" is given by the previous valuation day Performance Fee accrual expressed as a percentage of the previous Valuation Day Net Asset Value multiplied by the redemption amount.

### 1.7. Computation of Performance Fees

Performance Fees are calculated by the Central Administration Agent and audited annually by the independent auditors of the Fund. The Board of Directors may make such adjustments of accruals as it deems appropriate to ensure that the accrual represents fairly and accurately the Performance Fee liability that may eventually be payable by the Sub-Fund or Share Class to the Management Company.

### 1.8. Payment of Performance Fees

The Performance Fee payable is equal to the Performance Fee accrued at the end of the relevant Calculation Period. Performance Fees payable to the Management Company, or the Investment Manager as the case may be, in any Calculation Period are not refundable in any subsequent Calculation Periods.

In the case of liquidation or merger of a Sub-Fund to which a Performance Fee is applicable, the Performance Fee will be paid on the last valuation day before its liquidation or merger.

### 1.9. Example of Calculation of Performance Fee

Example of a calculation with a Performance Fee Rate of 20%:

A Share Class with a Daily Share Class Return of +20% compared to a Daily Benchmark Return of +10% will accrue a Daily Performance Fee Accrual of 2% of its Adjusted Net Asset Value (20% of the difference between the Daily Share Class Return and the Daily Benchmark Return). The Performance Fee payable is equal to the Performance Fee accrued at the end of the relevant Calculation Period. The calculation methodology includes a perpetual clawback mechanism which ensures that any under-performance versus the Performance Fee Benchmark needs to be recovered before any additional Performance Fee will be accrued.

**This methodology implies that a Daily Performance Fee accrual may apply on a day of negative absolute performance as long as the Daily Share Class Return exceeds the Daily Benchmark Return and any under-performance versus the Performance Fee Benchmark has been clawed back.**

**Operating, Administrative and Servicing Expenses**

In addition, the Management Company is entitled to receive a fee to cover operating, administrative and servicing expenses accrued daily and payable twice monthly at a total annual rate which may vary for each Sub-Fund/Share Class. The maximum rate applicable to each Sub-Fund/Share Class is disclosed in Appendix II.

The flat fee covers the ongoing custody fees and safekeeping charges payable to the Depositary (including any sub-custodian fees), fees for fund administration services payable to the Administration Agent and transfer agency fees for registrar and transfer agency services payable to the Registrar and Transfer Agent.

The flat fee shall also cover the following costs and expenses:

- annual fees and expenses charged by the Luxembourg supervisory authority, *Commission de Surveillance du Secteur Financier* ("**CSSF**");

- other fees charged by the supervisory authorities in the countries in which the Fund is registered;

- printing of the Articles of Association, prospectuses and annual and semi-annual reports;

- production of the KIID and/or the corresponding documents for distribution to the public;

- price publications and publication of notices to shareholders;

- fees incurred in connection with the registration/listing of the Fund and sales in Luxembourg and abroad;

- fees and other expenses for the payment of dividends to shareholders;

- costs and expenses in relation to swing pricing. and

- auditor's and legal advisers' fees.

The Fund seeks to preserve Shareholders from fluctuations in its Operating, Administrative and Servicing Expenses and has agreed with the Management Company that the Management Company will bear the excess of any such expenses above the annual rate specified for each Share Class. Conversely, the Management Company will be entitled to retain any amount by which the annual rate of Operating and Administration Expenses to be borne by the Shares exceeds the actual expenses incurred by the Fund.

Other costs charged to the Fund include only:

1) All taxes and duties, including VAT (if any) which might be due on the Fund's assets or income earned by the Fund or on services acquired for the benefit of the Fund, in particular the subscription tax (see paragraph Tax Status below) charged on the Fund's net assets.

2) Brokerage fees (including research fees), clearing and registration fees, bank transaction fees, borrowing cost (if any), costs and fees in relation with securities lending and hedging transaction costs.

3) Extraordinary or non-routine costs incurred, for example any verification procedures or legal proceedings undertaken to protect the Shareholders' interests, and upon instruction by the Fund.

The fees associated with the creation and launch of a new Sub-Fund will be, in principle, exclusively borne by the new Sub-Fund. Nevertheless, the Board of Directors may also decide that the costs associated with the opening of new Sub-Funds be borne by the existing Sub-Funds. The fees associated with the creation of a new Sub-Fund may be amortised over a period not exceeding 5 years.

Each of the Directors will be entitled to remuneration for his/her services at the rate determined by the general meeting of Shareholders from time to time. In addition, each Director may be paid reasonable travelling, hotel and other incidental expenses for attending and returning from board meetings or general meetings of Shareholders as well as for visiting the Investment Manager.

All recurring expenditure shall be charged first to the Fund's income, then to realized capital gains, then to the Fund's assets. Other expenditure may be amortised over a period not exceeding five years.

## TAX STATUS

The Fund is subject to Luxembourg tax legislation. The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended nor should it be considered as tax advice to any particular investor or potential Investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

### Taxation of the Fund

The Fund is not subject to taxation in Luxembourg on its income, profits or gains.

The Fund is not subject to net wealth tax.

No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares of the Fund.

The Fund is however subject to a subscription tax (*taxe d'abonnement*) levied at the rate of 0.05% per annum

based on its net asset value at the end of the relevant quarter, calculated and paid quarterly. A reduced subscription tax of 0.01% per annum is applicable to Luxembourg UCITS whose exclusive object is the collective investment in money market instruments, the placing of deposits with credit institutions, or both. A reduced subscription tax of 0.01% per annum is applicable to UCITS, individual compartments of UCITS with multiple compartments referred to in the 2010 Law, as well as for individual classes of securities issued within a UCITS or within a compartment of a UCITS with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Subscription tax exemption applies to (i) investments in a Luxembourg UCI subject itself to the subscription tax, (ii) UCIs, compartments thereof or dedicated classes reserved to retirement pension schemes, (iii) money market UCIs, (iv) UCITS and UCIs subject to the part II of the 2010 Law qualifying as exchange traded funds, and (v) UCIs and individual compartments thereof with multiple compartments whose main objective is the investment in microfinance institutions.

**Withholding tax**

Interest and dividend income received by the Fund may be subject to non-recoverable withholding tax in the source countries. The Fund may further be subject to tax on the realised or unrealised capital appreciation of its assets in the countries of origin. The Fund may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from withholding tax or reduction of withholding tax rate.
Capital gains realised on a disposal or a redemption of Shares, distributions made by the Fund as well as liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

**Taxation of Shareholders**

**Luxembourg resident individuals**

Capital gains realised on the sale of the Shares by Luxembourg resident individuals Shareholders who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

(i) the Shares are sold within 6 months from their subscription or purchase; or

(ii) if the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, more than 10% of the share capital of the company.

Distributions made by the Fund will be subject to income tax. Luxembourg personal income tax is levied following a progressive income tax scale.

**Luxembourg resident corporate**

Luxembourg resident corporate Shareholders will be subject to corporate taxation on capital gains realised upon disposal of the Shares and on the distribution received from the Fund.

Luxembourg corporate resident Shareholders who benefit from a special tax regime, such as, for example, (i) an undertaking for collective investment subject to the 2010 Law, (ii) specialized investment funds subject to the law of 13 February 2007 related to specialised investment funds, (iii) a reserved alternative investment funds subject to the Law of 23 July 2016 on reserved alternative investment funds (to the extent they have

not opted to be subject to general corporation taxes), (iv) family wealth management companies subject to the law of 11 May 2007 related to family wealth management companies, are exempt from income tax in Luxembourg, but instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realized thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate Shareholders except if the holder of the Shares is (i) a UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitization, (iii) an investment company governed by the amended law of 15 June 2004 on the investment company in risk capital, (iv) a specialized investment fund subject to the amended law of 13 February 2007 on specialised investment funds, (v) a reserved alternative investment fund subject to the Law of 23 July 2016 on reserved alternative investment funds, (vi) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies, or (vii) or a professional pension institutions governed by the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth tax exceeding EUR 500 million.

**Non Luxembourg residents**

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realized upon disposal of the Shares nor on the distribution received from the Fund and the Shares will not be subject to net wealth tax.

**Automatic Exchange of Information**

The Organisation for Economic Co-operation and Development ("**OECD**") has developed a common reporting standard ("**CRS**") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC2**") was adopted to implement the CRS among the EU Member States. The CRS and the DAC2 were implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("**CRS Law**").

The CRS Law requires Luxembourg financial institutions to identify their financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("**CRS Reportable Accounts**"). The first official list of CRS reportable jurisdictions was published on 24 March 2017 and is updated from time to time. Luxembourg financial institutions will then report the information on such CRS Reportable Accounts to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Fund may require its Shareholders to provide information or documentation in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status; and report information regarding a Shareholder and his/her/its account holding in the Fund to the Luxembourg tax authorities (*Administration des Contributions Directes*) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the Fund, the Shareholders acknowledge that (i) the Fund is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Fund reserves the right to refuse any subscription for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Prospective investors should consult their professional advisor on the individual impact of the CRS.

*DAC6*

On 25 May 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) that imposes a reporting obligation on parties involved in transactions that may be associated with aggressive tax planning ("**DAC6**"). More specifically, the reporting obligation will apply to cross-border arrangements that, among others, satisfy one or more "hallmarks" provided for in DAC6 (the "**Reportable Arrangements**").

In the case of a Reportable Arrangement, the information that must be reported includes the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement.

The reporting obligation in principle rests with persons that design, market or organise the Reportable Arrangement and professional advisors (intermediaries). However, in certain cases, the taxpayer itself can be subject to the reporting obligation.

The information reported will be automatically exchanged between the tax authorities of all Member States. DAC6 must be implemented in the domestic laws of the Member States by 31 December 2019 and will only apply from 1 July 2020 with the first reporting deadline being 31 August 2020. However, at that time, it will be necessary to report the Reportable Arrangements the first step of which was implemented between 25 June 2018 and 1 July 2020.

In light of the broad scope of DAC6, transactions carried out by the Fund may fall within the scope of DAC6 and thus be reportable (subject however to the way DAC6 will be implemented into national laws).

**German Investment Tax**

The following Sub-Funds qualify as equity funds within the meaning of the German Investment Tax Reform Act dated 8 July 2016 (GITA) and effective as from 1 January 2018 as they continuously invest at least 51% of their assets in equity securities (as defined by GITA): Russia, Eastern Europe, East Capital New Europe, Balkans, Turkey, Global Emerging Markets Sustainable and Global Frontier Markets.

**FATCA**

The Foreign Account Tax Compliance Act ("**FATCA**"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States of America in 2010. It requires financial institutions outside the US. ("**foreign financial institutions**" or "**FFIs**") to pass information about "**Financial Accounts**" held by "**Specified US Persons**", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("**IRS**") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement.

On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with such Luxembourg IGA, as implemented into Luxembourg law by the law of 24 July 2015 relating to FATCA (the "**FATCA Law**") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Fund may be required to collect information aiming to identify its direct and indirect Shareholders that are Specified US Persons for FATCA purposes ("**reportable accounts**"). Any such information on reportable accounts provided to the Fund will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996.

The Fund intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed US investments of the Fund. The Fund will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Fund's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Fund, the Management Company, in its capacity as the Fund's management company and/or the Administrator, may:

a. request information or documentation, including withholding certificate (e.g. W-9 or W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;

b. report information concerning a Shareholder and his account holding in the Fund to the Luxembourg tax authorities if such account is deemed a US reportable account under the FATCA Law and Luxembourg IGA;

c. report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payment to Shareholders with FATCA status of a non-participating foreign financial institutions;

d. deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Fund in accordance with FATCA and the FATCA Law and the Luxembourg IGA; and

e. divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the Fund, the Shareholders acknowledge that (i) the Fund is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the IRS; (iv) responding to FATCA-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes).*

The Fund reserves the right to refuse any application for shares if the information provided by a potential investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

Prospective investors should consult their professional advisor on the individual impact of FATCA.

## BUSINESS YEAR

The business year of the Fund runs from 1 January until 31 December.

## PERIODICAL REPORTS AND PUBLICATIONS

The Fund will publish an audited Annual Report within 4 months after the end of the business year and an unaudited Semi-annual Report within 2 months after the end of the period to which it refers.

The Annual Report includes accounts of the Fund and of each Sub-Fund.

All these reports will be made available to the Shareholders at the registered office of the Fund and any distributor or intermediary appointed by the Fund.

The net asset value per Share of each Sub-Fund as well as the issue and redemption prices will be made public at the registered office of the Fund, and the Administration, Registrar and Transfer Agent and published on www.eastcapital.com.

Any amendments to the Articles of Incorporation will be published in the *Mémorial* of the Grand-Duchy of Luxembourg.

## LIFETIME, MERGER AND LIQUIDATION OF THE FUND AND SUB-FUNDS

### The Fund

The Fund is formed for an indefinite period. However, the Board of Directors may at any time move to dissolve the Fund at an extraordinary general meeting of the Shareholders.

If the Fund's Share capital falls below two-thirds of the minimum capital required by law, the Board of Directors must refer the matter of the dissolution to the general meeting of Shareholders, deliberating without any quorum and deciding by a simple majority of the Shares represented at the meeting.

If the Fund's share capital is less than a quarter of the minimum capital required, the Directors must refer the matter of dissolution of the Fund to the general meeting of Shareholders, deliberating without any quorum; the dissolution may be decided by Shareholders holding a quarter of the Shares represented at the meeting.

### Merger of Sub-Funds

Any merger of a Sub-Fund with another Sub-Fund of the Fund or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for the merger to the meeting of Shareholders of the Sub-Fund concerned. In the latter case, no quorum is required for this meeting and the decision for the merger is taken by a simple majority of the votes cast. In the case of a merger of a Sub-Fund where, as a result, the Fund ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a meeting of Shareholders resolving in accordance with the quorum and majority requirements for the amendment of the Articles of Incorporation.

Publication or notification of the decision, including details of the merger, will be made at least 30 days prior to the last day on which Shareholders may request redemption of their Shares free of charge.

### Liquidation of Sub-Funds

The Board of Directors may also decide to convene a general meeting of Shareholders of a Sub-Fund for the purpose of deciding its dissolution. This general meeting will deliberate without any quorum requirement and the decision to dissolve the Sub-Fund will be taken by a majority of votes cast.

If a Sub-Fund's total net assets fall below the equivalent of EUR 10,000,000, the Board of Directors may decide at any time to liquidate the Sub-Funds concerned if it believes that the liquidation of the Sub-Fund in question would be in the best interests of Shareholders.

In the event of the dissolution of a Sub-Fund or the Fund, the liquidation will be carried out pursuant to the provisions of the 2010 Law, which sets out the procedures to enable Shareholders to benefit from liquidation dividends and in this context provides for the depositing of any amount that could not be distributed to Shareholders when the liquidation is complete with the "*Caisse de Consignation*" in Luxembourg. Any amounts so deposited that are not claimed within the statutory period shall be forfeited in accordance with Luxembourg law. The net proceeds from the liquidation of each Sub-Fund will be distributed to holders of Shares in the Sub-Fund in question in proportion to the number of Shares they hold in that Sub-Fund.

## DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are deposited and kept available for inspection at the registered office of the Fund:

1. The Fund's Articles of Incorporation and the Prospectus.

2. The Depositary Agreement between Skandinaviska Enskilda Banken AB (publ) acting through its Luxembourg branch and the Fund.

3. The Management Company Agreement between the Fund and the Management Company.

4. The investment management agreement between the Fund, the Management Company and the Investment Manager.

5. The Master Central Administration Agreement between the Management Company and European Fund Administration S.A.

Additional information which the Fund must make available upon request to investors in accordance with Luxembourg laws and regulations such as, but not limited to, shareholders complaint handling procedures, conflict of interest rules, voting rights policy of the Fund, best execution policy etc., shall be available at the registered office of the Fund.

Investors can find further information on the Fund at www.eastcapital.com.

## INVESTMENT RESTRICTIONS

The Board of Directors has adopted the following restrictions relating to the investment of the Fund's assets and its activities. These restrictions and policies may be amended from time to time by the Board of Directors if deemed to be in the best interests of the Fund, in which case this Prospectus will be updated.

The investment restrictions imposed by Luxembourg law must be complied with by each Sub-Fund. Those restrictions contained in paragraph 1. (D) below are applicable to the Fund as a whole.

### 1. INVESTMENT IN ELIGIBLE ASSETS

(A) (1) The Fund will exclusively invest in:

a) transferable securities and money market instruments admitted to an official listing on a stock exchange in an Eligible State[2]; and/or

b) transferable securities and money market instruments dealt in on another Regulated Market[3]; and/or

[2] "Eligible State" includes any member state of the European Union ("EU"), any member state of the Organisation for Economic Co-operation and Development ("OECD"), and any other state which the Board of Directors deems appropriate with regard to the investment objectives of each Sub-Fund.
[3] "Regulated Market" a market which is regulated, operates regularly and is recognised and open to the public in an Eligible State.

c) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to official listing on an Eligible Market[4] and such admission is achieved within one year of the issue; and/or

d) units of UCITS[5] and/or other UCIs, whether situated in an EU member state or not, provided that:

- such other UCIs have been authorised under the laws of any member country of the European Union or under the laws of Canada, Hong Kong, Japan, Norway, Switzerland or the United States,

- the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of directive 2009/65/EC,

- the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period,

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs; and/or

e) 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 a country which is a Member State[6] or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU Law; and/or

f) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in subparagraphs (a) and (b) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying consists of instruments covered by this section (A) (1), financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to their investment objective,

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg supervisory authority,

- 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 Fund's initiative;

[4] "Eligible Market" an official stock exchange or another Regulated Market.
[5] "UCITS" an undertaking for collective investment in transferable securities authorised according to council directive 2009/65/EC of 13 July 2009, as amended.
[6] as defined in the 2010 Law.

and/or

g) money market instruments other than those dealt in on a Regulated Market, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-EU member state or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

- issued by an undertaking any securities of which are dealt in on Regulated Markets, or

- issued by other bodies belonging to categories approved by the Luxembourg supervisory authority 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 ten million euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth 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) In addition, the Fund may invest a maximum of 10% of the net asset value of any Sub-Fund in transferable securities and money market instruments other than those referred to under (1) above.

(B) Each Sub-Fund may hold ancillary liquid assets.

(C) (i) Each Sub-Fund may invest no more than 10% of its net asset value in transferable securities or money market instruments issued by the same body.

Each Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body. The risk exposure to a counterparty of a Sub-Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in (A) (1) (e) above or 5% of its net assets with respect to other counterparties.

(ii) Furthermore, where any Sub-Fund holds investments in transferable securities and money market instruments of any issuing body which individually exceed 5% of the net asset value of such Sub-Fund, the total value of all such investments must not account for more than 40% of the net asset value of such Sub-Fund.

This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph (C) (i), a Sub-Fund may not combine:

- investments in transferable securities or money market instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with a single body,

in excess of 20% of its net assets.

(iii) The limit of 10% laid down in paragraph (C)(i) above shall be 35% in respect of transferable securities or money market instruments which are issued or guaranteed by a Member State, its local authorities or by public international bodies of which one or more Member States are members, and such securities and money market instruments shall not be included in the calculation of the limit of 40% under (C)(ii) above.

(iv) The limits set out in paragraphs (C)(i), (C)(ii) and (C) (iii) above may not be aggregated and, accordingly, the value of investments in transferable securities and money market instruments issued by the same body, in deposits or derivative instruments made with this body, effected in accordance with paragraphs (C)(i), (C)(ii) and (C) (iii) may not, in any event, exceed a total of 35% of each Sub-Fund's net asset value.

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 body for the purpose of calculating the limits contained in this paragraph (C).

A Sub-Fund may cumulatively invest up to 20% of its net assets in transferable securities and money market instruments within the same group.

(v) Where any Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities or by a non Member State (such as member states of the OECD, Singapore and any member state of the G20, or by public international bodies of which one or more Member States are members, the Fund may invest 100% of the net asset value of any Sub-Fund in such securities and money market instruments provided that such Sub-Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the net asset value of the Sub-Fund.

Subject to having due regard to the principle of risk spreading, a Sub-Fund need not comply with the limits set out in this paragraph (C) for a period of 6 months following the date of its authorisation and launch.

(D) (i) The Fund may not acquire shares carrying voting rights which would enable the Fund to exercise significant influence over the management of the issuing body.

(ii) A Sub-Fund may acquire no more than (a) 10% of the non-voting shares of the same issuer, (b) 10% of the debt securities of the same issuer, and/or (c) 10% of the money market instruments of the same issuer. However, the limits laid down in (b) and (c) above may be disregarded at the time

of acquisition if at that time the gross amount of the debt securities or of the money market instruments or the net amount of instruments in issue cannot be calculated.

The limits set out in paragraph (D)(i) and (ii) above shall not apply to:

(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

(ii) transferable securities and money market instruments issued or guaranteed by any other Eligible State;

(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; or

(iv) shares held in the capital of a company incorporated in a non-EU member state which invests its assets mainly in the securities of issuing bodies having their registered office in that state where, under the legislation of that state, such holding represents the only way in which such Sub-Fund's assets may invest in the securities of the issuing bodies of that state, provided, however, that such company in its investment policy complies with the limits laid down in Articles 43, 46 and 48 (1) and (2) of the 2010 Law.

(E) (i) Each Sub-Fund may acquire units of the UCITS and/or other UCIs referred to in paragraph (A) (d), provided that no more than 20% of a Sub-Fund's net assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of investment limit, each Sub-Fund of a UCI with multiple Sub-Funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various Sub-Funds vis-à-vis third parties is ensured.

(ii) Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net asset of a Sub-Fund.

(iii) When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or votes, no subscription or redemption fees may be charged to the Fund on account of its investment in the units of such other UCITS and/or UCIs. Moreover, in such case, there will be no duplication of management fees in respect of such investments.

A Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in Appendix I the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest. The Fund will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant period.

(iv) A Sub-Fund may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple sub-funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all sub-funds combined.

(v) The underlying investments held by the UCITS or other UCIs in which the Sub-Funds invest do not have to be considered for the purpose of the investment restrictions set forth under paragraph (C) above.

(vi) Unless otherwise decided by the Board of Directors and specifically disclosed in the Appendix I in relation to a given Sub-Fund, a Sub-Fund will not invest more than 10% of its net assets in units of UCITS or other UCIs.

(F) A Sub-Fund (the "**Investing Fund**") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds (each a "**Target Fund**") under the condition that:

- the Target Fund does not, in turn, invest in the Investing Fund invested in this Target Fund; and
- no more than 10% of the assets of the Target Fund whose acquisition is contemplated, may, according to its investment policy, be invested in units of other UCITS or Other UCIs; and
- the Investing Fund may not invest more than 20% of its net assets in units of a single Target Fund; and
- for as long as these securities are held by the Investing Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and
- there is no duplication of management/subscription or repurchase fees between those at the level of the Investing Fund having invested in the Target Fund, and this Target Fund.

(G) (i) Under the conditions and within the limits laid down by the Law, the Fund may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Sub-Fund qualifying either as a feeder UCITS (a "**Feeder UCITS**") or as a master UCITS (a "**Master UCITS**"), (ii) convert any existing Sub-Fund into a Feeder UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS.
A Master UCITS may not hold units of a Feeder UCITS.

(ii) A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with paragraph (B);
- financial derivative instruments, which may be used only for hedging purposes.

(iii) For the purposes of compliance with paragraph (C) (i), the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of under (ii) above with either:

- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or

- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

## 2. INVESTMENT IN OTHER ASSETS

(A) The Fund will not make investments in precious metals or certificates representing these.

(B) The Fund may not enter into transactions involving commodities or commodity contracts, except that the Fund may employ techniques and instruments relating to transferable securities within the limits set out in paragraph 3. below.

(C) The Fund will not purchase or sell real estate or any option, right or interest therein, provided the Fund may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(D) The Fund may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in section 1.(A) (1) d), f) and g).

(E) The Fund may not borrow for the account of any Sub-Fund, other than amounts which do not in aggregate exceed 10% of the net asset value of the Sub-Fund, and then only as a temporary measure. For the purpose of this restriction back to back loans are not considered to be borrowings.

(F) The Fund will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Sub-Fund, except as may be necessary in connection with the borrowings mentioned in (E) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the net asset value of each Sub-Fund. In connection with swap transactions, option and forward exchange or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.

(G) The Fund will not underwrite or sub-underwrite securities of other issuers.

## 3. FINANCIAL DERIVATIVE INSTRUMENTS

### *a) General*

Each Sub-Fund may, subject to the conditions and within the limits laid down in the 2010 Law and any present or future related Luxembourg laws or implementing regulations, circulars and CSSF positions (the "**Regulations**"), invest in financial derivative instruments for hedging purposes, investment purposes or to provide protection against risks. Financial derivative instruments include, but are not limited to, futures, forwards, options, swaps (including, but not limited to, credit and credit-default, interest rate and inflation swaps), swaptions and forward foreign currency contracts. New financial derivative instruments may be

developed which may be suitable for use by the Fund and the Fund may employ such financial derivative instruments in accordance with the Regulations and collateral received will be according to its collateral policy.

The conditions of use of financial derivative instruments and the limits applicable shall in all circumstances comply with the provisions laid down in the 2010 Law, in the rules and regulations of the CSSF and this Prospectus.

The Fund shall ensure that the global exposure of each Sub-Fund relating to financial derivative instruments does not exceed the total net assets of that Sub-Fund.

The global exposure relating to financial derivative instruments is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions. This shall also apply to the following sub-paragraphs.

Under no circumstances shall the use of these instruments and techniques cause a Sub-Fund to diverge from its investment policy or objective. The risks against which the Sub-Funds could be hedged may be, for instance, market risk, foreign exchange risk, interest rates risk, credit risk, volatility or inflation risks.

The counterparty to the transaction will be a counterparty approved and monitored by the Management Company or the Investment Manager. The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. The counterparties to such transactions will be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. Details of the selection criteria and a list of approved counterparties is available at the registered office of the Fund/Management Company.

The Fund will not enter into any transaction (such as OTC derivatives) that would require receipt of collateral from a counterparty to such transaction unless otherwise disclosed in the Appendix I for a Sub-Fund.

***b) Total Return Swaps***

The Fund will not enter into total return swaps or invest in other financial derivative instruments with similar characteristics unless otherwise disclosed in the Appendix I for a Sub-Fund.

At no time will a counterparty in a transaction have discretion over the composition or the management of the Sub-Fund's investment portfolio or over the underlying of the total return swap.

All revenues arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund concerned.

In particular, fees and cost may be paid to the relevant counterparty and other intermediaries providing services in connection with total return swaps as normal compensation of their services. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the Management Company or the Investment Manager will be available in the financial reports of the Fund.

The risk of counterparty default and the effect on investors' returns are described in Appendix III "Risk Factors".

## 4. USE OF TECHNIQUES AND INSTRUMENTS RELATING TO TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS

### *a) General*

To the maximum extent allowed by, and within the limits set forth in, the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars, CSSF's positions and ESMA guidelines, in particular the provisions of (i) article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the 2002 Law, of (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time) and of (iii) CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS, each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks engage in securities lending transactions on continuous or on a temporary basis depending on factors as further described hereafter. New techniques and instruments may be developed which may be suitable for use by the Fund and the Fund (subject as aforesaid) may employ such techniques and instruments in accordance with the applicable laws and regulations.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivatives must be combined when calculating counterparty risk limits referred to in the 2010 Law.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund concerned.

In particular, fees and cost may be paid to agents of the Fund and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Sub-Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the Management Company, the Investment Manager or the Depositary will be available in the financial reports of the Fund.

The counterparties to such transactions will be selected on the basis of certain criteria. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties to such transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by Community law and specialised in this type of transaction. The counterparties to such transactions will typically be financial institutions headquartered in an OECD member state and have directly or at parent-level an investment grade credit rating from an internationally recognised rating agency. Details of the selection criteria and a list of approved counterparties is available from at the registered office of the Fund/Management Company.

***b) Securities Lending Transactions***

For the purposes of efficient portfolio management, in order to enhance growth and generate additional income, the Fund may enter into a securities lending program with a securities lending agent. Securities lending transactions are managed by the appointed securities lending agent which can be the Depositary, an independent third party. The securities lending agent is not a related party to the Management Company or the Investment Manager.

The following types of assets can be subject to securities lending transactions: equity and equity-related securities held in the portfolio of the relevant Sub-Fund in accordance with its investment policy when the Fund is acting as borrower.

A Sub-Fund may enter into securities lending transactions in regard to the securities in its portfolio for up to 50% of its net assets. The proportion of a Sub-Fund's net assets subject to securities lending transactions depend on the borrower demand and on market conditions and typically vary between 0% and 30%. Such variations may be dependent on factors such as, but not limited to, total Sub-Fund's net assets, borrower demand to borrow stocks from the underlying market and seasonal trends in the underlying market. During periods of little or no demand from the market to borrow the underlying securities, the proportion of the Sub-Fund's net assets subject to Securities Lending Transactions may be 0%, while there may also be periods of higher demand, in which case this proportion may approach 30%.

The securities lending agent provides expertise and operational support for securities lending and in return will charge a fee for its services. Securities lending activities generate income for the relevant Sub-Fund lending securities. At least 75% of the gross income generated from any securities lending transaction will accrue to the relevant Sub-Fund, while up to 25% of the gross income will be split between the securities lending agent arranging the securities lending transaction for the relevant Sub-Funds, the Depositary and the Management Company. No more than 5% of the gross income generated from any securities lending transaction will accrue to the Depositary for its duties as depositary of the Fund, whereas the Management Company will not receive more than 5% of the gross income generated from such transactions to cover its costs relating to monitoring, reviewing and acting upon portfolio related security lending activities. The remaining part of the gross income generated from securities lending transactions (i.e. 10%) will accrue to the securities lending agent. Investors can find additional information on the securities lending agent on the following website: www.eseclending.com.

All other costs/fees of running the program are paid from the securities lending agent’s portion of the income. This includes all direct and indirect costs / fees generated by the securities lending activities. Details of such amounts and the identity of the securities lending agent(s) will be disclosed in the financial reports of the Fund.

In accordance with applicable laws and regulations:

(i) The Fund may only lend through a standardized system organized by a recognized clearing institution or through a first class financial institution specializing in this type of transaction approved by the board of directors of the Management Company. In all cases, the counterparty to the securities lending agreements must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement. If the Fund lends its securities to entities that are linked to the Fund by common

management or control, specific attention has to be paid to the conflicts of interest which may result therefrom.

(ii) As part of lending transactions, the Fund must receive an appropriate collateral, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent. At maturity of the securities lending transaction, the appropriate collateral will be remitted simultaneously or subsequently to the restitution of the securities lent.

(iii) All assets received by the Fund in the context of efficient portfolio management techniques should be considered as collateral. The collateral must comply with the conditions set forth below under section " Management of Collateral and Collateral Policy"

(iv) In case of a standardised securities lending system organised by a recognised clearing institution or in case of a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions, securities lent may be transferred before the receipt of the guarantee if the intermediary in question assures the proper completion of the transaction. Such intermediary may, instead of the borrower, provide to the Fund a guarantee which the value at conclusion of the contract must be at least equal to the total value of the securities lent.

(v) The Fund must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it 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 that these transactions do not jeopardise the management of the Fund's assets in accordance with its investment policy.

(vi) With respect to securities lending, the Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, at least the total value of the securities lent (interest, dividends and other potential rights included) as further described hereunder in section "Management of Collateral and Collateral Policy".

(vii) The Fund ensures that it is able at any time to recall any security that has been lent or terminate any securities lending transaction into which it has entered; and

The Management Company does not act as securities lending agent.

Collateral is managed by the securities lending agent on behalf of the Fund. The securities lending agent provides collateral valuation. The securities lending agent shall ensure that sufficient value and quality of collateral is held throughout the duration of the loans and collect the income earned in connection with the securities lending activity.

The risks related to the use of securities lending transactions as well as the risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse are described in Appendix III "Risk Factors".

Assets subject to securities lending transactions will be safe-kept by the Depositary or by the securities lending agent.

***c) Repurchase and reverse repurchase transactions***

As of the date of this Prospectus, the Fund does not enter into reverse repurchase transactions or repurchase transactions.

**Management of Collateral and Collateral Policy**

*Level of collateral*

The Fund will determine (for each Sub-Fund) the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

Collateral will be predominantly received in the form of government bonds and cash. The Fund may also accept other collateral fulfilling the conditions set out in the CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS. Non-cash collateral received is not sold, reinvested or pledged.

As the case may be, cash collateral received by each Sub-Fund in relation to any of these transactions may be reinvested in a manner consistent with the investment objectives of such Sub-Fund in (a) shares or units issued by short term money market undertakings for collective investment, as defined in the CESR's Guidelines on a common definition of European money market funds (ref.: CESR/10-049), (b) short-term bank deposits, and (c) high-quality government bonds according to the provisions of the above referred CSSF Circulars 08/356 and 14/592. Such reinvestment will be taken into account for the calculation of each concerned Sub-Fund's global exposure, in particular if it creates a leverage effect.

In case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund concerned, or (iii) yield a sum less than the amount of collateral to be returned.

With respect to securities lending, the Fund will generally require the borrower to post collateral (including any haircut) representing, at any time during the lifetime of the agreement, at least the market value of the securities lent (i.e. 100%), subject to the terms of the agreement. Those minimums shall be increased based, in particular, on the quality of the counterparty, in line with the requirements set out in applicable laws, regulations and circulars issued by the CSSF, from time to time, in particular the CSSF Circulars 08/356 and 14/592.

*Haircut policy*

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Fund for each asset class. Generally no discount will be applied to collateral in the form of cash deposits, in the currency of exposure and, highly rated sovereign fixed income securities issued or guaranteed by G-10 Governments. The policy takes into account a variety of factors, depending on the nature of the collateral received and, where applicable, the outcome of stress tests carried out by the securities lending agent under normal and exceptional conditions.

Collateral will be valued, and may be adjusted, on a daily basis using available market prices by securities lending agent. The Fund may adjust the Minimum Valuation Percentage if deemed necessary based on stress tests of collateral to check that the collateral provides sufficient protection. Whilst value of the collateral will

be maintained to at least equal to the value of the securities transferred, the transfer of collateral is subject to a minimum transfer amount. In the event of a sudden market movement there is a risk that the value of such collateral may fall below the value of the securities transferred. The Fund will seek to mitigate this risk by requiring the securities lending agent to indemnify the relevant Sub-Funds against such a fall in the value of collateral in the event of losses.

The following table lists the type of securities that may be held as collateral and the applicable haircuts. The Fund may, on a case by case basis, apply different haircuts and/or amend the following haircuts at any time and at its sole discretion.

| TYPE OF SECURITY | | Minimum Valuation Percentage |
|---|---|---|
| (i) | The Fund operates a policy which requires all non-cash collateral to be government debt issues by certain countries, that is bonds issued or guaranteed by the governments of Belgium, Canada, France, Germany, Japan, Netherlands, Sweden, Switzerland, United Kingdom or United States, with different maturities and at least an investment grade credit rating from an internationally recognised rating agency. | 105% |
| (ii) | Cash in USD, EUR, GBP or SEK | 102% |
| (iii) | Cash in exposure currency being the currency of the securities lent | 105% |
| (iv) | Cash in other currencies than specified under (ii) and (iii) | 110% |

Use of the aforesaid techniques and instruments involves certain risks (See "Appendix III – Risk Factors") and there can be no assurance that the objective sought to be obtained from such use will be achieved.

All collateral used to reduce counterparty risk will be held by the depositary or a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral.

## 5. ADDITIONAL COUNTRY SPECIFIC RESTRICTIONS

A list of the countries of registration of each of the Sub-Funds is available upon request and free of charge at the registered office of the Fund.

*PERU*

If and for so long as a Sub-Fund is authorised by the Superintendencia de Banca, Seguros y AFP in Peru, the following shall apply in addition to this section "Investment Restrictions":

- derivative financial instruments may only be used for hedging purposes;

- borrowing is used as a temporary measure.

If and for so long as a Sub-Fund is authorised by the Superintendencia de Banca, Seguros y AFP in Peru, the following shall apply in addition to the section "Redemptions":

- redemptions in kind will not be permitted.

## 6. RISK-MANAGEMENT PROCESS

In accordance with applicable laws and regulations (including CSSF circulars and regulations) as well as the applicable ESMA Guidelines, the Management Company will 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 each Sub-Fund. The Fund will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise explicitly stated in Appendix I for a Sub-Fund, all Sub-Funds will apply the commitment approach for measuring risk.

## 7. MISCELLANEOUS

A. The Fund may not make loans to other persons or act as a guarantor on behalf of third parties provided that for the purpose of this restriction the making of bank deposits and the acquisition of such securities referred to in paragraph 1. (A) (1) or of ancillary liquid assets shall not be deemed to be the making of a loan and that the Fund shall not be prevented from acquiring such securities above which are not fully paid.

B. The Fund need not comply with the investment limit percentages when exercising subscription rights attached to securities which form part of its assets.

C. Sub-Funds when investing in Russia, will only invest in securities listed on the MICEX-RTS Stock Exchange and any other regulated markets in Russia which would further be recognised as such by the Luxembourg supervisory authority.

A Sub-Fund may invest in securities listed in Russia on markets other than those referred to in the preceding paragraph within the limits laid down in section 1. (A) (2) above.

D. American Depositary Receipts ("**ADR**s") and Global Depositary Receipts ("**GDR**s") in which a Sub-Fund may invest shall qualify as transferable securities within the meaning of article 41(1) of the 2010 Law.

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If the limits referred to in the paragraphs in this section and in Appendix I are exceeded for reasons beyond the control of the Fund, or as a result of the exercise of subscription rights, the Management Company and/or the Investment Manager must, as a priority, take all steps as necessary within a reasonable period of time to rectify that situation, taking due account of the interests of its Shareholders.

## CO-MANAGEMENT TECHNIQUES

In order to reduce operational administrative charges while allowing a wider diversification of the investments, the Board of Directors may decide that part or all of the assets of any Sub-Fund will be co-managed with assets belonging to other Sub-Funds within the Fund. In the following paragraphs, the words "co-managed entities" shall refer to any Sub-Fund with and between which there would exist any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Management Company/Investment Manager(s) will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the Sub-Fund's assets. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such cases, all lines of investment shall be adjusted to the modified proportions. Shareholders should be aware that, in the absence of any specific action by the Fund, the co-management arrangement may cause the composition of assets of a Sub-Fund to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which any Sub-Fund is co-managed will lead to an increase of this Sub-Fund's reserve of cash. Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to a reduction of this Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Fund to decide at any time to terminate a Sub-Fund's participation in the co-management arrangement permits the Sub-Fund to avoid the readjustments of its portfolio if these adjustments are likely to affect the interest of the relevant Sub-Fund and of its Shareholders.

If a modification of the composition of any Sub-Fund's assets resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the relevant Sub-Fund) is likely to result in a breach of the investment restrictions applicable to this Sub-Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets of any Sub-Fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets of such Sub-Fund in order to

assure that investment decisions are fully compatible with the investment policy of the Sub-Fund. The Depositary shall at all times keep the assets of any Sub-Fund segregated from the assets of other co-managed entities, and shall therefore be able at all time to identify the assets of any Sub-Fund. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-Funds, it is possible that as a result the common policy implemented may be more restrictive than that of such Sub-Fund.

The Board of Directors may decide at any time and without notice to terminate the co-management arrangement.

Shareholders may at all times contact the registered office of the Fund to be informed of the percentage of assets which are co-managed and of the Sub-Funds with which there is such a co-management at the time of their request. Annual and semi-annual reports shall state the co-managed Assets' composition and percentages.

## APPENDIX I: SUB-FUNDS IN OPERATION

### East Capital Russia

### Objectives and investment policy

The investment objective of the Russia Sub-Fund is to provide long-term capital growth through exposure to companies in Russia.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 50% of its assets in securities of issuers domiciled in Russia. The Sub-Fund may also invest in securities of issuers not domiciled in Russia but which exercise a significant part of their economic activity in Russia.

The Sub-Fund may also invest up to one third of its assets in securities of issuers domiciled, or which exercise a significant part of their economic activity, in Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

At least 75% of the Sub-Fund's assets will be invested in equity or equity-related securities (such as, but not limited to, ADRs and GDRs of the aforementioned issuers).

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI Russia 10/40 Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in the emerging markets of Russia. Whilst the long-term growth potential of Russian markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion (except for conversion into East Capital New Europe, East Capital Global Emerging Markets Sustainable, East Capital China A-shares and/or East Capital Global Frontier Markets) received by the Registrar and Transfer Agent not later than 15.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable for any application received after 15.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital New Europe and/or received by the Registrar and Transfer Agent not later than 13.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 13.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital Global Emerging Markets Sustainable, East Capital Global Frontier Markets and/or East Capital China A-shares received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application for conversion received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital New Europe**

**Objectives and investment policy**

The investment objective of the New Europe Sub-Fund is to provide long-term capital growth through exposure to companies in the Central & Eastern European region excluding Russia. The Sub-Fund will mainly invest in companies located in countries that have joined the European Union since 2004 and that may join in the future, but also in companies of other emerging and frontier markets of Central & Eastern Europe.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 50% of its net assets in securities of issuers domiciled in Albania, Armenia, Austria, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Georgia, Greece, Hungary, Kazakhstan, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey and Ukraine.

The Sub-Fund may also invest in securities of issuers not domiciled in the aforementioned countries but which exercise a significant part of their economic activity there.

At least 75% of the Sub-Fund's assets will be invested in equity or equity-related securities (such as, but not limited to, ADRs and GDRs of the aforementioned issuers).

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's net assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI EFM CEEC ex RU Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in the emerging markets of Central & Eastern Europe. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for

investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion (except for conversion East Capital Global Emerging Markets Sustainable, East Capital China A-shares and/or East Capital Global Frontier Markets) received by the Registrar and Transfer Agent not later than 13.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 13.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital Global Emerging Markets Sustainable, East Capital Global Frontier Markets and/or East Capital China A-Shares received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application for conversion received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital Balkans**

**Objectives and investment policy**

The investment objective of the Balkans Sub-Fund is to provide long-term capital growth through exposure to companies in the Balkan region.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 50% of its assets in securities of issuers domiciled in Albania, Austria, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Greece, Hungary, Macedonia, Montenegro, Romania, Serbia, Slovakia, Slovenia and Turkey.

The Sub-Fund may also invest in securities of issuers not domiciled in the aforementioned countries but which exercise a significant part of their economic activity there.

At least 75% of the Sub-Fund's assets will be invested in equity or equity-related securities (such as, but not limited to, ADRs and GDRs of the aforementioned issuers).

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The STOXX Balkan Total Market Index (Net Return) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark used for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in the emerging markets of the Balkan States. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion (except for conversion into East Capital New Europe, East Capital Global Emerging Markets Sustainable, East Capital China A-shares and/or East Capital Global Frontier Markets) received by the Registrar and Transfer Agent not later than 15.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 15.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital New Europe received by the Registrar and Transfer Agent not later than 13.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 13.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital Global Emerging Markets Sustainable, East Capital Global Frontier Markets and/or East Capital China A-Shares received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application for conversion received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital Eastern Europe**

**Objectives and investment policy**

The investment objective of the Eastern Europe Sub-Fund is to provide long-term capital growth through exposure to companies in Eastern Europe.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 50% of its assets in securities of issuers domiciled in Albania, Armenia, Austria, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Georgia, Greece, Hungary, Latvia, Lithuania, Kazakhstan, Kyrgyzstan, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkmenistan, Turkey, Ukraine and Uzbekistan.

The Sub-Fund may also invest in securities of issuers not domiciled in the aforementioned countries but which exercise a significant part of their economic activity there.

At least 75% of the Sub-Fund's assets will be invested in equity or equity-related securities (such as, but not limited to, ADRs and GDRs of the aforementioned issuers).

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI EM Europe 10/40 Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark used for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in the emerging markets of Eastern Europe. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in

order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion (except for conversion into East Capital New Europe, East Capital Global Emerging Markets Sustainable, East Capital China A-shares and/or East Capital Global Frontier Markets) received by the Registrar and Transfer Agent not later than 15.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 15.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital New Europe received by the Registrar and Transfer Agent not later than 13.00 Luxembourg time on the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 13.00 Luxembourg time on the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

For any application for conversion into East Capital Global Emerging Markets Sustainable, East Capital Global Frontier Markets and/or East Capital China A-Shares received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application for conversion received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital Global Emerging Markets Sustainable**

**Objectives and investment policy:**

The investment objective of the Global Emerging Markets Sustainable is to provide long-term capital growth through exposure to companies in Emerging Markets (as defined below).

Sustainable investing means recognising that, environmental, social and governance factors may directly influence the long-term business profitability of companies. The Sub-Fund seeks exposure to companies that manage sustainability risks and/or contribute to sustainable development in Emerging Markets. Environmental, social and governance factors are fully integrated into the investment process.

The Sub-Fund also applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 75% of its assets directly or indirectly in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of companies domiciled in Emerging Markets or that exercise a significant part of their economic activity there.

Indirect exposure to companies located in Emerging Markets will be achieved, inter alia, by investing in UCITS, other UCIs, as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.

For the purpose of this Sub-Fund, "Emerging Markets" are defined as countries not classified as developed by the recognised major indices, or which are considered as low-or middle-income countries by the World Bank.

The Sub-Fund may invest directly up to 30% of its net assets in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or through the Shenzhen-Hong Kong Stock Connect, or through any other eligible means providing PRC stock market access. A detailed description of the Shanghai-Hong Kong Stock Connect program and the Shenzhen-Hong Kong Stock Connect program as well as risks linked thereto can be found under section "Specific risk factors for China" in Appendix III of this Prospectus.

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.

The Sub-Fund will hold a diversified portfolio unconstrained as to geography, sector or market capitalisation.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI Emerging Markets Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in Emerging Markets. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with Emerging Markets investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital Global Frontier Markets**

**Objectives and investment policy**

The investment objective of the Global Frontier Markets Sub-Fund is to provide long-term capital growth through exposure to companies located in frontier markets throughout the world.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 75% of its assets directly or indirectly in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of companies domiciled in frontiers markets or that exercise a significant part of their economic activity there.

Indirect exposure to companies located in frontier markets will be achieved, inter alia, by investing in UCITS, other UCIs, equity swaps as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.

For the purpose of this Sub-Fund frontier markets are defined as less advanced and less accessible emerging market countries that are included in Frontier Markets-related indices. The Sub-Fund may also invest in any country which is classified as an Emerging Market, or any other market not yet classified as Frontier Markets, but which, in the opinion of the Management Company and/or the Investment Manager, demonstrates economic characteristics of countries included in the Frontier Markets-related indices.

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.

The Sub-Fund will hold a diversified portfolio unconstrained as to geography, sector or market capitalisation.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI Frontier Markets Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in Frontier Markets. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with Frontier Markets investments. The Sub-Fund may, therefore, be suitable for investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which are also days where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading (each a valuation day). The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital Emerging Markets Technology**

**Objectives and investment policy**

The investment objective of the Emerging Markets Technology Sub-fund is to provide long term capital growth through exposure to technology companies in Emerging Markets. Technology companies may include companies in the business of, among others, software & IT services, interactive home entertainment, interactive media & services, and internet & direct retail marketing.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details. The Sub-Fund will invest at least 75% of its assets directly or indirectly in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of technology companies domiciled in Emerging Markets or that exercise a significant part of their economic activity there. Indirect exposure to technologies companies located in Emerging Markets will be achieved, inter alia, by investing in UCITS, other UCIs, as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.

For the purpose of this Sub-Fund, "Emerging Markets" are defined as countries not classified as developed by the recognised major indices, or which are considered as low-or middle-income countries by the World Bank.

The Sub-Fund may invest directly up to 30% of its net assets in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or through the Shenzhen-Hong Kong Stock Connect, or through any other eligible means providing PRC stock market access. A detailed description of the Shanghai-Hong Kong Stock Connect program and the Shenzhen-Hong Kong Stock Connect program as well as risks linked thereto can be found under section "Specific risk factors for China" in Appendix III of this Prospectus.

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes and for investment purposes.
The Sub-Fund will hold a diversified portfolio unconstrained as to geography or market capitalisation.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**
The MSCI Emerging Markets Index (Total Return Index) is used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in Emerging Markets. Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with Emerging Markets investments. The Sub-Fund may, therefore, be suitable for investors who already have a

globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion received by the Registrar and Transfer Agent not later than

16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

**East Capital China A-Shares**

**Objectives and investment policy**

The investment objective of the China A-shares Sub-Fund is to provide long-term capital growth through exposure to Chinese companies.

The Sub-Fund applies ESG criteria as outlined in the sustainability related disclosure in the investment approach. See Appendix IV for more details.

The Sub-Fund will invest at least 75% of its assets in equity or equity-related securities (such as, but not limited to, ADRs and GDRs) of companies domiciled in the People's Republic of China or that exercise a significant part of their economic activity there.

The Sub-Fund may invest directly up to 100% of its net assets in China A-Shares through the Shanghai-Hong Kong Stock Connect and/or through the Shenzhen-Hong Kong Stock Connect or through any other eligible means providing PRC stock market access. A detailed description of the Shanghai-Hong Kong Stock Connect program and the Shenzhen-Hong Kong Stock Connect program as well as risks linked thereto can be found under section "Specific risk factors for China" in Appendix III of this Prospectus.

Exposure to issuers domiciled in the People's Republic of China may also be achieved, inter alia, by investing in China B-Shares, China H-Shares as well as through UCITS eligible structured products such as participatory notes and/or equity-linked notes.

Under normal market conditions, investment in debt instruments of any kind will not exceed 25% of the Sub-Fund's assets.

The Sub-Fund may hold liquid assets on an ancillary basis.

The Sub-Fund may use financial derivative instruments and techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management and hedging purposes.

**However, investors should note that the use of financial derivative instruments entails certain risks that may have a negative impact on the performance of the Sub-Fund.**

The MSCI China A Onshore Index (Total Return Net) has been chosen for comparison purposes. The same index is also used as Performance Fee Benchmark for the purpose of the calculation of the Performance Fee with respect to Class P Shares. The Sub-Fund is actively managed and it has a significant degree of deviation from the index.

**Profile of the typical investor**

The Sub-Fund mainly invests in the emerging markets of China (including Hong Kong). Whilst the long-term growth potential of each one of these markets make this Sub-Fund attractive for investors looking for high investment returns, investors in the Sub-Fund need to be comfortable with the additional political and economic risks associated with emerging market investments. The Sub-Fund may, therefore, be suitable for

investors who already have a globally diversified portfolio and now want to expand into riskier assets in order to potentially boost returns. Because these stock markets can be very volatile, investors should also have an investment horizon of at least five years.

**Reference currency**

The reference currency of the Sub-Fund is the Euro.

**Frequency of calculation of NAV**

The net asset value of each Class within the Sub-Fund shall be calculated on any valuation day, being any day that is a business day in Luxembourg and Sweden (except on 24 December) and which is also a day where stock exchanges and/or regulated markets in countries where the Sub-Fund is materially invested are open for normal trading. The business days which are not valuation days will be available at the registered office of the Fund and on the following website: www.eastcapital.com.

**Subscriptions/Redemptions/Conversions**

For any application for subscription/redemption/conversion received by the Registrar and Transfer Agent not later than 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value calculated on that valuation day will be applicable. For any application received after 16.30 Luxembourg time on the business day preceding the relevant valuation day, the net asset value applicable will be the net asset value as calculated on the following valuation day.

## APPENDIX II: MANAGEMENT FEES, PERFORMANCE FEES AND OPERATING, ADMINISTRATIVE AND SERVICING EXPENSES

1) MANAGEMENT FEES ("MF") AND OPERATING, ADMINISTRATIVE AND SERVICING EXPENSES ("AF")

| Sub-Fund | Class A. B. G | | Class C. D | | Class F | | Class P | |
|---|---|---|---|---|---|---|---|---|
| | MF | AF | MF | AF | MF | AF | MF | AF |
| Russia | 1.75% | 0.35% | 1.25% | 0.35% | - | - | 1.10% | 0.35% |
| New Europe | 1.75% | 0.35% | 1.25% | 0.35% | - | - | 1.10% | 0.35% |
| Balkans | 1.90% | 0.35% | 1.25% | 0.35% | - | - | 1.10% | 0.35% |
| Eastern Europe | 1.75% | 0.35% | 1.25% | 0.35% | - | - | 1.10% | 0.35% |
| Global Emerging Markets Sustainable | 1.50% | 0.35% | 1.00% | 0.35% | - | - | 0.75% | 0.35% |
| Global Frontier Markets | 1.90% | 0.35% | 1.25% | 0.35% | - | - | 1.10% | 0.35% |
| Emerging Markets Technology | 1.50% | 0.35% | 1.00% | 0.35% | - | - | 0.75% | 0.35% |
| China A-Shares | 1.70% | 0.35% | 1.10% | 0.35% | - | - | 0.75% | 0.35% |

| Sub-Fund | Class R | | Class S | | Class X | | Class Z | |
|---|---|---|---|---|---|---|---|---|
| | MF | AF | MF | AF | MF | AF | MF | AF |
| Russia | 1.25% | 0.35% | 1.00% | 0.30% | 0.00% | 0.35% | - | - |
| New Europe | 1.25% | 0.35% | 1.00% | 0.30% | 0.00% | 0.35% | - | - |
| Balkans | 1.25% | 0.35% | 1.00% | 0.30% | 0.00% | 0.35% | - | - |
| Eastern Europe | 1.25% | 0.35% | 1.00% | 0.30% | 0.00% | 0.35% | - | - |
| Global Emerging Markets Sustainable | 1.10% | 0.35% | 0.60% | 0.30% | 0.00% | 0.35% | 0.50% | 0.25% |
| Global Frontier Markets | 1.25% | 0.35% | 1.00% | 0.30% | 0.00% | 0.35% | - | - |
| Emerging Markets Technology | 1.10% | 0.35% | 0.60% | 0.30% | 0.00% | 0.35% | 0.50% | 0.25% |
| China A-Shares | 1.20% | 0.35% | 0.95% | 0.30% | 0.00% | 0.35% | - | - |

The hedged Share Classes (H1/H2) as well as the Share Classes with additional denominations from "1" to "10" will bear the same Management Fee and Operating, Administrative And Servicing Expenses as the underlying Share Class for the relevant Sub-Fund.

2) PERFORMANCE FEES

The Management Company, or the Investment Manager as the case may be, is entitled to receive a Performance Fee in respect of Class P Shares calculated in accordance with the rules described in the main part of the Prospectus at a Performance Fee Rate as described below:

East Capital Russia
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the MSCI Russia 10/40 Index (Total Return Net).

East Capital New Europe
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the MSCI EFM CEEC ex RU Index (Total Return Net).

East Capital Balkans
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the STOXX Balkan Total Market Index (Net Return).

East Capital Eastern Europe
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the MSCI EM Europe 10/40 Index (Total Return Net).

East Capital Global Emerging Markets Sustainable
Performance Fee Rate: Class P Shares 15%.
The "Performance Fee Benchmark" is the MSCI Emerging Markets Index (Total Return Net).

East Capital Global Frontier Markets
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the MSCI Frontier Markets Index (Total Return Net).

East Capital Emerging Markets Technology
Performance Fee Rate: Class P Shares 15%.
The "Performance Fee Benchmark" is the MSCI Emerging Markets Index (Total Return Net).

East Capital China A-Shares
Performance Fee Rate: Class P Shares 20%.
The "Performance Fee Benchmark" is the MSCI China A Onshore Index (Total Return Net).

In accordance with the provisions of Regulation (EU) 2016/1011 (the "Benchmark Regulation") , the Fund may use benchmarks in the EU if the benchmark is provided by an administrator which is included in the register of administrators and benchmarks maintained by ESMA pursuant the Benchmark Regulation (the "Register"). Benchmark administrators located in a third country whose indices are used by the Fund benefit from transitional arrangements afforded under the Benchmark Regulation and accordingly may not appear on the Register.

The following benchmark administrators whose indices are used by the Fund are, as at the date of this Prospectus, inscribed in the register:

| **Benchmark Administrators** | **Indices** |
|---|---|
| MSCI Limited | MSCI EFM CEEC ex RU Index (Total Return Net)<br>MSCI China Index (Total Return Net)<br>MSCI EM Europe 10/40 Index (Total Return Net)<br>MSCI Emerging Markets Index (Total Return Net)<br>MSCI Frontier Markets Index (Total Return Net)<br>MSCI Russia 10/40 Index (Total Return Net)<br>MSCI China A Onshore Index (Total Return Net) |

| | |
|---|---|
| STOXX Limited | STOXX Balkan Total Market Index (Net Return) |

The Management Company maintains a written plan setting out the actions that will be taken in the event of the benchmark materially changing or ceasing to be provided. The written plan is available free of charge upon request at the registered office of Management Company.

## APPENDIX III: RISK FACTORS

The following are the risks that could have an impact on the value of the Shares of any Sub-Fund.

***Market risk***

Market risk is the risk that the value of an investment will increase or decrease due to changes in market factors. Investments by the Management Company/Investment Manager(s) in Eastern European, Central European, Eastern Asian, African, Middle Eastern and Latin American markets on behalf of the Sub-Funds entail the risk of substantial fluctuations in exchange rates and share prices. The Eastern European, Central European and Eastern Asian, African, Middle Eastern and Latin American financial markets are relatively new, and many are associated with high market risks. Market risks are divided into: *equity risk* (e.g. the risk that stock prices and/or the implied volatility will rise or fall) and *currency risk* (e.g. the risk that foreign exchange rates will rise or fall).

***Liquidity risk***

Liquidity risk is one of the most important risks in the Sub-Funds since the Sub-Funds must have sufficient liquidity to meet payment obligations at all times. The Management Company/Investment Manager(s) invest primarily in countries with relatively new equity markets. Some equities in those countries are less liquid than in Western European markets which might affect both the price and timing when holdings are to be sold. Liquidity risks are divided into: *asset liquidity risk* (e.g. the risk of decreased market value of the portfolio and individual holdings due to a stressed liquidity in the market) and *funding liquidity risk (e.g.* the risk that a Sub-Fund cannot meet its payment obligations without considerable costs or in the worst case, does not have sufficient liquid resources to meet redemptions or other payment obligations).

***Sustainability risk***
Sustainability risk refers to the risk that environmental, social and governance (ESG) factors may directly or indirectly influence and may cause actual or potential negative impact on the value of an investment. Investment processes integrating ESG factors in the selection of the investment universe aim to identify such risks and in turn may or may not lead to a decision to invest. If the decision is to invest, an integral part of the investment process is to manage and where possible mitigate any potentially identified sustainability risk through different methods of influence, such as, among others, company engagement and/or exercising our voting rights at shareholders' meetings. Sustainability risks may not always be directly influenced by the invested companies based on decisions they make but are also influenced by externalities such as, but not limited to, physical risk aspect resulting from climate change.

***ESG investment risk***
ESG investment risk refers to the risk that investment and/or divestment decisions which are based not only on financial metrics, may result in performance differences as compared to the general market due to consideration of ESG factors in the investment decision process. Unavailability, inaccuracy, or incompleteness of data provided by third parties (where applicable) used as part of proprietary ESG scoring may lead to incorrectly assessing an investment opportunity.

***Credit and counterparty risk***

Credit risk can be divided into:

*Issuer risk* arises when investments are in assets that are guaranteed by an issuer (typically certificates or bonds). In the event of the bankruptcy or a downgrade in the rating of an issuer, all or part of the asset's value may be lost.

More generally, changes in the financial condition of an issuer or counterparty, changes in specific economic, social or political conditions that affect a particular type of security or other instrument or an issuer, and changes in economic, social or political conditions generally can increase the risk of default by an issuer or counterparty, which can affect a security's or other instrument's credit quality or value and an issuer's or counterparty's ability to pay interest and principal when due. The values of lower-quality debt securities tend to be particularly sensitive to these changes. The values of securities also may decline for a number of other reasons that relate directly to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods and services, as well as the historical and prospective earnings of the issuer and the value of its assets.

*Counterparty risk* is the risk that the counterparty will not meet its obligations with respect to transactions, whether due to insolvency, bankruptcy or other causes.

*Settlement risk* arises in a market where settlements are made *delivery versus payment* (DVP). The risk entails a replacement cost where the transaction must be performed with a different counterparty if the first counterparty could not meet its payment obligation. In a market where settlement is made *free of payment* (FoP), the risk entails the loss of the full value of the asset if the counterparty cannot meet its commitments. OTC instruments involve the risk that the full positive market value of the OTC instrument with regard to received collateral is lost if the counterparty cannot meet its commitments.

***Operational risk***

Operational risks are connected to the Risk Management Process of the Management Company including different features and quality of the trading settlement and valuation procedures operated by the Management Company/Investment Manager(s), which may increase the chances of losses due to human or technical errors. Operational risk also covers external factors such as legal risks, political risks and risks related to documentation.

***Settlement Risk***

- It may be that a settlement through a payment system does not take place as expected because payment or delivery of financial instruments by a counterparty did not, or not in time, take place as expected.

- The securities markets in some countries lack the liquidity, efficiency and regulatory controls of more developed markets.

- Lack of liquidity may adversely affect the ease of disposal of assets. The absence of reliable pricing information in a particular security held by a Fund may make it difficult to assess reliably the market value of assets.

- The share register may not be properly maintained and the ownership or interest may not be (or remain) fully protected.

- Registration of securities may be subject to delay and during the period of delay it may be difficult to prove beneficial ownership of the securities.

- The provision for custody of assets may be less developed than in other more mature markets and thus provides an additional level of risk for the Sub-Funds.

***Political Risks***

The countries in which the Sub-Funds invest have undergone dramatic changes in a short period of time, particularly due to the transition from planned to market economies. Democratization is still in its early stage. There is no guarantee that economic liberalization will continue. Military, social, religious or ethnic conflicts could reverse the process, leading to major detrimental consequences for Shareholders. Political risks in the countries that the Sub-Funds invest in are continuously monitored.

***Accounting policies***

Many of the local companies still follow accounting principles that differ from those of the Western countries. Reliability, accessibility and quality are often poorer than for Western companies. Thus, the countries were the Sub-Funds invest in are less transparent, as well as more difficult to analyse and value, than their Western counterparts. The lower transparency is not only a risk but also offers opportunities for the Management Company/Investment Manager(s), which through research can identify interesting companies to invest in on behalf of the Sub-Funds.

***Legal Risks***

The legal systems in the countries were the Sub-Funds invest in are relatively underdeveloped. Legislation is inadequate when it comes to both tangible and intangible property rights. The courts may interpret the law inconsistently and arbitrarily. There is less respect for the law than in the Western countries, and judicial rulings are often ignored. Legal risk is continuously monitored by the Management Company/Investment Manager(s).

***Administrative Risks***

As opposed to Western stock markets, there is no guarantee that shares will be entered in the relevant Sub-Fund's name shortly after the transaction date, or that transactions can be securely settled. The countries may lack about comprehensive legislation to protect the interests of shareholders.

***Minority Protection***

The existing protection of minority shareholders is limited in some of the markets the Sub-Funds invest in, particularly in Russia and some Balkan countries. Equal rights for shareholders cannot be assured, which among other things means that the right to information and possibility to exert influence over company management can be limited. The Management Company/Investment Manager(s) reduce the risk in the countries where this is a problem by means of diversification.

***Participatory Notes Risks***

Participatory notes also known as p-notes are financial instruments that may be used by some Sub-Funds to gain exposure to an equity or equity related investment in a local market where direct ownership is not allowed or not easily accessible for the relevant Sub-Funds. The relevant Sub-Funds can gain exposure to investments through p-notes, which are issued by banks, broker-dealers or other counterparties. P-Notes are treated as transferrable securities if they are listed for trading on a regulated exchange, however the listing does not guarantee any actual liquidity. P-notes may carry exposure to both liquid and illiquid securities and may trade at prices that are below the value of their underlying securities. P-notes may carry exposure to securities suspended from trading which may adversely affect the relevant Sub-Funds' ability to exit its investment in p-notes at a favourable price. Sub-Funds investing in p-notes may lack some of the rights (such as voting rights) they would have if they owned the underlying securities directly. If the issuer of the p-notes becomes unable or unwilling to honour its obligations to the relevant Sub-Fund, the Sub-Fund may lose money. Therefore investments in p-notes involve counterparty risk towards the issuer of the p-notes. Sub-Funds investing in p-notes are thus exposed not only to movements in the value of the underlying security, but also to the risk of counterparty default, which may in the event of counterparty default result in the loss of the full market value of the investment.

***Debt Securities***

A Sub-Fund may invest in fixed income securities which may be unrated by a recognised credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities. A Sub-Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. A Sub-Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Sub-Funds will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

***Downgrading Risk***

Investment grade bonds may be subject to the risk of being downgraded to non-investment grade bonds. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Sub-Fund's investment value in such security may be adversely affected. The Management Company may or may not dispose of the securities, subject to the investment objective and policy of the relevant Sub-Fund.

***High yield corporate bonds***

Corporate bonds rated below investment grade, or unrated securities that are determined by the Management Company to be of comparable quality, are high yield, high risk corporate bonds, commonly known as "junk bonds". These bonds are predominantly speculative. They are usually issued by companies without long track records of sales and earnings, or by companies with questionable credit strength. These bonds have a higher degree of default risk and may be less liquid than higher-rated bonds. These securities may be subject to a greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of junk bonds generally, and less secondary market liquidity. This potential lack of liquidity may make it more difficult for the Fund to accurately value these securities.

***Interest rate risk***

A Sub-Fund that has exposure to bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

***Currency hedging risk***

With respect to the hedged Share Classes, the Sub-Fund may enter into foreign exchange hedging transactions, the aim of which is to protect against adverse currency fluctuations between the relevant reference currency. Such hedging transactions may consist of foreign exchange forward contracts or other types of derivative contracts which reflect a foreign exchange hedging exposure. Investors should note that there may be costs associated with the use of foreign exchange hedging transactions which will be borne by the relevant hedged Share Class. Investors are reminded that there is no legal segregation of liability between Share Classes in the same Sub-Fund, so there is a remote risk that under certain circumstances, other Share Class holders of the Sub-Fund will be exposed to liabilities arising from currency exposure transactions undertaken for a hedged Share Class which negatively impacts the Net Asset Value of these other Share Classes.

***Volatility of financial derivative instruments***

The price of a financial derivative instrument can be very volatile. This is because a small movement in the price of the underlying security, index, interest rate or currency may result in a substantial movement in the price of the financial derivative instrument. Investment in financial derivative instruments may result in losses in excess of the amount invested.

***Futures and options***

Under certain conditions, a Sub-Fund may use options and futures on securities, indices and interest rates for different purposes. Also, where appropriate, a Sub-Fund may hedge market and currency risks using futures, options or forward foreign exchange contracts.

Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

***OTC financial derivative transactions***

In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which currencies, forward, spot and option contracts, credit default swaps and certain options on currencies

are generally traded) than of transactions entered into on organized exchanges. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with OTC financial derivative transactions. Therefore, a Sub-Fund entering into OTC financial derivative transactions will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses. A Sub-Fund will only enter into transactions with counterparties which it believes to be creditworthy, and may reduce the exposure incurred in connection with such transactions. Regardless of the measures the Fund may seek to implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that a Sub-Fund will not sustain losses as a result.

***Swaps***

In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realised on particular pre-determined investments or instruments.

Swaps contracts can be individually traded and structured to include exposure to different types of investment or market factors. Depending on their structure, these swap operations can increase or decrease the exposure of the Sub-Fund to strategies, shares, short- or long-term interest rates, foreign currency values, borrowing rates or other factors. Swaps can be of different forms, and are known under different names; they can increase or decrease the overall volatility of the Sub-Fund, depending on how they are used. The main factor that determines the performance of a swap contract is the movement in the price of the underlying investment, specific interest rates, currencies and other factors used to calculate the payment due by and to the counterparty. If a swap contract requires payment by the Sub-Fund, the latter must at all times be able to honour said payment. Moreover, if the counterparty loses its creditworthiness, the value of the swap contract entered into with this counterparty can be expected to fall, entailing potential losses for the Sub-Fund.

***Specific risks linked to securities lending***

In relation to securities lending transactions, investors must notably be aware that:

(A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded;

(B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned;

(C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales;

(D)deficiencies from inadequate internal processes and from human error or system failures at service providers, the Fund, the Management Company or a counterparty can result in an unexpected loss. The costs can be related to either a loss of a fraction or the whole value of a transaction, or to penalties imposed on the institution by a counterparty;

(E) the respective Sub-Fund is subject to liquidity risk which arises when a particular instrument is difficult to dispose of;

(F) the risk of loss of securities held with a custodian as a result of insolvency, negligence or fraudulent action by the custodian may occur. Custody risk is influenced by a variety of factors including the legal status of the securities, the accounting practices and safekeeping procedures employed by the custodian, the custodian’s choice of sub-custodians and other intermediaries, and the law governing the custody relationship; and that

(G) legal risks can bear the risk of loss because of the unexpected application of a law or regulation or because a contract cannot be enforced. A securities lending contract may be invalid or unenforceable. Even if the collateral arrangement has been set up correctly, there is the risk that the relevant insolvency law may impose a stay that prevents the collateral taker from liquidating the collateral.

Securities lending transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The fee arrangements in relation to securities lending can give raise to conflicts of interest where the risks generally are borne by the Sub-Fund lending securities, but the revenues are shared by the lender and its securities lending agent and where the agent may compromise on the quality of the collateral and the counterparty.

***Specific risk factors linked to emerging markets and frontier markets***

For those Sub-Funds which invest in securities of issuers of frontier and/or emerging countries, investors should be aware that such investments are more speculative and subject to greater risk than those in securities of issuers of developed countries. Frontier/emerging markets may be volatile and illiquid and the investments of a Sub-Fund in such markets may be subject to significant delays in settlement. The risk of significant fluctuations in the net asset value and of the suspension of redemptions in Sub-Funds investing in emerging/frontier markets may be higher than for Sub-Funds investing in major world markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in less developed or frontier/emerging markets. The assets of a Sub-Fund, as well as the income derived therefrom, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of such Sub-Funds' Shares may be subject to significant volatility. Some of these frontier/emerging markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

***Specific risk factors for China***

***1) <u>General</u>***

***Political and Social Risk***

Investments in China will be sensitive to any political, social and diplomatic developments which may take place in or in relation to China. Any change in the policies of China may adversely impact on the securities markets in China as well as the performance of the Sub-Fund(s) concerned.

***Economic Risk***

The economy of China differs from the economies of most developed countries in many respects, including with respect to government involvement in its economy, level of development, growth rate and control of

foreign exchange. The regulatory and legal framework for capital markets and companies in China is not well developed when compared with those of developed countries.

The economy in China has experienced rapid growth in recent years. However, such growth may or may not continue, and may not apply evenly across different sectors of China's economy. All these may have an adverse impact on the performance of the Sub-Fund(s) concerned.

***Legal and Regulatory Risk***

The legal system of China is based on written laws and regulations. However, many of these laws and regulations are still untested and the enforceability of such laws and regulations remains unclear. In particular, regulations which govern currency exchange in China are relatively new and their application is uncertain. Such regulations also empower the China Securities Regulatory Commission and the State Administration of Foreign Exchange to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application.

***Tax Risk***

The tax rules applied by the People's Republic of China ("PRC") taxation authorities in this area are unclear. As the provision made by the Fund is based on current market practice and the Fund's understanding of the tax rules, any changes to market practice or interpretation of PRC tax rules may impact this provision and may result in this provision being higher or lower than required. Consequently, investors may be advantaged or disadvantaged depending upon the final outcome of how the capital gains will be taxed, the level of provision and when they subscribed for and/or redeemed their Shares in/from the relevant Sub-Fund.

The Fund currently intends to make provisions at a rate of up to 10% on both realized and unrealized gains from disposing or holding Mainland Chinese equities and bonds.

***A-Shares***

China A-Shares are listed and traded on Mainland China's domestic stock exchanges comprising the Shanghai Stock Exchange and the Shenzhen Stock Exchange. Purchase and ownership of China A-Shares is generally restricted to Chinese investors and only accessible to foreign investors under certain regulatory frameworks in the PRC. Where a Sub-Fund is invested in securities marked in the PRC the repatriation of funds from the PRC may be subject to applicable local regulations in effect from time to time. There are uncertainties in the application of the PRC local regulations and there is no certainty that no restrictions apply to the repatriation of funds by a Sub-Fund in the PRC in the future.

Furthermore since there may potentially be limits on the total shares acquired by investors in listed PRC companies, the capacity of a Sub-Fund to make investments in China A-Shares may be limited and/or affected.

***Disclosure of Interests***

Under Mainland China laws, rules and regulations, if a Sub-Fund holds or controls shares (on an aggregate basis, i.e., including both domestically and overseas issued shares of the same Mainland China Listco (as defined below), whether the relevant holdings are through Stock Connect (as defined below), the

QFII/RQFII regime or other investment channels) in a Mainland China incorporated company which is listed on a Mainland China stock exchange (a "Mainland China Listco") above a certain threshold as may be specified from time to time, such Sub-Fund must disclose such interest within a specified period, and must not buy or sell any such shares within such period. The relevant Sub-Fund must also disclose any substantial change in its holding.

Such disclosures may expose the relevant Sub-Fund's holdings to the public with an adverse impact on the performance of the Sub-Fund.

Where a Mainland China incorporated company has both H Shares listed on the SEHK and A Shares listed on the SSE or SZSE (as defined below), if a Sub-Fund is interested in more than a certain threshold (as may be specified from time to time) of any class of voting shares (including A Shares purchased through Stock Connect) in such Mainland China incorporated company, such Sub-Fund is under a duty of disclosure pursuant to Part XV of the Securities and Futures Ordinance (Cap 571) (the "SFO"). Part XV of the SFO does not apply where the Mainland China incorporated company has not listed any shares on the SEHK.

***Foreign Ownership Limits***

Under Mainland China laws, there is a limit to how many shares a single foreign investor (including a Sub-Fund) is permitted to hold in a single Mainland China Listco, and also a limit to the maximum combined holdings of all foreign investors in a single Mainland China Listco. Such foreign ownership limits may be applied on an aggregate basis (i.e. across both domestically and overseas issued shares of the same listed company, whether the relevant holdings are through Stock Connect, the QFII/RQFII regime or other investment channels). The single foreign investor limit is currently set at 10% of the shares of a Mainland China Listco and the aggregate foreign investor limit is currently set at 30% of the shares of a Mainland China Listco. Such limits are subject to change from time to time.

***2) Risks relating to Shanghai-Hong Kong Stock Connect and Shenzhen – Hong Kong Stock Connect***

A Sub-Fund may invest and have direct access to certain eligible China A-Shares via the Shanghai-Hong Kong Stock Connect and Shenzhen – Hong Kong Stock Connect (together referred as to "Stock Connect"). Stock Connect is a securities trading and clearing linked program developed by The Stock Exchange of Hong Kong Limited ("SEHK"), Hong Kong Securities Clearing Company Limited ("HKSCC"), China Securities Depository and Clearing Corporation Limited ("ChinaClear"), the Shanghai Stock Exchange ("SSE") and the Shenzhen Stock Exchange ("SZSE"), respectively, with an aim to achieve mutual stock market access between the PRC (excluding Hong Kong, Macau and Taiwan) ("Mainland China") and Hong Kong. Under a joint announcement issued by the Securities and Futures Commission and China Securities Regulatory Commission ("CSRC") on 10 November 2014, trading under Stock Connect commenced on 17 November 2014.

Stock Connect comprises a Northbound Trading Link (for investment in China A-Shares) by which investors, through their Hong Kong brokers and a securities trading service company to be established by the SEHK, may be able to place orders to trade eligible shares listed and traded on the SSE or the SZSE, respectively by routing orders to the SSE or the SZSE, respectively.

Under Stock Connect, overseas investors (including the Sub-Funds) may be allowed, subject to rules and regulations issued/amended from time to time, to trade certain eligible securities (including China A-Shares)

listed and traded on the SSE or the SZSE, respectively (together referred to as the "**Chinese Securities**") through the Northbound Trading Link.

The Chinese Securities listed on the SSE which are available via Shanghai – Hong Kong Stock Connect 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 (i) those SSE-listed shares which are not traded in Renminbi (RMB) and (ii) those SSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

The Chinese Securities listed on the SZSE which are available via Shenzhen – Hong Kong Stock Connect include any constituent stock of the SZSE Component Index and the SZSE Small/Mid Cap Innovation Index which has a market capitalization of at least RMB 6 billion, and all the SZSE-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 (i) those SZSE-listed shares which are not traded in Renminbi (RMB) and (ii) those SZSE-listed shares which are included in the "risk alert board". The list of eligible securities may be changed subject to the review and approval by the relevant PRC regulators from time to time.

Further information about Stock Connect is available online at the website:
http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm

***Home Market Rules***

A fundamental principle of trading securities through Stock Connect is that the laws, rules and regulations of the home market of the applicable securities shall apply to investors in such securities. In respect of Chinese Securities, Mainland China is the home market and thus the relevant Sub-Funds should observe Mainland China laws, rules and regulations. If such laws, rules or regulations are breached, the relevant stock exchange (SSE or SZSE, respectively) has the power to carry out an investigation, and may require SEHK exchange participants to provide information about the relevant Sub-Funds and assist in investigations.

Nevertheless, certain Hong Kong legal and regulatory requirements will also continue to apply to the trading of Chinese Securities.

***Quota limitations risk***

There is a daily quota that limits the maximum value of all buy trades that can be executed on each trading day ("Daily Quota"). The Daily Quota may change from time to time without prior notice. The SEHK, the SSE and the SZSE, respectively may also set pricing and other restrictions on buy orders in order to prevent the artificial use or filling of the Daily Quota. Such quota and other limitations may restrict the relevant Sub-Funds' ability to invest in Chinese Securities on a timely basis, and these Sub-Funds may not be able to effectively pursue their investment policies.

The relevant Sub-Funds may sell their Chinese Securities regardless of whether there has been a breach of the Daily Quota.

***Suspension risk***

SEHK, SSE and the SZSE reserve the right to suspend trading if necessary for ensuring an orderly and fair market and managing risks prudently which would adversely affect the relevant Sub-Funds' ability to access the PRC market.

***Differences in trading day***

Stock Connect operates on days when both the Mainland China and Hong Kong markets are open for trading and when banks in the relevant 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 Mainland China market but Hong Kong investors (such as Sub-Funds) cannot carry out any trading via Stock Connect. The Sub-Funds may be subject to a risk of price fluctuations in Chinese Securities during the time when the Stock Connect is not trading as a result.

***No Day Trading***

Day (turnaround) trading is not permitted on the Mainland China A share markets. If the Sub-Fund buys Chinese Securities on T day, it can only sell the Chinese Securities on or after settlement has been completed (normally on T+1 day).

***No Off-exchange Trading and Transfers***

With certain limited exceptions, Chinese Securities may not be traded or transferred otherwise than through Stock Connect.

***No Manual Trade or Block Trade***

There will be no manual trade facility or block trade facility for trading under Stock Connect.

***Placing Orders***

Only limit orders with a specified price are allowed pursuant to the Stock Connect rules, where buy orders may be executed at or lower than the current best price and sell orders may be executed at or higher than the specified price. Market orders will not be accepted.

***Price Limits***

Chinese Securities are subject to a general price limit of a ±10% based on the previous trading day's closing price. In addition, Chinese Securities which are on the risk alert board are subject to a ±5% price limit based on the previous trading day's closing price. The price limit may be changed from time to time. All orders in respect of Chinese Securities must be within the price limit.

***Delisting of SSE and SZSE-listed Companies***

According to the SSE and SZSE rules, if any listed company is in the delisting process, or its operation is unstable due to financial or other reasons such that there is a risk of it being delisted or exposing investors' interests to undue damage, the listed company will be earmarked and moved to the risk alert board. Any change to the risk alert board may occur without prior notice. If a Chinese Security which is originally

eligible for Stock Connect trading is subsequently moved to the risk alert board, the Sub-Fund will be allowed only to sell the relevant Chinese Security and will be prohibited from further buying.

***Special Chinese Securities***

SEHK will accept or designate securities which cease to meet the eligibility criteria for Chinese Securities as Special Chinese Securities (provided that they remain listed on SSE or SZSE, respectively). In addition, any securities or options (which are not eligible for Stock Connect trading) received by the relevant Sub-Funds as a result of any distribution of rights or entitlements, conversion, takeover, other corporate actions or abnormal trading activities will be accepted or designated by SEHK as Special Chinese Securities. The relevant Sub-Funds will only be able to sell, but not buy, any Special Chinese Securities.

***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 SSE and SZSE, respectively will reject the sell order concerned. SEHK will carry out pre-trade checking on Chinese Securities sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. Accordingly, a broker through whom a Sub-Fund places a sell order may reject a sell order if the relevant Sub-Funds do not have sufficient available Chinese Securities in its account by the applicable cut off time specified by that broker or if there has been a delay or failure in the transfer of the relevant Chinese Securities to any clearing account of the broker.

***Risk of ChinaClear Default***

HKSCC and ChinaClear establish the clearing links and each is a participant of each other to facilitate clearing and settlement of cross-boundary trades. 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.

Should the remote event of ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC has stated that it may (but shall have no obligation to) take any legal action or court proceedings to seek recovery of the outstanding Chinese Securities and monies from ChinaClear through available legal channels or through ChinaClear's liquidation (if applicable). As ChinaClear does not contribute to the HKSCC guarantee fund, HKSCC will not use the HKSCC guarantee fund to cover any residual loss as a result of closing out any of ChinaClear's positions. HKSCC will in turn distribute the Chinese Securities and/or monies recovered to clearing participants on a pro-rata basis. The relevant broker through which a Sub-Fund trades shall in turn distribute Chinese Securities and/or monies to the extent recovered directly or indirectly from HKSCC.

Although the likelihood of a default by ChinaClear is considered to be remote, if such event occurs, the relevant Sub-Fund(s) may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

The China A-Shares traded through Stock Connect are issued in scripless form, so investors such as the Sub-Funds will not hold any physical China A-Shares. Hong Kong and overseas investors, such as the Sub-Funds, who have acquired Chinese Securities through Northbound trading should maintain the Chinese Securities with their brokers' or depositaries' stock accounts with the Central Clearing and Settlement System

operated by HKSCC for the clearing securities listed or traded on SEHK. Further information on the custody set-up relating to the Stock Connect is available upon request at the registered office of the Fund.

***Risk of HKSCC Default***

Any action or inaction of the HKSCC or a failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement of Chinese Securities and/or monies in connection with them and the relevant Sub-Funds' ability to access the Mainland China market will be adversely affected and the relevant Sub-Funds may suffer losses as a result.

***Operational risk***

Stock Connect provides a new channel for investors from Hong Kong and overseas, such as Sub-Funds, to access the China stock market directly.

Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able 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.

It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial program to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in the Stock Connect programs requires routing of orders across the border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (i.e. a new order routing system ("China Stock Connect System") to be set up by SEHK to which exchange participants need to connect). 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 Sub-Funds' ability to access the China A-Share market (and hence to pursue their investment strategy) will be adversely affected.

***Nominee arrangements in holding China A-Shares***

The Chinese Securities purchased by a Sub-Fund will be held by the relevant sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the HKSCC. HKSCC in turn holds the Chinese Securities as the "nominee holder", through a securities account in its name registered with ChinaClear.

It would appear that the relevant Sub-Funds would have beneficial ownership of Chinese Securities under Mainland China laws.

However, it should be noted that the exact nature and methods of enforcement of the rights and interests of the relevant Sub-Funds under Mainland China law is not certain and there have been few cases involving a nominee account structure in the Mainland China courts.

It should also be noted that as with other clearing systems or central securities depositaries, the HKSCC is not obliged to enforce the rights of the relevant Sub-Funds in the Mainland China courts. If a Sub-Fund wishes to enforce its beneficial ownership rights in the Mainland Courts, it will need to consider the legal and procedural issues at the relevant time.

***Segregation***

The securities account opened with ChinaClear in the name of HKSCC is an omnibus account, in which the Chinese securities for more than one beneficial owner are commingled. Chinese Securities will be segregated only in the accounts opened with HKSCC by clearing participants, and in the accounts opened with the relevant sub-custodians by their clients (including the Sub-Fund).

***Investor compensation***

Investments of the relevant Sub-Funds through Northbound trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. Hong Kong's Investor Compensation Fund is established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Since default matters in Northbound trading via Stock Connect do not involve products listed or traded in SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the Investor Compensation Fund.

On the other hand, since the relevant Sub-Funds are carrying out Northbound trading through securities brokers in Hong Kong but not PRC brokers, therefore they are not protected by the China Securities Investor Protection Fund in the PRC.

***Trading costs***

In addition to paying trading fees and stamp duties in connection with China A-Share trading, the relevant Sub-Funds may be subject to new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which are yet to be determined by the relevant authorities.

***Regulatory risk***

The Stock Connect rules are departmental regulations having legal effect in the PRC. However, the application of such rules is untested, and there is no assurance that PRC courts will recognize such rules, e.g. in liquidation proceedings of PRC companies.

Stock Connect is novel in nature, and is subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under Stock Connect.

The regulations are untested so far and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that Stock Connect will not be abolished. The relevant Sub-Funds which may invest in the PRC markets through Stock Connect may be adversely affected as a result of such changes.

***Taxation***

On 14 November 2014, the Ministry of Finance, State of Administration of Taxation and CSRC jointly issued a notice in relation to the taxation rule on Shanghai – Hong Kong Stock Connect under Caishui 2014 No.81 ("Notice No.81"). Under Notice No.81, CIT, individual income tax and business tax will be temporarily exempted on gains derived by Hong Kong and overseas investors (including the Sub-Funds) on the trading of China A-Shares through Shanghai – Hong Kong Stock Connect with effect from 17 November 2014. However, Hong Kong and overseas investors are required to pay tax on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant authority by the listed companies.

However, the exemption may be amended, discontinued or revoked in the future. In such case, prospective retrospective tax liability may arise. There is also a risk that the Mainland China tax authorities may seek to collect tax on a retrospective basis, without giving any prior warning. If such tax were to be collected, the tax liability would be payable by each relevant Sub-Fund. However, this liability may be mitigated under the terms of an applicable tax treaty.

## APPENDIX IV: ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") AND SUSTAINABILITY RELATED DISCLOSURE

Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended (SFDR) governs the transparency requirements regarding the integration of sustainability risks into investment decisions, the consideration of adverse sustainability impacts and the disclosure of Environment, Social, and Governance (ESG) and sustainability-related information.

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy Regulation) establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which an investment is environmentally sustainable.

The Management Company and the Investment Manager identify, analyse and integrate sustainability risks in their investment decision-making process as they consider that this integration could help enhance long-term risk adjusted returns for investors. The Management Company and the Investment Manager are of the opinion that unmanaged material sustainability risks and opportunities may influence the current and future position of a company. The Management Company and the Investment Manager consider principal adverse impacts derived from sustainability factors throughout each step of the investment process starting from the definition of the investable universe to portfolio construction and its active ownership approach. The identification of principal adverse impacts is done prior to and during the investment through exclusionary screening which implies that it will not invest in companies which generate a significant part of their revenue from sources which do not match the Management Company's and the Investment Manager's ESG criteria; and conducts norm-based screening on all portfolios, which identifies portfolio holdings which are alleged to conduct business in a manner contrary to well-established and generally agreed international norms on ESG issues. Further consultation and finalization of the regulatory technical standards (RTS) are to be continued and when the final RTS is available, this will be reflected in the prospectus and on the website at www.eastcapital.com.

For all Sub-Funds the Management Company and the Investment apply the following approach, which may over time be extended:

***Sector exclusions***

The Sub-Funds do not invest in companies which generate a majority of their revenue from the production or sale of weapons, tobacco products, pornography and gambling. Moreover, the Sub-Funds do not invest in any company with any exposure to controversial weapons. Exclusions are confirmed at the time of investment and the investment team also carries out an annual review of all portfolios to confirm that the criteria are being followed.

***Controversy analysis***

To alert us of suspected breach of international conventions and norms on human rights, labour standards, environment, health and safety or corruption, screening is part of the investment process with additional ad-hoc analysis if deemed necessary.

***Proprietary ESG scores***

To structure our review of relevant and material ESG risks and opportunities the Investment Manager has developed an ESG scorecard, which comprises a "Red Flag" analysis and additional Environmental, Social

and Governance (ESG)-related questions, as well as an SDG module to ensure that the Sub-Funds contribute to the UN's Sustainable Development Goals through asset allocation. As the scorecards are filled in by research analysts, portfolio managers and portfolio advisors, is ensured that the entire investment team integrates relevant and materials risks and opportunities in their fundamental analysis, providing a holistic analysis of company quality.

***Active ownership & Engagement***

As active investors, the Management Company and the Investment Manager believe that the investment activities of the Sub-Funds play a key role in implementing and enforcing improved ESG standards and strengthening the chain of accountability in portfolio companies through our monitoring capacity and constructive engagement or in the worst case, through litigation or divestment of the portfolio company when we deem our engagement has not resulted in the desired change.

Given the emphasis on engagement as one of the key features in the approach in promoting sustainability characteristics, the Sub-Funds may also invest in portfolio companies which are not yet scoring high on our ESG scorecard, but where the analysis identify potential of positive change or when engagement can lead to a significant positive impact on environmental, social or governance related objectives, for example by reduced carbon emissions, improved production processes, waste management and labor safety practices, and more transparent and accountable corporate governance.

For more detailed information, please refer to our website at www.eastcapital.com.

All Sub-Funds promote, among others, environmental, social and/or governance characteristics within the meaning of article 8 of SFDR, except East Capital Global Emerging Markets Sustainable which has sustainable investment as its objective within the meaning of article 9 of SFDR. East Capital Global Emerging Markets Sustainable applies all exclusion criteria as outlined in “Sector exclusions”, but in addition, the criteria are extended to alcohol and fossil fuel extraction. Furthermore, East Capital Global Emerging Markets Sustainable applies stricter coverage thresholds than the other Sub-Funds in relation to the ESG analysis as described under “Proprietary ESG scores” above, where all portfolio holdings have to be covered at the time of investment.